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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)**

## **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that based on information currently available, the Group is expected to record a significant increase in loss for the year ended 31 December 2021.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by ShiFang Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on information currently available, the Group is expected to record a significant increase in loss for the year ended 31 December 2021.

Based on information currently available to the Group, the factors attributable to the loss include, inter alia, (a) the impairment made for the right to the land lease and fixed assets of the project site (the “**Project Assets**”) due to the litigation of Beijing Fanxing Travel Co., Ltd., as disclosed in the Company’s announcement dated 31 May 2021; (b) continual intensified competition of online new media and the accelerated transformation of the advertising industry, resulting in decrease of revenue and profit of the Group’s traditional newspaper advertising business; and (c) the high operational costs of the Group. Assuming the full impairment of the Project Assets, the loss attributable to owners of the Company for the year ended 31 December 2021 is expected to increase by approximately RMB110 million as compared with the same period last year, while the loss attributable to owners of the Company in the amount of RMB74.5 million for the year ended 31 December 2020.

The Company is still in the process of finalising the unaudited consolidated results of the Group for the year ended 31 December 2021. The information contained in this announcement is only a preliminary assessment made by the Board based on currently available information and such information has not been audited or reviewed by the Company’s auditor. Details of the Group’s annual results will be disclosed in the results announcement of the Company for the year ended 31 December 2021 which is expected to be released by the end of March 2022.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board

**ShiFang Holding Limited**

**Chen Zhi**

*Chairman & Chief Executive Officer*

Hong Kong, 21 March 2022

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