

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

HANG YICK HOLDINGS COMPANY LIMITED

恒益控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1894)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of the Stock Exchange in respect of the concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 8 April 2019.

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.

This announcement is made by Hang Yick Holdings Company Limited (the “**Company**”) at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in respect of the concentration of the shareholding of the Company in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 8 April 2019.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement (the “**SFC Announcement**”) has been published by the Securities and Futures Commission (the “**SFC**”) on 25 April 2019.

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 8 April 2019, a group of 18 Shareholders held an aggregate of 182,430,000 Shares, representing 23.76% of the issued Shares. Such shareholding, together with 570,000,000 Shares (representing 74.26% of the issued Shares) held by the substantial shareholder of the Company, represented 98.02% of the issued Shares as at 8 April 2019. Therefore, only 15,170,000 Shares (representing 1.98% of the issued Shares) were held by other Shareholders.

As set out in the SFC Announcement, as at 8 April 2019, the shareholding structure of the Company was as follows:

	Number of Shares held <i>(Shares)</i>	Percentage of total number of issued Shares <i>(%)</i>
HY Steel Company Limited (<i>Note 1</i>)	570,000,000	74.26
A group of 18 Shareholders	182,430,000	23.76
Other Shareholders	15,170,000	1.98
Total	<u>767,600,000</u>	<u>100.00</u>

Note 1: HY Steel Company Limited (“**HY Steel**”) is owned as to (i) 70% by the Chairman and executive director of the Company, Mr. Lee Pui Sun; and (ii) 30% by the executive director of the Company, Ms. Lau Lai Ching, Mr. Lee Pui Sun is the spouse of Ms. Lau Lai Ching.

As stated in the SFC Announcement:

- (a) The Shares were listed on the Main Board of the Stock Exchange by way of placing and public offer of a total of 190,000,000 Shares (representing 25.0% of the then issued share capital) at HK\$0.85 per Share on 12 October 2018.
- (b) On the first day of listing, the Shares closed at HK\$0.88, which was 3.5% higher than the offer price of HK\$0.85. During the period from 15 October 2018 to 5 November 2018, the closing price of the Shares closed at a range between HK\$0.75 and HK\$0.90. After that, the closing price of the Shares started to increase substantially.
- (c) On 28 November 2018, the Company announced the interim results for the six months ended 30 September 2018, reporting an adjusted profit attributable to the Shareholders (excluding listing expenses) of HK\$25,955,000, representing an increase of 24.0% as compared to the same period in 2017.
- (d) On 21 December 2018, the Company published an announcement of a strategic cooperation framework agreement between its indirect wholly-owned subsidiary and an independent third party in relation to property investment and construction projects in the PRC.
- (e) On 17 April 2019, the Company announced a disclosable transaction in relation to, inter alia, the provision of shareholders’ loans of HK\$40,000,000 to HY Capital Holdings Company Limited (a company owned as to 60% by a direct wholly-owned subsidiary of the Company) by its shareholders in proportion to their respective shareholding. HY Capital Holdings Company Limited was set up for the purpose of developing construction business in the PRC.
- (f) As of 24 April 2019, the Shares closed at HK\$3.53 which was 315.3% higher than its initial offer price of HK\$0.85.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to clarify that the above information is extracted from the SFC Announcement and the Board has not independently verified such information. Accordingly, the Board is not in a position to comment on the accuracy of the above information except for (i) the shareholding of HY Steel in the Company based on the latest available disclosure of interests notices filed pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (ii) the information set out in paragraphs (a) to (f) above. Please refer to the SFC Announcement for other information.

PUBLIC FLOAT

Based on the information available and to the best knowledge of the Board after making all reasonable enquiries, the Company confirms that not less than 25% of the Company’s issued Shares are held in public hands as at the date of this announcement and the Company is able to comply with the public float requirement 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 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
Hang Yick Holdings Company Limited
Lee Pui Sun
Chairman and Executive Director

Hong Kong, 25 April 2019

As at the date of this announcement, the Board comprises Mr. Lee Pui Sun and Ms. Lau Lai Ching as executive Directors, Mr. Lee Ka Chun Benny as non-executive Director, and Mr. Au Yeung Wai Key, Hon Cheung Kwok Kwan, JP and Mr. Tse Ka Ching Justin as independent non-executive Directors.