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华章科技
HUAZHANG TECHNOLOGY

Huazhang Technology Holding Limited
華章科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1673)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made by the Company at the request of the Stock Exchange in respect of the concentration of the shareholding of the Company in the hands of a small number of shareholders as at 24 March 2015.

In view of the high concentration of shareholding in a small number of the 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 concentration of the shareholding of Huazhang Technology Holding Limited (the “**Company**”) in the hands of a small number of shareholders of the Company (the “**Shareholders**” and each a “**Shareholder**”) as at 24 March 2015.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement has been published by the Securities and Futures Commission (the “**SFC**”) on 8 April 2015 (the “**SFC Announcement**”).

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. SFC's findings suggested that as at 24 March 2015, a group of 20 shareholders held an aggregate of 51,472,000 shares of the Company (the “**Shares**” and each a “**Share**”), representing 18.92% of the issued Shares. Such shareholding, together with 204,000,000 Shares (representing 75% of the issued Shares) held by a substantial shareholder of the Company, represented 93.92% of the issued Shares as at 24 March 2015. As such, only 16,528,000 Shares (representing 6.08% of the issued Shares) were held by other shareholders.

As set out in the SFC Announcement, the shareholding structure of the Company as at 24 March 2015 was as follows:

	Number of Shares held (shares)	% of total number of issued Shares (%)
Florescent Holdings Limited (<i>Note 1</i>)	204,000,000	75.00
A group of 20 Shareholders	51,472,000	18.92
Other Shareholders	16,528,000	6.08
	272,000,000	100.00

Note 1: Florescent Holdings Limited is owned as to 77.9% by Lian Shun Limited and 22.1% by Qunyun Limited. Lian Shun Limited is owned as to 53.79% by Mr Zhu Gen Rong, 20.74% by Mr Wang Ai Yan, 17.95% by Mr Liu Chuan Jiang and 7.52% by Ms Zhu Ling Yun. Mr Zhu Gen Rong and Mr Wang Ai Yan are the Chairman and Chief Executive Officer of the Company respectively.

The Shares were listed on the Growth Enterprise Market of the Stock Exchange on 16 May 2013 (stock code : 8276) and the Company's listing was transferred to the Main Board of the Stock Exchange (the "**Main Board**") on 5 January 2015 (stock code: 1673). On the first day of dealings on the Main Board, price of the Shares closed at HK\$4.45 with trading volume of 1,388,000 Shares. Since then, the Shares traded in the range between HK\$3.27 and HK\$4.45 during 6 January 2015 to 9 January 2015, and closed at HK\$3.38 on 9 January 2015.

During the period from 12 January 2015 to 24 March 2015, the closing price and trading volume of the Shares were relatively stable. The share price increased moderately by 8.28% to close from HK\$3.38 to HK\$3.66 with an average daily trading volume of 887,440 Shares. During this period, the Company made, inter alia, the following announcements :

- 1) On 9 February 2015, the Company announced its interim results for the six months ended 31 December 2014. The unaudited net profit attributable to Shareholders increased 99.7% to HK\$22.2 million.
- 2) On 27 February 2015, the Company announced its indirect wholly-owned subsidiary's redemption of the financial product issued by the Bank of Beijing on 30 December 2014 in the principle amount of RMB50.0 million, resulted in a gain of approximately RMB41,000.

As of 2 April 2015, the share price closed at HK\$3.79 with trading volume of 908,000 Shares.

The information above is extracted from the SFC Announcement and the Company has not independently verified such information. Please also refer to the SFC Announcement for further information.

PUBLIC FLOAT

Based on the information available and to the best knowledge of the board of directors of the Company after making all reasonable enquiries, as at 24 March 2015 and the date of this announcement, 68,000,000 Shares were held in the public hands, representing approximately 25.00% of the issued Share. The Company confirm that the public float in respect of the Shares as required under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rule**") is maintained and the Company is able to comply with the public float requirement under the 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
**Huazhang Technology Holding
Limited**
Zhu Gen Rong
Chairman

Hong Kong, 8 April 2015

As at the date of this announcement, the executive directors are Mr. Zhu Gen Rong, Mr. Wang Ai Yan, Mr. Jin Hao and Mr. Zhong Xin Gang, and the independent non-executive directors are Ms. Chen Jin Mei, Mr. Dai Tian Zhu and Mr. Kong Chi Mo.