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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)

COMPLETION OF SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that the condition of the Subscription Agreements was fulfilled and the completion of the Subscriptions took place on 10 July 2020, whereby 151,519,806 Subscriptions Shares were allotted and issued to the Subscribers at the Subscription Price of HK\$0.101 per Subscription Share.

Reference is made to the announcement of ShiFang Holding Limited (the “**Company**”) dated 16 June 2020 (the “**Announcement**”) in relation to the Subscriptions. Unless the context requires otherwise, capitalized terms in this announcement shall have the same meanings as defined in the Announcement.

COMPLETION OF THE SUBSCRIPTIONS

The Board is pleased to announce that the condition of the Subscriptions Agreements was fulfilled and the completion of the Subscriptions took place on 10 July 2020, whereby 151,519,806 Subscriptions Shares were allotted and issued to the Subscribers at the Subscription Price of HK\$0.101 per Subscription Share, comprising 75,759,903 Shares being subscribed by Forever Joy Investments Limited (“**Forever Joy**”) and 75,759,903 Shares being subscribed by Victory Color International Investment Limited (“**Victory Color**”). None of the Subscribers has become a substantial shareholder (as defined in the Listing Rules) of the Company as a result of the Subscriptions.

The gross and net proceeds from the Subscriptions amounted to approximately HK\$15.30 million and HK\$15.15 million, respectively, which was intended to be utilized for replenishing the working capital of the Group and meeting its operational overheads, expenses and liabilities when they fall due.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The 151,519,806 Subscription Shares represent: (i) 20.00% of the existing issued share capital of the Company of 757,599,030 Shares immediately before completion of the Subscriptions; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the 151,519,806 Subscription Shares.

The table below illustrates the shareholding structure of the Company immediately before and after the completion of the Subscriptions:

	Immediately before completion of the Subscriptions		Immediately after completion of the Subscriptions	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Mr. Chen Zhi (<i>Note 1</i>)	227,198,674	29.99	227,198,674	24.99
Mr. Yu Shi Quan (<i>Note 2</i>)	223,049	0.03	223,049	0.02
Mr. Shi Jianxiang	46,712,500	6.17	46,712,500	5.14
Happy Day (<i>Note 3</i>)	39,335,004	5.19	39,335,004	4.33
Forever Joy (<i>Note 4</i>)	6,547,590	0.86	82,307,493	9.05
Victory Color (<i>Note 5</i>)	–	–	75,759,903	8.33
Other public shareholders	437,582,213	57.76	437,582,213	48.13
Total	<u>757,599,030</u>	<u>100.00%</u>	<u>909,118,836</u>	<u>100.00%</u>

Notes:

1. This represents the aggregate of (i) 1,758,164 Shares beneficially owned by Mr. Chen Zhi, the Chairman, the Chief Executive Officer and an executive Director of the Company, and (ii) 225,440,510 Shares held by TopBig International Development Limited (“**TopBig International**”), which is wholly owned by Mr. Chen Zhi.
2. Mr. Yu Shi Quan is an executive Director.
3. According to disclosure of interest filings, Happy Day Development Limited (“**Happy Day**”) is a controlled corporation wholly-owned by Chen Rong.
4. According to disclosure of interest filings, Forever Joy is a controlled corporation wholly-owned by Ms. Ye Xuejin.
5. According to disclosure of interest filings, Victory Color is a controlled corporation wholly-owned by Ms. Wu Yufang.
6. The percentages may not add up to 100% because of rounding.

By order of the Board
ShiFang Holding Limited
Chen Zhi
Chairman & Chief Executive Officer

Hong Kong, 10 July 2020

As at the date of this announcement, the executive Directors are Mr. Chen Zhi (Chairman & Chief Executive Officer) 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.