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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)**

- (1) RESIGNATION OF DIRECTOR AND  
CHIEF EXECUTIVE OFFICER;**
- (2) APPOINTMENT OF CHAIRMAN AND  
CHIEF EXECUTIVE OFFICER;**
- (3) CHANGE IN COMPOSITION OF COMMITTEES;  
AND**
- (4) CHANGE OF AUTHORISED REPRESENTATIVE**

The Board announces that on 9 October 2019, (1) Mr. Siuming Tsui completed his service contract with the Company, indicated his decision of not renewing his service contract further, and tendered his resignation to resign from the positions of executive Director and CEO of the Company; and (2) Mr. Chen Zhi, an executive Director of the Company, was appointed as the Chairman and CEO of the Company. Simultaneously with the resignation of Mr. Tsui, on 9 October 2019, Mr. Chen replaced Mr. Tsui to be a member of the Remuneration Committee and the Nomination Committee and an authorised representative of the Company.

## **RESIGNATION OF DIRECTOR AND CHIEF EXECUTIVE OFFICER**

The board (the “**Board**”) of directors (the “**Directors**”) of ShiFang Holding Limited (the “**Company**”, which together with its subsidiaries are collectively referred to as the “**Group**”) announces that on 9 October 2019, Mr. Siuming Tsui (“**Mr. Tsui**”) completed his service contract with the Company and indicated his decision of not renewing his service contract further, due to his intention to concentrate on his own business engagements. Mr. Tsui tendered his resignation to resign from the positions of executive Director and Chief Executive Officer (“**CEO**”) of the Company with effect from 9 October 2019. Mr. Tsui confirmed that he has no disagreement with the Board and there is no other matter relating to his resignation that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board wishes to take this opportunity to express its sincere gratitude to Mr. Tsui for his leadership and contribution to the Company during his tenure of services.

## **APPOINTMENT OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

The Board announces that on 9 October 2019, Mr. Chen Zhi (“**Mr. Chen**”), an executive Director of the Company, was appointed as the Chairman and CEO of the Company with effect from 9 October 2019.

### **Biographical details of Mr. Chen**

Mr. Chen Zhi, aged 53, is an executive Director. He is a qualified accountant as conferred by the Ministry of Finance. Mr. Chen was a cadre of the Fuzhou Minhou Tax Bureau from 1982 to 1989 (during which he was granted leave from 1985 to 1988 to pursue his studies at Fujian Radio and Television University), deputy section chief of the Fuzhou Economic and Technology Development Area Tax Bureau from 1989 to 1993, and subsequently the section chief from 1993 to 2002. He joined our Group in 2003 and pioneered our distinctive business model of cooperating with newspaper partners to provide integrated print media services to advertisers, undertook the main decision-making role in the management of our overall operations and oversaw the strategic development of our Group. He was appointed as the Chairman, CEO and executive Director of our Company on 9 December 2009, ceased to be the CEO of the Company on 29 January 2016 and ceased to be the Chairman of the Company on 25 February 2016. Mr. Chen has accumulated more than ten years of relevant experience from developing the business of our Group and possesses a deep understanding of the print media and advertising industries of the People’s Republic of China (the “**PRC**”). Mr. Chen graduated from Fujian Radio and Television University in 1988 with a diploma in financial economics. Mr. Chen is one of our controlling shareholders. He is also a director of TopBig International Development Limited (“**TopBig International**”). Mr. Chen is the brother of Ms. Chen Min, a non-executive Director of the Company. Save as disclosed above, Mr. Chen does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the date of this announcement, Mr. Chen is deemed to be interested, within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the “SFO”), in 1,083,265,340 Shares and underlying Shares, representing approximately 142.98% of the issued share capital of the Company). These 1,083,265,340 Shares and underlying Shares deemed to be interested by Mr. Chen comprises: (i) 1,758,164 Shares held by Mr. Chen personally; (ii) 225,440,510 Shares held by the TopBig International, a company wholly-owned by Mr. Chen; and (iii) 856,066,666 conversion shares falling to be issued on the full conversion of the convertible bonds held by TopBig International. Save as disclosed above, Mr. Chen was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Mr. Chen has entered into a service contract as executive Director with the Company for a term of three years commencing from 3 December 2010 unless and until terminated by not less than six months’ notice in writing served by either party on the other. Mr. Chen’s directorship is subject to retirement by rotation and re-election at the general meetings of the Company. Prior to his appointment as Chairman and CEO, the annual total emoluments paid by the Group to Mr. Chen for the year ended 31 December 2018 amounted to approximately RMB1,800,000. After his Chairman and CEO appointment, Mr. Chen will be entitled to remuneration, discretionary bonuses and other benefits as may be determined by the Board and the Remuneration Committee of the Company by reference to his new roles and responsibilities as the Chairman, CEO and executive Director under the prevailing conditions of the Company and the market in general.

Mr. Chen does not hold any other directorship in listed public companies in the last three years. Save as disclosed above, in relation to the appointment of Mr. Chen as the Chairman and CEO of the Company, the Board is not aware of any other information that needed to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange, nor is there any other matter that need to be brought to the attention of the Shareholders and the Stock Exchange.

The Board wishes to congratulate Mr. Chen on his new positions.

## **DEVIATION FROM THE CORPORATE GOVERNANCE CODE**

The appointment of Mr. Chen as both the Chairman and the CEO of the Company deviates from Code Provision A.2.1 of the Corporate Governance Code set out in Appendix 14 to Listing Rules (the “**CG Code**”). In this regard, the Board considers that the vesting of the dual capacities of Chairman and CEO in the same person is beneficial to the Company in the circumstances, as management effectiveness and efficiency can be enhanced and better coherence between management execution and business strategies can be achieved. In addition, the Board comprises a variety of executive Directors, non-executive Directors and independent non-executive Directors, and is appropriately structured to provide sufficient checks and balances to protect the interests of the Company and the Shareholders as a whole.

## **CHANGE IN COMPOSITION OF COMMITTEES**

Simultaneously with the resignation of Mr. Tsui, he also ceased to be a member of the Remuneration Committee and the Nomination Committee of the Company with effect from 9 October 2019. On 9 October 2019, Mr. Chen was appointed as a member of the Remuneration Committee and the Nomination Committee of the Company with immediate effect.

## **CHANGE OF AUTHORISED REPRESENTATIVE**

The Board announces that with effect from 9 October 2019, Mr. Chen replaced Mr. Tsui to be an authorised representative of the Company for the purpose of Rule 3.05 of the Listing Rules and for the purpose of service of process and notices in Hong Kong under the Companies Ordinance, Chapter 622 of the Laws of Hong Kong. Following this change, the two authorised representatives of the Company are Mr. Chen Zhi and Ms. Chan Ching Yi.

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

Hong Kong, 9 October 2019

*As at the date of this announcement, the executive Directors are Mr. Chen Zhi (Chairman & Chief Executive Officer) and Mr. Yu Shiquan; 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 Jianquan.*