

12 February 2020

**High Concentration of Shareholding  
in  
Tu Yi Holding Company Limited (Stock Code: 1701)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Tu Yi Holding Company Limited (“the Company”) in the hands of a limited number of shareholders as at 3 February 2020.

**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 3 February 2020, 16 shareholders held an aggregate of 173,660,000 Shares, representing 17.37% of the issued Shares. Such shareholding, together with 750,000,000 Shares (representing 75.00% of the issued Shares) held by 3 executive directors of the Company, represented 92.37% of the issued Shares as at 3 February 2020. Therefore, only 76,340,000 Shares (representing 7.63% of the issued Shares) were held by other shareholders.

As at 3 February 2020, the shareholding structure of the Company was as follows:-

	<b>Number of Shares held (Shares)</b>	<b>% of total number of issued Shares (%)</b>
York Yu Co., Ltd (Note 1)	418,725,000	41.87
King Pan Co., Ltd (Note 2)	168,750,000	16.88
Jeffery Xu Co., Ltd (Note 3)	112,500,000	11.25
David Xu Co., Ltd (Note 1)	50,025,000	5.00
A group of 16 shareholders	173,660,000	17.37
Other shareholders	76,340,000	7.63
<b>Total</b>	<b>1,000,000,000</b>	<b>100.00</b>

*Note 1: York Yu Co., Ltd and David Xu Co., Ltd are wholly-owned by Mr. Yu Dingxin (the Chairman and executive director of the Company).*

*Note 2: King Pan Co., Ltd is wholly-owned by Mr. Pan Wei (an executive director of the Company).*

*Note 3: Jeffery Xu Co., Ltd is wholly-owned by Mr. Xu Jiong (an executive director of the Company).*



The Company was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 28 June 2019 by way of placing and public offer of a total of 250,000,000 Shares (representing 25% of the issued Shares) at HK\$0.52 per Share (the “Initial Offer Price”).

After its listing, the share price of the Company increased 181% from the Initial Offer Price to close at HK\$1.46 on 3 February 2020.

During the above period, the Company made, inter alia, the following announcements:-

- On 6 August 2019, the Company announced a positive profit alert, which expected to record a net profit for the 6 months ended 30 June 2019 as compared to a net loss for the same period in the previous year.
- On 26 August 2019, the Company announced the interim results for the 6 months ended 30 June 2019, which recorded a net profit of RMB 11,179,000, as compared to a net loss of RMB 5,907,000 for the same period in the previous year.

As at 11 February 2020, the Shares closed at HK\$2.25, representing an increase of 333% from the Initial Offer Price.

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