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## **YAT SING HOLDINGS LIMITED**

### **日成控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3708)**

#### **PROPOSED SHARE SUB-DIVISION**

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The Board proposes to sub-divide each existing issued and unissued Share of HK\$0.01 each of the Company into five (5) Sub-divided Shares of HK\$0.002 each.

The Share Sub-division will become effective after the conditions set out in the paragraph headed “Conditions of the Share Sub-division” below are fulfilled. All Sub-divided Shares will rank *pari passu* with each other and the Share Sub-division will not result in any change in the rights of the Shareholders.

##### **GENERAL**

The EGM will be convened to consider and, if thought fit, approve, among other things, the Share Sub-division. A circular containing, amongst other things, further details of the Share Sub-division, including the trading arrangement in respect of the Sub-divided Shares, together with a notice of the EGM will be despatched to the Shareholders on or around 15 January 2018.

##### **PROPOSED SHARE SUB-DIVISION**

The Board proposes to sub-divide each existing issued and unissued Share of HK\$0.01 each of the Company into five (5) Sub-divided Shares of HK\$0.002 each.

## **EFFECT OF THE SHARE SUB-DIVISION**

As at the date of this announcement, the authorised share capital of the Company is HK\$20,000,000 divided into 2,000,000,000 Shares of par value of HK\$0.01 per Share of which 1,118,800,000 Shares have been issued and fully paid. Upon the Share Sub-division taking effect, and assuming that no further Shares will be issued or repurchased prior to the Share Sub-division becoming effective, the effect of the Share Sub-division is set at as follows:

	<b>Prior to the Share Sub-division</b>	<b>Immediately upon completion of the Share Sub-division</b>
Par value of each Share	HK\$0.01	HK\$0.002
Number of authorised Shares	2,000,000,000	10,000,000,000
Authorised Share capital	HK\$20,000,000	HK\$20,000,000
Number of Shares in issue	1,118,800,000	5,594,000,000

As at the date of this announcement, the Company does not have any Share Options outstanding under the Share Option Scheme or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

### **Conditions of the Share Sub-division**

The Share Sub-division is conditional upon:

- (a) the passing of an ordinary resolution to approve the Share Sub-division by the Shareholders at the EGM; and
- (b) the Listing Committee granting approval to the listing of, and permission to deal in, the Sub-divided Shares.

### **Status of the Sub-divided Shares**

The Sub-divided Shares will rank *pari passu* in all respects with each other and the Share Sub-division will not result in any change in the relative rights of the Shareholders.

An application will be made to the Listing Committee for the listing of and the permission to deal in, the Sub-divided Shares and any new Sub-divided Shares which may fall to be issued pursuant to the exercise of the Share Options to be granted under the Share Option Scheme.

## **Free exchange of Sub-divided Shares' certificates and trading arrangement**

Subject to the Share Sub-division becoming effective, Shareholders may submit their existing share certificate(s) to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, in exchange for new share certificates free of charge during the period from 8 February 2018 to 21 March 2018 (both days inclusive) between 9:00 a.m. and 4:00 p.m. on any Business Day. Such exchange of share certificates thereafter will be accepted only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate issued or each existing share certificate submitted, whichever number of share certificate involved is higher. It is expected that the new share certificates will be available for collection from the Company's branch share registrar and transfer office in Hong Kong by the Shareholders within 10 business days after delivery of the existing share certificates to the Company's branch share registrar and transfer office in Hong Kong for exchange purpose.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on 16 March 2018 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Sub-divided Shares on the basis of one Share for five Sub-divided Shares. The new share certificates for the Sub-divided Shares will be issued in blue colour in order to distinguish them from the existing light green colour of the share certificates for the Shares.

## **Odd lots arrangement**

The Shares are currently traded in the board lot size of 5,000 Shares. Upon the Share Sub-division becoming effective, the board lot size of the Sub-divided Shares for trading on the Stock Exchange will remain as 5,000 Sub-divided Shares.

It is expected that the Share Sub-division will not result in any odd lot of the Shares other than those already exist, and therefore no odd lot arrangement for matching the sales and purchases of odd lots will be made.

## **REASONS FOR THE SHARE SUB-DIVISION**

Upon the proposed Share Sub-division becoming effective, the par value of each share of the Company will decrease and the total number of shares of the Company in issue will increase. As a result, the Share Sub-division is expected to result in reducing the trading price of each share in the Company correspondingly which would appeal to more investors. The Board believes that the Share Sub-division will improve the liquidity in trading of the shares in the Company and thereby widen its Shareholder base. Based on the closing price of HK\$3.01 per Share (equivalent to approximately HK\$0.62 per Sub-divided Share as at the date of this announcement, the value of each board lot of 5,000 Sub-divided Shares, assuming the Share Sub-division had already become effective, would be approximately HK\$3,010. The Share Sub-division will reduce the minimum purchase price of each board lot of Shares. In view of the above, the Board considers that the Share Sub-division is fair and reasonable and in the interests of the Company and its Shareholders as at whole.

