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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)

QUARTERLY UPDATE ON CONTINUED SUSPENSION OF TRADING

This announcement is made by the board (the "**Board**") of directors (the "**Directors**", and each a "**Director**") of Shifang Holding Limited (the "**Company**") pursuant to Rule 13.09 and 13.10 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), 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 Board hereby explains to shareholders and potential investors that the Company is unable to issue financial reports for reasons including but not limited to the following, and is therefore currently unable to resume trading.

I. PRINCIPAL REASONS FOR THE INABILITY TO ISSUE FINANCIAL REPORTS

1. In respect of the former auditors, PricewaterhouseCoopers, the Company owes approximately HK$4.09 million in audit fees, and currently has no funds to pay the same.

2. The Company owes nearly HK$10 million in service fees to the law firm serving the Company, and currently has no funds to pay the same. In 2023, the Company pledged its relevant properties in Xiamen to the operator of such law firm.

3. The Company owes Ms. Zheng Shouling, a creditor, nearly over RMB1 million in rent, as well as over RMB50 million owed to Ms. Zheng Shouling under a document issued by the government of the Chinese Mainland signed by Mr. Chen Zhi, an executive Director of the Company.

4. As the relevant documents signed by Mr. Chen Zhi, an executive Director of the Company, were not approved by the Board of the Company, the Company has been publicly disclosed by the industry and commerce and judicial systems of the Chinese Mainland as a person subject to enforcement, and has been subject to a restriction on consumption order. The relevant cases are (2026) Min 0102 Zhi No. 4298 (（2026）閩0102執4298號) and (2025) Min 0102 Zhi No. 158 (（2025）閩0102執158號). The Company has been ordered to pay a total of over RMB3 million, and currently has no funds whatsoever to pay the same.

5. Mr. Chen Zhi, an executive Director of the Company, on the pretext of paying the audit fees of the Company, borrowed over HK$1.47 million from Mr. Tang Zonggao, a shareholder of the Company. To date, the auditors and financial staff of the Company have not yet ascertained where such amount was transferred by Mr. Chen Zhi, nor can they confirm the use thereof;

6. The goods purchased in the name of paying for goods on behalf of the Company by Ms. Wu Wenlin, a shareholder of a joint venture subsidiary of the Company, together with the physical goods, shipping documents or tax vouchers, have all inexplicably disappeared in the course of the operations of Ms. Wu Wenlin and her spouse Mr. Hu Bin. Such funds were also borrowed by Ms. Wu Wenlin from the Company, and the whereabouts of such funds are currently unknown in the course of the operations of Ms. Wu Wenlin and Mr. Hu Bin.

Based on the above reasons, the Company does not have sufficient assets available for sale to repay its debts, and none of the creditors is willing to sign a financial support document in favour of the Company similar to those in previous years, and the Company does not have funds to pay employee remuneration or the previously owed wages in order to prepare the Group's relevant accounting records. Meanwhile, certain creditors have formally notified the Company that they will commence legal proceedings against the Company in the High Court of Hong Kong in respect of the debt issues. Accordingly, the auditors of the Company are unable to sign any opinion on the financial data of the Company. At the same time, the Company also does not satisfy the conditions for resumption of trading.

II. CIRCUMSTANCES RELATING TO THE THREE RELEVANT COMPANIES

Mr. Chen Zhi, an executive Director of the Company, privately engaged material suppliers for Guangxi Daxin ShiFang Technology Co., Ltd.（廣西大新十方科技有限公司）, Shide Fangyu (Shenzhen) Technology Co., Ltd.（十德方裕（深圳）科技有限公司）and ShiFang Technology Co., Ltd.（十方科技有限公司）(the "**three relevant companies**") registered by the Company, namely Ms. Wu Wenlin, the operator of such companies, and her spouse Mr. Hu Bin, at the relevant business premises bearing the Company's signboard at 13A, Block A, Jieshun Technology Center, Longhua District, Shenzhen. The auditors of the Company were unable to conduct a stock count of the remittance vouchers relating to the Company's business of the three relevant companies. All acts of Mr. Hu Bin and Ms. Wu Wenlin at such premises were not authorised by the Board of the Company.

