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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)

DISCLOSEABLE TRANSACTION

The Board is pleased to announce that, on 13 June 2014, Xiamen DuKe (an indirectly wholly owned subsidiary of the Company) has entered into the Purchase Agreement with the Vendor for the purchase of the Property at the Consideration of RMB22,163,547 (approximately HK\$27,482,798).

As one of the Percentage Ratios exceeds 5% but is less than 25% (and the others below 5%), the purchase constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION OF PROPERTY

The Board is pleased to announce that, on 13 June 2014, Xiamen DuKe (an indirectly wholly owned subsidiary of the Company) has entered into the Purchase Agreement with the Vendor for the purchase of the Property at a total consideration of RMB22,163,547 (approximately HK\$27,482,798).

THE PURCHASE AGREEMENT

The principal terms of the Purchase Agreement are set out below:

Date : 13 June 2014

Parties	:	(1) Xiamen DuKe (as purchaser)
		(2) Xiamen Information Group Ltd. (as vendor)
Property	:	Level 23 and 24 of the research and development building No. A01 situated in the first phase of Xiamen Software Park III
Consideration	:	RMB22,163,547 (approximately HK\$27,482,798) with an average unit price of approximately RMB5,518 (approximately HK\$6,843) per sq. metre
		The Consideration was arrived at on an arm's length commercial basis between the parties to the Purchase Agreement and having regard to the market information of property prices at the locality.
Payment	:	The Consideration is satisfied by payment in cash. 30% of the Consideration will be paid by 18 June 2014 and the balance is expected to be paid on or before 18 August 2014.
Completion	:	expected to be on or before 18 August 2014

To the best of the Board's knowledge, information and belief having made all reasonable enquiries, the Vendor is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR AND BENEFITS FOR THE ACQUISITION

The Property is situated in Xiamen Software Park III in the Jimei District of Xiamen. The Group purchase the Property for partial self-occupation and partial lease to external parties as an investment property.

Xiamen DuKe has successfully applied to the authority in connection with the Xiamen Software Park III and is eligible to purchase the Property at the Consideration. The terms and conditions of the Purchase Agreement are on normal commercial terms determined after arm's length negotiations. 30% of the Consideration (i.e. RMB6,693,547 (approximately HK\$8.3 million)) will be satisfied by internal resources of the Group and 70% of the Consideration (i.e. RMB15.47 million (approximately HK\$19.18 million)) will be satisfied by a mortgage loan on the Property granted by a bank to the Group.

The Board considers that the Acquisition represents a good investment opportunity. The Board is of the view that the terms of the Purchase Agreement are fair and reasonable and the Acquisition is in the interest of the Company and the Shareholders as a whole.

LISTING RULES REQUIREMENT

As one of the Percentage Ratios exceeds 5% but is less than 25% (and the others below 5%), the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION

The principal activity of the Company is investment holding. The Group is principally engaged in four major business, namely (i) newspaper advertising; (ii) online services; (iii) marketing, distribution management, consulting and printing services; and (iv) television and radio advertising. The Group is dedicated to offering on-stop solutions with its cross-media advertising platform to advertisers and creating value for its customers.

The Vendor is a large scale state-owned enterprise under the direct supervision of the Xiamen municipal government of the PRC. It is principally engaged in the development, construction, operation and management of Xiamen Software Park III and ancillary facilities. It also engaged in the construction of information service platform and supporting technology services.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Acquisition”	the acquisition of the Property by Xiamen DuKe at the Consideration of RMB22,163,547 (approximately HK\$27,482,798) in accordance with the terms and conditions of the Purchase Agreement
“Board”	the board of Directors
“Company”	Shifang Holding Limited (stock code: 1831), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange

“Consideration”	the total consideration of RMB22,163,547 (approximately HK\$27,482,798) for the Acquisition
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Percentage Ratio(s)”	the relevant percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan.
“Property”	Level 23 and 24 of the research and development building No. A01 situated in the first phase of Xiamen Software Park III with a total gross floor area of approximately 4,017 square metres
“Purchase Agreement”	an agreement dated 13 June 2014 between Xiamen DuKe and 廈門信息集團有限公司 (Xiamen Information Group Ltd.*) for Xiamen DuKe to purchase the Property
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the holders of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendor”	廈門信息集團有限公司 (Xiamen Information Group Ltd.*), a company incorporated in the PRC with limited liability. It is established with capital contribution from 廈門市國資委 (State-owned assets supervision and administration commission of Xiamen*), and a large scale state-owned enterprise group under the direct supervision of the Xiamen municipal government
“Xiamen DuKe”	廈門讀客信息科技有限公司 (Xiamen DuKe Information Science & Technology Co., Ltd.*), a company incorporated in the PRC with limited liability and an indirectly-held wholly-owned subsidiary of the Company
“Xiamen Software Park III”	廈門軟件園三期 (Xiamen Software Park III*)
“%”	per cent.

For reference only, amounts in RMB set out in this announcement have been converted into HK\$ based on an exchange rate of RMB1 = HK\$1.24. No representation is made that any amount in RMB had been or could be converted at the above rate.

By order of the Board
ShiFang Holding Limited
Chen Zhi
Chairman

Hong Kong, 17 June 2014

As at the date of this announcement, the executive Directors are Mr. Chen Zhi (Chairman), Mr. Hong Pei Feng, Mr. Zhang Tie Zhu and Mr. Yu Shiquan; the non-executive Directors are Mr. Wang Ping and Ms. Chen Min; the independent non-executive Directors are Mr. Zhou Chang Ren, Mr. Wong Heung Ming, Henry and Mr. Cai Jian Quan.