Save for the expenses incurred by the Company in implementing the Share Sub-division, the Share Sub-division will have no material effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders. The Directors believe that the Share Sub-division will not have any material adverse effect on the financial position of the Group.

## EXPECTED TIMETABLE OF THE PROPOSED SHARE SUB-DIVISION

The expected timetable of the proposed Share Sub-division is as follows:

Event	Time and date
Despatch date of circular in relation to the Share Sub-division with notice of the EGM and the related form of proxy to the Shareholders.....	on or around 15 January 2018
Latest time for lodging forms of proxy for the EGM.....	3:00 p.m. on 5 February 2018
Date and time of the EGM.....	3:00 p.m. on 7 February 2018
Announcement of voting results of the EGM .....	7 February 2018
<i>The following events are conditional upon the fulfilment of the conditions for the implementation of the Share Sub-division as set out in the section headed "Conditions of the Share Sub-division" above:</i>	
Effective date of the Share Sub-division .....	8 February 2018
First day of free exchange of existing share certificates for new share certificates for the Sub-divided Shares .....	8 February 2018
Dealings in Sub-divided Shares commence .....	9:00 a.m. on 8 February 2018
Original counter for trading in Shares in board lots of 5,000 Shares temporarily closes .....	9:00 a.m. on 8 February 2018
Temporary counter for trading in Sub-divided Shares in board lot size of 25,000 Sub-divided Shares (in the form of existing share certificates) opens .....	9:00 a.m. on 8 February 2018
Original counter for trading in Sub-divided Shares in board lots of 5,000 Sub-divided Shares (only new share certificates for the Sub-divided Shares can be traded at this counter) reopens .....	9:00 a.m. on 26 February 2018

Parallel trading in the Shares and Sub-divided Shares  
(in the form of existing share certificates and new  
share certificates) commences. . . . . 9:00 a.m. on  
26 February 2018

Temporary counter for trading in Sub-divided Shares  
in board lot size of 25,000 Sub-divided Shares  
(in the form of existing share certificates) closes . . . . . 4:00 p.m. on  
16 March 2018

Parallel trading in the Shares and Sub-divided Shares  
(in the form of existing share certificates and new  
share certificates) ends . . . . . 4:00 p.m. on  
16 March 2018

Last day of free exchange of existing share certificates  
for the new share certificates for the Sub-divided Shares . . . . . 21 March 2018

*All times and dates specified in this announcement refer to Hong Kong local times. Dates stated in this announcement for events mentioned in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the proposed Share Sub-division will be announced as appropriate in accordance with the Listing Rules.*

**GENERAL**

The EGM will be convened to consider and, if thought fit, approve, among other things, the Share Sub-division. A circular containing, amongst other things, further details of the Share Sub-division, including the trading arrangement in respect of the Sub-divided Shares, together with a notice of the EGM will be despatched to the Shareholders on or around 15 January 2018.

To the best of the knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the resolution regarding the Share Sub-division at the EGM.

## DEFINITIONS

In this announcement, unless the context otherwise requires, capitalised terms used herein shall have the following meaning:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday and Sunday) on which banks in Hong Kong are generally open for normal banking business
“Company”	Yat Sing Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 3708)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve, among other things, the Share Sub-division
“Group”	collectively, the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	the listing sub-committee of the board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of a par value of HK\$0.01 each in the share capital of the Company before the Share Sub-division becoming effective
“Share Option(s)”	the share options to be granted under the Share Option Scheme entitling the holders thereof to subscribe for Share(s) or Sub-divided Share(s) (as the case may be)
“Share Option Scheme”	the share option scheme of the Company passed by the sole Shareholder on 18 December 2014 by way of written resolutions

“Share Sub-division”	the proposed sub-division of each issued and unissued Share into five (5) Sub-divided Shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-divided Shares”	ordinary share(s) of a par value of HK\$0.002 each in the share capital of the Company upon the Share Sub-division becoming effective
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Yat Sing Holdings Limited**  
**Dai Jian**  
*Chairman*

Hong Kong, 8 January 2018

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Dai Jian and Mr. Dai Ming and three independent non-executive Directors, namely Mr. Chan Foon, Mr. Guo Biao and Ms. Song Dan.*