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Tai Kam Holdings Limited

泰錦控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8321)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of the Stock Exchange in respect of the high concentration of shareholding of the Company in the hands of a limited number of Shareholders as at 3 January 2017.

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.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in respect of the high concentration of shareholding of Tai Kam Holdings Limited (the “**Company**”) in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 3 January 2017.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement (the “**SFC Announcement**”) was published by the Securities and Futures Commission (the “**SFC**”) on 12 January 2017.

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. The SFC’s findings suggested that as at 3 January 2017, 17 shareholders held an aggregate of 146,660,000 shares of the Company (the “**Shares**”), representing 18.33% of the issued Shares. Such shareholding, together with 600,000,000 Shares (representing 75.00% of the issued Shares) held by a controlling shareholder, represented 93.33% of the issued Shares as at 3 January 2017. As such, only 53,340,000 Shares (representing 6.67% of the issued Shares) were held by other shareholders.

According to the SFC Announcement, as at 3 January 2017, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Classy Gear Limited (<i>Note 1</i>)	600,000,000	75.00
A group of 17 shareholders (<i>Note 2</i>)	146,660,000	18.33
Other shareholders	<u>53,340,000</u>	<u>6.67</u>
Total	<u>800,000,000</u>	<u>100.00</u>

Note 1: Classy Gear Limited is beneficially owned as to 75% by Mr LAU King Shun (Chairman, Chief Executive Officer and Executive Director of the Company), and 25% by LAU Kan Sui Sunny (Executive Director of the Company).

Note 2: 79,170,000 Shares (representing 9.90% of the issued Shares) were held by 10 shareholders who initially obtained 116,030,000 Shares (representing 14.50% of the issued Shares) in the placing of the Company for GEM Board listing in October 2016.

As stated in the SFC Announcement:

- The Company was listed on the Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited on 28 October 2016 by way of placing a total of 200,000,000 Shares, representing 25% of the issued Shares, at \$0.35 per Share. Share price of the Company closed at \$2.80 on the first day of listing, representing an increase of 7 times from the placing price. During the period from 31 October 2016 to 15 December 2016, the closing price was within the range of \$1.90 to \$2.85.
- Since 16 December 2016, the closing price of the Shares increased substantially by 371% from \$2.10 on 15 December 2016 to \$9.90 on 30 December 2016. On 3 January 2017, the closing price dropped by 25% to \$7.40, still 21 times above the placing price of \$0.35.
- On 12 December 2016, the Company announced its first interim results for the six months ended 31 October 2016, which reported a loss of approximately \$5,540,000, compared with a profit of \$5,747,000 for the corresponding period in the previous year.

- As of 11 January 2017, price of the Shares closed at \$7.36, representing an increase of 250% from the closing price of \$2.10 on 15 December 2016, or an increase of 20 times from the placing price of \$0.35.

The information above is extracted from the SFC Announcement and the board (the “**Board**”) of the directors (the “**Directors**”) of the Company has not independently verified such information other than (i) the shareholding held by Classy Gear Limited based on disclosure of interests filings with the Company; (ii) the listing date, the number of placing shares and the placing price; and (iii) the interim results of the Company for the six months ended 31 October 2015 and 2016. Please refer to the SFC Announcement for further details.

PUBLIC FLOAT

Based on the information available and to the best knowledge of the Board after making all reasonable enquiries, the Company confirms that as at 3 January 2017 and the date of this announcement, not less than 25% of the issued Shares were held in the public hands, and the Company has maintained a sufficient public float as required under the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

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.

By order of the Board
Tai Kam Holdings Limited
Lau King Shun
Chairman and Executive Director

Hong Kong, 13 January 2017

As at the date of this announcement, the executive Directors are Mr. Lau King Shun, Mr. Lau Kan Sui Sanny and Mr. Lau Mei Chai and the independent non-executive Directors are Mr. Yim Kin Ping, Mr. Ho Cheuk Wai and Ms. Wong Yuk King.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the day of its posting. This announcement will also be published on the Company’s website at www.taikamholdings.com.