



26 April 2017

**High Concentration of Shareholding
in
HM International Holdings Limited (Stock Code: 8416)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of HM International Holdings Limited (“the Company”) in the hands of a limited number of shareholders as at 6 April 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 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 6 April 2017, a group of 20 shareholders held an aggregate of 84,615,000 Shares, representing 21.15% of the issued Shares. Such shareholding, together with 300,000,000 Shares (representing 75.00% of the issued Shares) held by a substantial shareholder of the Company, represented 96.15% of the issued Shares as at 6 April 2017. As such, only 15,385,000 Shares (representing 3.85% of the issued Shares) were held by other shareholders.

As at 6 April 2017, the shareholding structure of the Company was as follows:

	Number of Shares held	% of total number of issued Shares
	(shares)	(%)
HM Ultimate Holdings Limited (<i>Note 1</i>)	300,000,000	75.00
A group of 20 shareholders (<i>Note 2</i>)	84,615,000	21.15
Other shareholders	15,385,000	3.85
Total	400,000,000	100.00

Note 1: HM Ultimate Holdings Limited is owned as to 53% by Mr. Yu Chi Ming, 24.5% by Mr. Tse Kam Wing Walter and 22.5% by Mr. Chan Wai Lin, who are all executive directors of the Company. Mr. Yu Chi Ming is also the Chairman of the Company.

Note 2: 72,960,000 Shares (representing 18.24% of the issued Shares) were held by 15 shareholders who initially obtained 77,725,000 Shares in the placing of the Company for GEM Board listing in January 2017.



The Shares were listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited on 11 January 2017 by way of placing of 100,000,000 Shares, equivalent to 25% of the issued Shares, at HK\$0.6 per Share.

On the first day of listing, the Shares closed at HK\$3.7, which was 5.2 times higher than the placing price. Since then, the closing price of the Shares eased gradually to HK\$2.71 on 21 February 2017. The price of the Shares started to increase substantially since 22 February 2017. On 6 April 2017, the Shares closed at HK\$ 7, which was 1.6 times higher than the closing price of HK\$2.71 on 21 February 2017. During this period, the Company announced on 20 March 2017 its annual results for the year ended 31 December 2016, which reported a profit attributable to shareholders of approximately HK\$15.0 million as compared with the profit of approximately HK\$13.9 million for the year ended 31 December 2015.

On 18 April 2017, the Company announced a Profit Warning stating that it was expected to record a net loss for the three months ended 31 March 2017, which was mainly attributable to (i) the non-recurring listing expenses in connection with the listing of the Company in January 2017; and (ii) the decrease in turnover as compared to the corresponding period in 2016.

As at 25 April 2017, the Shares closed at HK\$6.88, which was 10.5 times higher than the initial placing price of HK\$0.6.

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