

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**SHIFANG HOLDING LIMITED**

**十方控股有限公司**

*(incorporated in the Cayman Islands and re-domiciled and continued in Bermuda with limited liability)*

**(Stock code: 1831)**

## **CONVERSION OF CONVERTIBLE BONDS**

Reference is made to the announcements of ShiFang Holding Limited (the “**Company**”) dated 24 January 2019, 15 February 2019 and 8 March 2019 and the circular of the Company dated 21 February 2019 regarding the subscription by TopBig International Development Limited (the “**Subscriber**”) of convertible bonds issued by the Company in the principal amount of RMB215,750,000 (equivalent to HK\$250,000,000) (the “**Convertible Bonds**”).

The Company received a conversion notice from the Subscriber exercising its right to convert a portion of the Convertible Bonds (the “**Partial Conversion**”) in the principal amount of RMB38,441,472 (equivalent to HK\$44,544,000) into the shares of the Company (the “**Shares**”). Following the Partial Conversion, the outstanding principal amount of the Convertible Bonds has been reduced to RMB177,308,528 (equivalent to HK\$205,456,000).

Based on the conversion price of HK\$0.24 per Share, 185,600,000 Shares (the “**Conversion Shares**”) were allotted and issued by the Company to the Subscriber on 21 May 2019. As a result of the Partial Conversion, the issued share capital of the Company has increased from 571,999,030 Shares to 757,599,030 Shares. The Conversion Shares rank *pari passu* with all the existing Shares in issue as at the date of allotment and among themselves in all respects. The 185,600,000 Conversion Shares represent: (a) approximately 32.45% of the issued share capital immediately before the Partial Conversion; and (b) approximately 24.50% of the issued share capital as enlarged by the Partial Conversion.

The table below illustrates the shareholding structures of the Company immediately before and after the Partial Conversion:

Shareholders	Before the Conversion		After the Conversion	
	Number of Shares	%	Number of Shares	%
The Subscriber and its associates ( <i>Note 1</i> )	41,598,674	7.27	227,198,674	29.99
Mr. Yu Shi Quan ( <i>Note 2</i> )	223,049	0.04	223,049	0.03
Shi Jianxiang	46,712,500	8.16	46,712,500	6.17
Happy Day Development Limited ( <i>Note 3</i> )	39,335,004	6.88	39,335,004	5.19
Rich Land Limited ( <i>Note 4</i> )	33,021,017	5.77	33,021,017	4.36
Chung Tai Limited ( <i>Note 5</i> )	32,701,911	5.72	32,701,911	4.31
Other Public Shareholders	378,406,874	66.16	378,406,874	49.95
Total	<u>571,999,030</u>	<u>100.00</u>	<u>757,599,030</u>	<u>100.00</u>

*Notes:*

1. The Subscriber is beneficially and wholly-owned by Mr. Chen Zhi, an executive Director.
2. Mr. Yu Shi Quan is an executive Director.
3. Happy Day Development Limited is a controlled corporation wholly-owned by Chen Rong.
4. Rich Land Limited is a controlled corporation wholly-owned by Wang Fucai.
5. Chung Tai Limited is a controlled corporation wholly-owned by Chen Rui.

The board (“**Board**”) of directors (“**Directors**”) of the Company welcomes the Subscriber’s decision regarding the Partial Conversion, as it demonstrated the Subscriber’s confidence on the long term prospect of the Company.

By order of the Board  
**ShiFang Holding Limited**  
**Siuming Tsui**

*Executive Director and Chief Executive Officer*

Hong Kong, 22 May 2019

*As at the date of this announcement, the executive Directors are Mr. Siuming Tsui (Chief Executive Officer), Mr. Chen Zhi and Mr. Yu Shi Quan; the non-executive Directors are Mr. Chen Wei Dong and Ms. Chen Min; and the independent non-executive Directors are Mr. Zhou Chang Ren, Mr. Wong Heung Ming, Henry and Mr. Cai Jian Quan.*