



26 May 2011

**High Concentration of Shareholding
in
Tanrich Financial Holdings Limited (Stock Code: 812)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Tanrich Financial Holdings Limited (“the Company”) in the hands of a limited number of shareholders as at 12 May 2011.

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 12 May 2011, 16 shareholders held an aggregate of 334,770,000 Shares, representing 28.70% of the issued Shares. Such shareholding, together with 731,464,000 Shares (representing 62.70% of the issued Shares) held aggregately by four executive directors, represented 91.40% of the issued Shares as at 12 May 2011. Therefore, only 8.60% of the issued Shares were held by other investors.

As at 12 May 2011, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Yip Man Fan (<i>Note 1 & 2</i>)	567,484,000	48.65
Tsunoyama Toru (<i>Note 2</i>)	140,200,000	12.01
Kwok Kam Hoi (<i>Note 2</i>)	16,000,000	1.37
Wong Lai Ping Vicky (<i>Note 2</i>)	7,780,000	0.67
A group of 16 shareholders	334,770,000	28.70
Other shareholders	100,286,000	8.60
Total	<u>1,166,520,000</u>	<u>100.00</u>

Note 1: 57,484,000 Shares held by Dr. Yip Man Fan (“Dr. Yip”), 30,000,000 shares held by Ms. Tang Yuk Lan, the spouse of Dr. Yip and 480,000,000 shares held by Aceland Holdings Limited, a discretionary trust of which Dr. Yip and members of his family are beneficiaries.

Note 2: Dr. Yip, Mr. Tsunoyama Toru, Mr Kwok Kam Hoi and Ms. Wong Lai Ping Vicky are executive directors of the Company.



It was noted that the closing price of the Share surged 72.7% from \$1.10 on 27 April 2011 to \$1.90 on 12 May 2011. Subsequently, it gained another 5.3% to its 12-month high of \$2.00 on 16 May 2011.

Thereafter, the Share declined a total of 32% since 17 May 2011 to close at \$1.36 on 25 May 2011. The average daily turnover for the aforesaid period was around 2,154,000 shares, representing 0.18% of the issued Shares. There was no corporate announcement issued by the Company during the aforesaid period.

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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