



26 June 2014

**High Concentration of Shareholding  
in  
Pak Tak International Limited (Stock Code: 02668)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Pak Tak International Limited (“the Company”) in the hands of a limited number of shareholders as at 11 June 2014.

**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 11 June 2014, a group of 10 shareholders held an aggregate of 474,761,510 Shares, representing 33.55% of the issued Shares. Such shareholding, together with 858,689,890 Shares (representing 60.69% of the issued Shares) held by the Company’s substantial shareholders, represented 94.24% of the issued Shares as at 11 June 2014. Therefore, only 81,548,600 Shares (representing 5.76% of the issued Shares) were held by other shareholders.

As at 11 June 2014, the shareholding structure of the Company was as follows:-

|  | <b>Number of<br/>Shares held<br/>(Shares)</b> | <b>% of total<br/>number of<br/>issued Shares<br/>(%)</b> |
|--|---|---|
| Mr. Cheng Kwai Chun, John (Note 1)           | 302,100,000                                   | 21.35   |
| Golden Mount Limited (Note 2)                | 302,100,000                                   | 21.35   |
| Best Ahead Limited (Note 3)                  | 201,571,400                                   | 14.25   |
| Wealth Achiever Investments Limited (Note 4) | 45,418,490                                    | 3.21  |
| Well Precise Holdings Limited (Note 4)       | 7,500,000                                     | 0.53  |
| A group of 10 shareholders                   | 474,761,510                                   | 33.55   |
| Other shareholders                           | 81,548,600                                    | 5.76  |
| <b>Total</b>                                 | <b>1,415,000,000</b>                          | <b>100.00</b>   |

Note 1: Mr. Cheng Kwai Chun, John is an Executive Director and the Chief Executive Officer of the Company.

Note 2: Golden Mount Limited is wholly owned by Mr. Chim Pui Chung.

Note 3: Best Ahead Limited is owned as to 50% by Mr. Cheng Kwai Chun, John and 50% by Mr. Law Fei Shing. Mr. Law Fei Shing is an Executive Director of the Company.

Note 4: Wealth Achiever Investments Limited and Well Precise Holdings Limited are wholly and beneficially owned by Mr. Law Fei Shing.



On 14 March 2014, the Company announced a 1-into-5 share subdivision and the total issued Shares increased from 283,000,000 Shares to 1,415,000,000 Shares on 7 April 2014.

From 27 February 2014 to 11 June 2014, the share price of the Company increased 97.1% from the adjusted closing price of \$0.34 on 26 February 2014 to the closing price of \$0.67 on 11 June 2014. Since then, the share price increased steadily to close at \$0.81 on 25 June 2014, representing an increase of 138.2% from the adjusted closing price of \$0.34 on 26 February 2014.

During this period, on 6 June 2014, the Company announced that it was in discussion with Mr. Cheng Kwai Chun, John (“Mr. Cheng”), an Executive Director and the Chief Executive Officer of the Company, about a possible disposal of a wholly-owned subsidiary of the Company to Mr. Cheng that would constitute a notifiable and connected transaction for the Company if materialized. On 11 June 2014, the Company announced a profit warning regarding its annual results for the year ended 31 March 2014 as it expected to record a loss for the year ended 31 March 2014 compared to a profit made for the same period last year.

Furthermore, on 18 June 2014, the Company announced the proposed disposal of its immovable properties and garment retail business to Mr. Cheng, which will constitute a major and connected transaction for the Company. After the disposal, the Company will continue to engage in the manufacturing and trading of garment products.

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