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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)**

#### **High Concentration of Shareholding**

This announcement is made at the request of the Stock Exchange in respect of the concentration of the shareholding of Yat Sing Holdings Limited 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 could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the Shares.**

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in respect of the concentration of the shareholding of Yat Sing Holdings Limited (the “Company”) in the hands of a limited number of shareholders of the Company (the “Shareholders”) as at 31 May 2017.

#### **HIGH CONCENTRATION OF SHAREHOLDING**

The Company noted that an announcement has been published by the Securities and Futures Commission (the “SFC”) on 14 June 2017 (the “SFC Announcement”).

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. The SFC’s 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.

To the best knowledge of the board (the “Board”) of directors (the “Directors”) of the Company after making all reasonable enquiries, the Board confirmed that it has no further knowledge of the identities and the respective shareholdings in the Company of the group of 18 shareholders and the Other Shareholders referred to above other than the information provided in the SFC Announcement.

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 Qiongsan	92,040,000	8.23
A group of 18 shareholders	220,195,000	19.68
Other shareholders	111,250,000	9.94
Total	<u>1,118,800,000</u>	<u>100.00</u>

*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).

The information above is extracted from the SFC Announcement and the Board of Directors has not independently verified such information. Please refer to the SFC Announcement for other information.

## **PUBLIC FLOAT**

Based on the information available and to the Directors' best knowledge after making all reasonable enquiries, the Company confirms that not less than 25% of the issued Shares were held in public hands as at 31 May 2017 and the date of this announcement, and the Company has maintained a sufficient public float as required under the Rules Governing the Listing of Securities on the Stock Exchange.

**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 (the "Shares") could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the Shares.**

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

Hong Kong, 14 June 2017

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