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## **HAITIAN HYDROPOWER INTERNATIONAL LIMITED**

**海 天 水 電 國 際 有 限 公 司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8261)**

### **HIGH CONCENTRATION OF SHAREHOLDING**

This announcement is made at the request of the Stock Exchange in respect of the high concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 22 November 2012.

**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.**

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) under Rule 17.10 of the GEM Listing Rules in respect of the high concentration of the shareholding of Haitian Hydropower International Limited (the “**Company**”) in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 22 November 2012.

The Company noted that an announcement (the “**SFC Announcement**”) has been published by Securities and Future Commission (the “**SFC**”) on 28 November 2012.

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. Its findings suggested that as at 22 November 2012, 17 Shareholders held an aggregate of 247,790,000 Shares, representing 24.78% of the issued Shares. Such shareholding, together with 750,000,000 Shares (representing 75.00% of the issued Shares) held by a substantial Shareholder of the Company, represented 99.78% of the issued Shares as at 22 November 2012. Therefore, only 2,210,000 Shares (representing 0.22% of the issued Shares) were held by other Shareholders.

According to the SFC Announcement, as at 22 November 2012, the shareholding structure of the Company was as follows:

	<b>Number of Shares held</b> <i>(Shares)</i>	<b>% of total number of issued Shares</b> <i>(%)</i>
Victor River Limited ( <i>Note 1</i> )	750,000,000	75.00
A group of 17 Shareholders ( <i>Note 2</i> )	247,790,000	24.78
Other Shareholders	<u>2,210,000</u>	<u>0.22</u>
<b>Total</b>	<u><u>1,000,000,000</u></u>	<u><u>100.00</u></u>

*Note 1:* Victor River Limited is wholly and beneficially owned by Mr. Lin Yang (the chairman and an executive director of the Company).

*Note 2:* 164,450,000 Shares (representing 16.45% of the issued Shares) were held by 15 Shareholders who initially obtained 165,460,000 Shares through the placing of the Company in July 2012.

The Company was listed on the Growth Enterprise Market (“**GEM**”) of the Stock Exchange on 6 July 2012 by way of placing a total of 250,000,000 new Shares at HK\$0.30 per share. Share price of the Company closed at HK\$0.56 on the first day of listing. Since 16 October 2012, share price of the Company started to increase significantly and rose 87.4% from HK\$0.475 on 15 October 2012 to HK\$0.89 on 22 November 2012. Share price closed at HK\$0.82 on 27 November 2012, an increase of 173.3% from its placing price.

The board (the “**Board**”) of the directors of the Company (the “**Directors**”) wishes to clarify that the above information is extracted from the SFC Announcement and that the Board has not verified such information. Accordingly, the Board is not in a position to comment on the accuracy of the information above except the shareholding of the Shareholder, namely Victor River Limited set out in the table above, the placing shares, the placing price and the respective closing prices of the Shares as at 6 July 2012, 15 October 2012, 22 November 2012 and 27 November 2012.

## **PUBLIC FLOAT**

Based on the information available and to the best knowledge of the Board, as at the date of the SFC Announcement and this announcement, not less than 25% of the Company’s issued Shares are in the hands of the public and the Company is able to comply with the public float requirement under the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) of the Stock Exchange.

**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.**

On behalf of the Board  
**Haitian Hydropower International Limited**  
**Lin Yang**  
*Chairman and Executive Director*

Fujian Province, the PRC, 28 November 2012

*At the date of this announcement, the Board comprises four executive directors, namely Mr. Lin Yang, Mr. Zheng Xuesong, Mr. Chen Congwen and Mr. Huang Xiaodong; and three independent non-executive directors, namely Mr. Zhang Shijiu, Mr. Cheng Chuhan and Mr. Chan Kam Fuk.*

*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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and (ii) there are no other matters the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the “Latest Company Announcement” page of the GEM Website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at [www.haitianhydropower.com](http://www.haitianhydropower.com).*