



14 June 2017

**High Concentration of Shareholding
in
Yat Sing Holdings Limited (Stock Code: 3708)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Yat Sing Holdings Limited (“the Company”) in the hands of a limited number of shareholders as at 31 May 2017.

In view of the high concentration of shareholding in a small number of shareholders, shareholders and prospective investors should be aware that the price of the shares of the Company (“Shares”) could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the Shares.

The SFC has recently completed an enquiry into the shareholding of the Company. Our findings suggested that as at 31 May 2017, 18 shareholders held an aggregate of 220,195,000 Shares, representing 19.68% of the issued Shares. Such shareholding, together with the 787,355,000 Shares (representing 70.38% of the issued Shares) held by three substantial shareholders of the Company, represented 90.06% of the issued Shares as at 31 May 2017. Therefore, only 111,250,000 Shares (representing 9.94% of the issued Shares) were held by other shareholders.

As at 31 May 2017, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Smart Paradise International Limited (<i>Note 1</i>)	599,100,000	53.55
Mr. Chen Weizhong	96,215,000	8.60
Mr. Chen Qionshan	92,040,000	8.23
A group of 18 shareholders	220,195,000	19.68
Other shareholders	111,250,000	9.94
Total	1,118,800,000	100.00

Note 1: Mr. Dai Jian, the chairman and executive director of the Company, is the sole beneficial owner and director of Smart Paradise International Limited.

The price of the Shares increased from January to April 2017, and closed at HK\$5.68 on 21 April 2017, which was 43% higher than the closing price of HK\$3.97 on 3 January 2017. During the period from 24 April 2017 to 31 May 2017, the closing price of the Shares dropped 32% from HK\$5.68 on 21 April 2017 to HK\$3.89 on 2 May 2017, but rebounded 31% to HK\$5.10 on 31 May 2017.



The Company had made, inter alia, the following announcements between January and May 2017:-

- On 13 January 2017, the Company announced the close of an unconditional mandatory cash offer by Smart Paradise International Limited to acquire all issued Shares at HK\$0.563 per offer share.
- On 3 February 2017, the Company announced that it entered into a letter of intent in relation to a proposed acquisition of 51% equity interest in a PRC-established company principally engaged in, amongst other things, research and development, manufacturing, processing, sales, technical advisory and services of visible light photocatalysis products. The sale and purchase agreement was subsequently entered into on 7 March 2017 with a total consideration of RMB33,150,000 (equivalent to approximately HK\$37,128,000).
- On 27 February 2017, the Company announced its interim results for the six months ended 31 December 2016, recording a loss attributable to shareholders of the Company of HK\$141,000, as compared to a profit attributable to shareholders of the Company of HK\$8,144,000 for the corresponding period in 2015.

As at 13 June 2017, the Shares closed at HK\$4.68, which was 18% higher than the closing price of HK\$3.97 on 3 January 2017 (or 731% higher than the offer price of HK\$0.563).

In view of the high concentration of shareholding in a small number of shareholders, shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the Shares.

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