

WANG YANG HOLDINGS LTD:
THIS COMPANY HAS THE APPEARANCE OF BECOMING
ANOTHER ‘DARLING’ OF THE HKSAR EQUITY MARKET

Unquestionably, the flotation of Wang Yang Holdings Ltd () (Code: 1735, Main Board, The Stock Exchange of Hongkong Ltd), as far as Senior Management was concerned, must have been assessed as having been a success story, all things considered.

Since trading in this Company's shares commenced on the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the share price has been, generally, maintained at about the Offer Price of \$HK1.50.

As at yesterday's share-price level, at about noon, the price was about \$HK1.50.

For what reason did this Company's Share Offer and share price fair as well as they did while the share prices of most other, newly listed companies, sank as soon as aficionados gave up the ghost?

Here are, perhaps, some of the explanations in respect of the above-mentioned queries.

The Share Offer Of Wang Yang Holdings Ltd

In its Share Offer Prospectus, dated March 19, 2018, Senior Management of Wang Yang Holdings Ltd Offered 66 million, one-cent Shares at \$HK1.50 Per Share.

Of that number of Shares, Investors of the HKSAR were Offered 6.60 million Shares (the Public Offer tranche) and the remaining 59.40 million Shares were reserved for Institutional/Professional/Well-heeled Investors by way of select Share Placements (the Placing tranche).

On March 28, 2018, nine days after the publication and dissemination of the Company's Share Offer Prospectus, Management announced the following:

'The Public Offer Shares initially offered under the Public Offer have been very significantly over-subscribed. A total of 20,190 valid applications have been received pursuant to the Public Offer ... for a total of 4,909,480,000 Public Offer Shares, representing approximately 743.86 times of a total number of 6,600,000 Public Offer Shares initially available for subscription under the Public Offer.'

'Due to very significant over-subscription in the Public Offer, the reallocation procedures as described in the section headed "Structure and Conditions of the Share Offer — The Public Offer — Reallocation" in the Prospectus have been applied. As the number of the Public Offer Shares validly applied for in the Public Offer represents more than 100 times of the total number of the Public Offer Shares initially available under the Public Offer, 26,400,000 Offer Shares have been reallocated to the Public Offer from the Placing, so that the total number of Offer Shares allocated to the Public Offer has been increased to 33,000,000 Offer Shares, representing 50% of the total number of Offer Shares available under the Share Offer, and being allocated to 12,346 successful applicants under the Public Offer.' and,

'The Placing Shares initially offered under the Placing have been slightly oversubscribed, representing approximately 1.23 times of a total number of 59,400,000 Placing Shares initially offered under the Placing. The final number of Placing Shares allocated to 275 placees under the Placing is 33,000,000 Placing Shares, representing 50% of the total number of Offer Shares available under the Share Offer ... '.

At Page Five of the '**ANNOUNCEMENT OF ALLOTMENT RESULTS**', Management explained to its shareholders that the Net Proceeds from the Initial Public Offering (**IPO**) were estimated to be about \$HK73.50 million.

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