

30 July 2019

**High Concentration of Shareholding
in
Weiye Holdings Limited (Stock Code: 01570)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Weiye Holdings Limited (“the Company”) in the hands of a limited number of shareholders as at 17 July 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 (“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 17 July 2019, 18 shareholders held an aggregate of 41,409,268 Shares, representing 21.1% of the issued Shares. Such shareholding, together with 147,062,194 Shares (representing 75.0% of the issued Shares) held by two substantial shareholders, represented 96.1% of the issued Shares as at 17 July 2019. As such, only 7,661,690 Shares (representing 3.9% of the issued Shares) were held by other shareholders.

As at 17 July 2019, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Zhang Wei (Note 1)	106,821,938	54.5
Chen Zhiyong (Note 2)	40,240,256	20.5
A group of 18 shareholders	41,409,268	21.1
Other shareholders	7,661,690	3.9
Total	196,133,152	100.0

Note 1: 91,029,648 Shares are directly held by Mr. Zhang Wei, the Chairman and Chief Executive Officer of the Company, and 15,792,290 Shares are indirectly held via Fine Skill Holdings Limited which is wholly-owned by Mr. Zhang.

Note 2: Mr. Chen Zhiyong is an Executive Director of the Company.

On 7 August 2018, the Company announced the close of a conditional cash exit offer from Fine Skill Holdings Limited at the offer price of HK\$3.88 per share. At the close of the exit offer, only 16,006,266 Shares, or 8.2% of the issued Shares, were held by the public. As a result, trading of the Shares was suspended during 8 August 2018 to 28 September 2018 pending the restoration of the Company’s public float to the minimum requirement of 25.0% of the issued Shares.



Before market open on 2 October 2018, the Company announced that the offeror has completed the sale and placing of 33,064,692 Shares (representing 16.9% of the issued Shares), and the public float of the Company has been restored to 25.0% of the issued Shares.

Trading of the Shares was resumed on 2 October 2018. Subsequently the closing price of the Shares increased 81.1% from HK\$3.80 on 2 October 2018 to HK\$6.88 on 10 July 2019.

As at 29 July 2019, the Shares closed at HK\$6.45, representing an increase of 69.7% from the closing price of HK\$3.80 per share on 2 October 2018.

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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