



15 July 2013

**High Concentration of Shareholding in
China Yongda Automobiles Services Holdings Limited (Stock Code: 3669)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of China Yongda Automobiles Services Holdings Limited (“the Company”) in the hands of a limited number of shareholders as at 14 June 2013.

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 14 June 2013, 8 shareholders held an aggregate of 292,650,500 Shares, representing 19.77% of the issued Shares. Such shareholding, together with 1,121,961,000 Shares (representing 75.81% of the issued Shares) held aggregately by 3 directors of the Company and 3 substantial shareholders, represented 95.58% of the issued Shares. As such, only 65,410,500 Shares, representing approximately 4.42% of the issued share capital of the Company, were in the hands of other investors as at 14 June 2013.

As at 14 June 2013, the shareholding structure of the Company was as follows:-

| | Number of Shares held (Shares) | % of total number of issued Shares (%) |
|--|---|---|
| Mr. Cheung Tak On (Note 1) | 686,146,000 | 46.36 |
| Mr. Cai Yingjie (Note 2) | 108,762,500 | 7.35 |
| Mr. Wan Zhanggen (Note 3) | 95,045,500 | 6.42 |
| Baring Private Equity Asia V Holding (7) Limited (Note 4) | 94,136,500 | 6.36 |
| Runda Holdings Limited (Note 5) | 76,800,000 | 5.19 |
| Mr. Wang Zhigao (Note 6) | 61,070,500 | 4.13 |
| A group of 8 shareholders | 292,650,500 | 19.77 |
| Other shareholders | 65,410,500 | 4.42 |
| Total | <u>1,480,022,000</u> | <u>100.00</u> |

Note 1: Mr. Cheung Tak On is the chairman and executive director of the Company. Mr. Cheung is deemed to be interested in the 384,000,000 Shares held by Palace Wonder Company Limited. Palace Wonder Company Limited is wholly owned by Regency Valley Company Limited, which is in turn wholly owned by HSBC International Trustee Limited, as the trustee of a family trust. Mr. Cheung also held



302,080,000 Shares through his wholly owned company, Asset Link Investment Limited, and 66,000 Shares as the beneficial owner.

Note 2: Mr. Cai Yingjie is the vice-chairman and executive director of the Company. Mr. Cai held 108,288,000 Shares through his wholly owned company, Ample Glory International Investment Company Limited, and 474,500 Shares as the beneficial owner.

Note 3: Mr. Wan Zhanggen held 54,770,500 Shares through his wholly owned company, Eternal Wealth Global Investment Company Limited, and 40,275,000 Shares as the beneficial owner.

Note 4: Baring Private Equity Asia V Holding (7) Limited is held as to approximately 99.35% of its issued share capital by The Baring Asia Private Equity Fund V LP, with Baring Private Equity Asia GP V LP as general partner.

Note 5: Runda Holdings Limited is held as to approximately 52.53% of its issued share capital by Stone (Hong Kong) International Co., Limited, which is wholly owned by Shanghai Stone Capital Co., Ltd.

Note 6: Mr. Wang Zhigao is the vice-chairman and non-executive director of the Company. Mr. Wang held 60,160,000 Shares through his wholly owned company, Golden Rock Global Investment Company Limited, and 910,500 Shares as the beneficial owner.

On 27 June 2013, Runda Holdings Limited (which directly held 76,800,000 Shares) transferred its entire issued share capital to another shareholder of the Company, Sun Moon China Investment Company Limited, at a total consideration of HK\$576 million (HK\$7.50 per Share). The total number of Shares held directly and indirectly by Sun Moon China Investment Company Limited increased from approximately 3.00% to approximately 8.19% of the existing issued share capital of the Company. As a result, as at 27 June 2013, the total number of Shares held by 3 directors of the Company and 3 substantial shareholders amounted to approximately 78.81% of the existing issued share capital of the Company.

Share price of the Company increased 21.96% from the closing price of HK\$7.33 on 2 April 2013 to the closing price of HK\$8.94 on 22 May 2013. On 23 May 2013 before market opened, the Company announced the placing of 63,848,000 Shares by Sun Moon China Investment Company Limited at the placing price of HK\$7.90 per Share. The share price dropped 12.30% to close at HK\$7.84 on that day. Then, the share price of the Company further dropped to HK\$6.90 on 14 June 2013, representing a decrease of 22.82% from the closing price on 22 May 2013. As at 12 July 2013, share price of the Company closed at HK\$7.00 per Share.

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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