

*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 with limited liability)*

**(Stock code: 1831)**

**CLARIFICATION ANNOUNCEMENT  
AND  
UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS  
ANNOUNCEMENT  
AND  
VOLUNTARY ANNOUNCEMENT**

The board of directors (the “**Board**”) of ShiFang Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) has noted the unusual price and trading volume movements of the shares of the Company on 7 and 8 March 2016.

Having made reasonable enquiries regarding the Company, the Board has noted certain online media reports about the movie 《葉問3》 (Ip Man 3) (the “**Movie**”) and its box office results after screening in the PRC, which may have greatly affected the reputation of the Company. The Board now solemnly clarifies that the Company is only an investor in the film rights of the Movie and it is not participating in any distribution or release activities of the Movie in the PRC. The Company reserves its right to take legal action against those media for serious misrepresentations they have made.

Pursuant to the movie investment agreement (the “**Movie Investment Agreement**”) entered into between the Company and 上海合禾影視投資有限公司 (Shanghai Hehe Film Investment Ltd.) (“**Hehe Film**”) on 22 February 2016, the Company is entitled to 55% of the net box office income (the “**Target Income Right**”) in the PRC of the Movie, whereas Hehe Film has provided protection to the Company’s investment cost (RMB110 million (equivalent to

approximately HK\$131.17 million)), and guaranteed that the Company's total income from the Target Income Right within 1 year after the first release date of the Movie will not be less than RMB16.5 million (approximately HK\$19.68 million). For detailed information of the Movie Investment Agreement, please refer to the announcement of the Company dated 22 February 2016.

The Board confirms that the Company is closely monitoring the development of such matter and expresses its high-level attention towards such matter. The Board clarifies that the Movie is a quality movie which is recording excellent box office results in both Hong Kong and abroad. Accordingly, the Company is fully confident in the ultimate box office results of the Movie in the PRC. The Board confirms that the Company is now running in an orderly manner and will continue to carry out its business development as planned. Furthermore, save as stated above, the Board is not aware of any announcement required to be made in relation to any abovementioned reasons of unusual price and trading volume movements or of any information which must be announced, so as to avoid a false market in the securities of the Company. Neither is the Board aware of any inside information required to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

This announcement is made by the order of the Company. The Board collectively and individually accepts full responsibility for the accuracy of this announcement.

**Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the shares of the Company.**

By Order of the Board  
**SHIFANG HOLDING LIMITED**  
**Tsui Siu Ming**

*Executive Director (Chief Executive Officer)*

Hong Kong, 8 March 2016

*As at the date of this announcement, the executive Directors are Mr. Shi Jianxiang (Chairman), Mr. Chen Zhi, Mr. Tsui Siu Ming (Chief Executive Officer) and Mr. Yu Shiquan; the non-executive Directors are Mr. Chen Wei Dong, Ms. Chen Min and Mr. Zhou Xu Xiang; and the independent non-executive Directors are Mr. Zhou Chang Ren, Mr. Wong Heung Ming, Henry, Mr. Cai Jianquan and Mr. Ng See Yuen.*