



14 September 2011

**High Concentration of Shareholding  
in  
Gayety Holdings Limited (Stock Code: 8179)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Gayety Holdings Limited (“the Company”) in the hands of a limited number of shareholders as at 31 August 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 31 August 2011, 9 shareholders held an aggregate of 68,460,000 shares, representing 21.39% of the issued Shares. Such shareholding, together with 240,000,000 Shares (representing 75% of the issued Shares) beneficially owned by KMW Investments Limited, represented 96.39% of the issued Shares as at 31 August 2011. Thus, only 3.61% of the issued Shares were held by other investors.

As at 31 August 2011, the shareholding structure of the Company was as follows:

	<b>Number of Shares held (Shares)</b>	<b>% of total number of issued Shares (%)</b>
KMW Investments Limited (Note 1)	240,000,000	75.00
A group of 9 shareholders (Note 2)	68,460,000	21.39
Other shareholders	11,540,000	3.61
Total	<b>320,000,000</b>	<b>100.00</b>

Note 1: KMW Investments Limited is a company wholly-owned by Mr. Wong Kwan Mo (Chairman of the Company) and his spouse, Ms. Lau Lan Ying (Chief Executive Officer of the Company).

Note 2: 7 out of this group of 9 shareholders held their shares via the same brokerage firm.



The Company was listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong on 8 July 2011 by way of placing a total of 80,000,000 shares at \$1.0 per share. The share price closed at \$1.50 on its first day of listing. Since then, the share price continued to increase and close at \$2.27 on 12 September 2011, representing an increase of 127% from its IPO price, and an increase of 51% from its closing price on 8 July 2011 while the Hang Seng Index dropped 15.5% and the GEM index dropped 22.3% over the same period.

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