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**Shihua Development Company Limited**  
**實華發展有限公司**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 485)

**COMPLETION OF MAJOR TRANSACTION  
INVOLVING THE ISSUE OF CONSIDERATION SHARES  
UNDER THE GENERAL MANDATE**

Reference is made to the announcement (“**Announcement**”) of Shihua Development Company Limited (the “**Company**”) dated 19 January 2015 in relation to the Acquisition involving the issue of Consideration Shares under the General Mandate. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

**COMPLETION OF THE ACQUISITION**

The Board is pleased to announce that the completion of the Sale & Purchase Agreement took place on 10 February 2015. A total of 400,000,000 Consideration Shares were allotted and issued on 10 February 2015 in accordance with the terms and conditions of the Sale & Purchase Agreement.

The number of the Consideration Shares represents (i) approximately 19.67% of the issued share capital of the Company immediately before completion of the Sale & Purchase Agreement; and (ii) approximately 16.44% of the issued share capital of the Company immediately after completion of the Sale & Purchase Agreement as enlarged by the issue of the Consideration Shares.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structures of the Company immediately before and after the completion of the Sale & Purchase Agreement are as follows:

	Immediately before the completion of the Sale & Purchase Agreement		As at the date of this announcement and immediately after the completion of the Sale & Purchase Agreement and the issue of Consideration Shares	
	Shares	Approximate %	Shares	Approximate %
Achieve Prosper Capital Limited ( <i>Note</i> )	1,085,755,571	53.39	1,085,755,571	44.61
Four holders nominated by the Vendor	–	–	400,000,000	16.44
Public Shareholders	<u>948,052,914</u>	<u>46.61</u>	<u>948,052,914</u>	<u>38.95</u>
<b>Total</b>	<b><u>2,033,808,485</u></b>	<b><u>100</u></b>	<b><u>2,433,808,485</u></b>	<b><u>100</u></b>

*Note:*

Achieve Prosper Capital Limited is wholly and beneficially owned by Hong Kong Shihua Holdings Limited, which is in turn wholly and beneficially owned by 遼寧實華(集團)房地產開發有限公司 (Liaoning Shihua (Group) Property Development Company Limited\*) (“Liaoning Shihua Property”). Liaoning Shihua Property is owned as 82.8% by Mr. Wang Jing, the Chairman of the Board and the executive Director.

By Order of the Board  
**Shihua Development Company Limited**  
**WANG Jing**  
*Chairman*

Hong Kong, 10 February 2015

*As at the date of this announcement, the Board comprises Mr. Wang Jing, Mr. Wang Xing Qiao, Mr. Chen Wan Jin and Mr. Zhao Shuang as executive Directors; Mr. Li Jun as non-executive Director; and Mr. Yang Xin Hua, Mr. Wang Ping and Mr. Cheng Tai Kwan Sunny as independent non-executive Directors.*

\* *For identification purposes only*