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**SHIFANG HOLDING LIMITED**

**十方控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

(Stock code: 1831)

## **ANNOUNCEMENT PURSUANT TO RULE 13.09 OF THE LISTING RULES**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board is pleased to announce that on 30 December 2010, Beijing HanDing, a wholly-owned subsidiary of the Company and YangGuang DuShi, a wholly-owned subsidiary of China National Radio entered into the Cooperation Agreement pursuant to which YangGuang DuShi authorizes Beijing HanDing to implement cooperative projects in relation to the development of Regional Broadcasting Radio Stations. Upon the establishment of the Project Company, the rights and obligations of Beijing HanDing under the Cooperation Agreement will be novated to and assumed by Project Company.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board of directors (the “**Board**”) of Shifang Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 30 December 2010, Beijing HanDing Advertisement Co., Ltd.\* (北京漢鼎廣告有限公司) (“**Beijing HanDing**”), a wholly-owned subsidiary of the Company and YangGuang DuShi (Beijing) Culture and Media Co., Ltd.\* (央廣都市(北京)文化傳媒有限公司) (“**YangGuang DuShi**”), a wholly-owned subsidiary of China National Radio (中央人民廣播電台) (“**China National Radio**”) entered into a cooperation agreement (the “**Cooperation Agreement**”) pursuant to which YangGuang DuShi authorizes Beijing HanDing to operate cooperative projects (the “**Projects**”) in relation to the development of radio stations of provincial level, municipal level and

county level (collectively, the “**Regional Broadcasting Radio Stations**”). Upon the establishment of a project company by the Company (the “**Project Company**”), the rights and obligations of Beijing HanDing under the Cooperation Agreement will be novated to and assumed by the Project Company.

Pursuant to the Cooperation Agreement, YangGuang DuShi and Beijing HanDing or the Project Company will implement the Projects through broadcasting the radio programmes which YangGung DuShi has broadcasting rights and are licensed to broadcast by China National Radio (the “**Radio Programmes**”) and through relevant radio advertisements via all the Regional Broadcasting Radio Stations in the People’s Republic of China (the “**PRC**”).

The term of the Cooperation Agreement is 5 years commencing from 1 January 2011 and ending on 31 December 2015, subject to renewal to be negotiated by both parties within six months prior to the expiry of such term. Under the terms of the Cooperation Agreement, Beijing HanDing shall be entitled to receive advertisement income generated in the years of 2011 and 2012. From 2013, Beijing HanDing or the Project Company and YangGuang Dushi shall be entitled to receive 85% and 15% of the net profit generated from the advertisement business, respectively.

Pursuant to the Cooperation Agreement, Beijing HanDing or the Project Company shall pay to YangGuang DuShi at the end of each calender year the royalties of broadcasting rights of the Radio Programmes which shall be determined in accordance with specific agreement under each specific Project. Beijing HanDing or the Project Company shall have the exclusive right to broadcast the Radio Programmes through relevant Regional Broadcasting Radio Stations during the term of the Cooperation Agreement.

According to the Cooperation Agreement, Beijing HanDing shall pay to YangGuang DuShi (i) RMB1 million as a sum to guarantee the due performance of Beijing HanDing under the Cooperation Agreement which is refundable within 15 working days upon termination of the Cooperation Agreement; and (ii) RMB9 million as a prepayment of the royalties of the broadcasting rights of the Radio Programmes for the year 2011.

As disclosed in the Company’s prospectus dated 22 November 2010 in relation to the global offering of its shares on the Main Board of the Stock Exchange, it is the Group’s strategy to expand into other media complementary with the Group’s current print media services business by entering into new cooperation contracts with media including radio stations. China National Station is the national radio station of the

PRC which possesses the largest audio network in the PRC and is one of the most important and influential mass media in the PRC. The Board is of the view that through the cooperation with YangGuang DuShi, the Group will be able to utilize the abundant resources of China National Radio and aim at developing its radio advertisement network which is in the interest of the Company and its shareholders as a whole.

By order of the Board of  
**ShiFang Holding Limited**  
**Chen Zhi**  
*Chairman*

Hong Kong, 30 December 2010

*As at the date of this announcement, the executive directors of the Company are Mr. Chen Zhi, Mr. Hong Pei Feng and Mr. Zhang Tie Zhu; the non-executive director is Mr. Wang Ping; and the independent non-executive directors are Mr. Zhou Chang Ren, Mr. Wong Heung Ming, Henry and Mr. Zhuo Ze Yuan.*

*\* for identification purposes only*