The Company clarifies that Mr. Hu Bin does not represent the Company. Mr. Hu Bin described to the Board of the Company matters such as that several villagers of Fenghuang Village, Shenzhen purchased shares of the Company through the recommendation of him and a person he referred to as Mr. Zhou（周總）of China Construction Installation Engineering（中建安裝）. The Company has, in respect of the financial issues of the three relevant companies operated by Mr. Hu Bin, formally reported the relevant acts of Mr. Hu Bin and Ms. Wu Wenlin to the Shenzhen police. The Shenzhen police have currently summoned Mr. Hu Bin and Ms. Wu Wenlin. At the same time, after Ms. Wu Wenlin and Mr. Hu Bin borrowed funds from the Company under fictitious purposes, they, in the form of paying for goods on behalf of the Company, made payment from the personal account of Ms. Wu Wenlin to the relevant enterprises of Shenzhen Lepow（深圳市樂泡）, but the payment was not made to the account of such company and was instead made to the personal bank account

in Hong Kong of Mr. Zhou Chaoran, the legal representative of the relevant company of such enterprise (which likewise renders the auditors of the Company unable to issue an audit report opinion). Whether such act complies with the tax laws and regulations, the Company will formally report to the tax inspection department of Shenzhen. The Company has also formally reported such act of Ms. Wu Wenlin to the Shenzhen police, and the Shenzhen police have replied to the staff of the Company that Mr. Hu Bin stated that he would provide the police with the documentary evidence of the above facts, but the Shenzhen police have not yet received the documents which Mr. Hu Bin undertook to provide.

The Company has never promised any secondary market investment return to any shareholder or potential investor. If Fenghuang Village, Shenzhen or any other shareholders who purchased shares of the Company through the introduction of Mr. Hu Bin intend to protect their rights, they may report to the relevant police or lodge a relevant complaint with the Hong Kong Securities and Futures Commission. After registering the three relevant companies, Mr. Hu Bin used the turnover of the enterprises independently operated by him and Ms. Wu Wenlin, by way of passing through accounts, to purport to be the business of the three relevant companies, with the intention of window-dressing the financial reports of the Company and inducing investors to purchase shares of the Company so as to achieve the relevant purpose of driving up the share price of the Company; as the auditors of the Company are unable to confirm the source of the business funds of the three relevant companies, revenue cannot be recognised in accordance with IFRS. The Company will directly submit the relevant documents concerning Mr. Hu Bin and Ms. Wu Wenlin subsequently provided, if any, to the Company by the Shenzhen police to the Hong Kong Stock Exchange and the Hong Kong Securities and Futures Commission.

The Company does not give any guarantee in respect of the acts of Mr. Hu Bin and his spouse Ms. Wu Wenlin in window-dressing the financial reports of the Company after purchasing shares of the Company and recommending other investors to purchase shares of the Company so as to drive up the share price. At the same time, shareholders of the Company are reminded that their personal rights and interests can only be safeguarded by themselves, and that they should not believe any promises made by any person who is a statutory third party.

III. MATTERS RELATING TO THE SHARE REGISTRAR

The Company is pleased to announce that, after several months of communication between the Company and the new share registrar, the new share registrar intends to become the Company's share registrar. However, the confirmation and review of all documents of the Company have not yet been completed. At the same time, because, as previously announced by the Company, Tricor Investor Services Limited resigned as the share registrar of the Company due to the relevant acts of Ms. Zou Huifang, Mr. Chen Jiaxuan and Mr. Chen Jiarui (a mother and her two sons), who repeatedly attempted to transfer the shares of shareholders without the consent of the holders, the shares they had obtained were reported to the police by the original holders, and all the original holders formally notified the Company and the former share registrar that such mother and her two sons transferred the shares to their names without the consent of the original holders and without payment, it is not ruled out that the prospective incoming share registrar may ultimately refuse to assume the office of share registrar of the Company based on the above circumstances.

IV. GENERAL MATTERS

The Company will make further announcements in due course in respect of the further progress of the above matters. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

V. CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended with effect from 10:04 a.m. on Monday, 24 August 2026 and will remain suspended until further notice.

By order of the Board
ShiFang Holding Limited
Chen Ye
Co-Chairman of the Board

Hong Kong, 24 November 2026

As at the date of this announcement, the members of the Board are: Mr. Chen Zhi and Mr. Chen Ye as the executive Directors; Ms. Wang Bao Zhu as the non-executive Director; and Mr. Huang Shengwei, Mr. Zhu Chenghui and Ms. Ng Wing Wing as the independent non-executive Directors.