

*Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus dated Friday, March 24, 2017 (the “**Prospectus**”) issued by Kunming Dianchi Water Treatment Co., Ltd. (the “**Company**”).*

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*In connection with the Global Offering, Haitong International Securities Company Limited, as the stabilizing manager (the “**Stabilizing Manager**”), its affiliates or any person acting for it, on behalf of the Underwriters, may effect transactions with a view to stabilizing or supporting the market price of the H Shares at a level higher than that which might otherwise prevail in the open market for a limited period beginning on the Listing Date and expected to end on the 30th day after the last day for lodging of applications under the Hong Kong Public Offering. However, there is no obligation on the Stabilizing Manager, its affiliates or any person acting for it, to conduct any such stabilizing action, which, if commenced, will be done at the sole and absolute discretion of the Stabilizing Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. Such stabilization action, if commenced, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules, as amended, made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).*

Potential investors should be aware that stabilizing action cannot be taken to support the price of the H Shares for longer than the stabilization period which begins on the Listing Date and is expected to expire on Friday, April 28, 2017, being the 30th day after the date of closing of the application lists under the Hong Kong Public Offering. After this date, no further stabilizing action may be taken. Demand for the H Shares, and therefore the price of the H Shares, could fall.



Kunming Dianchi Water Treatment Co., Ltd.

昆明滇池水務股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

GLOBAL OFFERING

- Number of Offer Shares** : 339,430,000 H Shares (comprising 308,572,000 H Shares to be offered by the Company and 30,858,000 Sale Shares to be offered by the Selling Shareholders, subject to the Over-allotment Option)
- Number of Hong Kong Offer Shares** : 33,943,000 H Shares
- Number of International Offer Shares** : 305,487,000 H Shares (comprising 274,629,000 H Shares to be offered by the Company and 30,858,000 Sale Shares to be offered by the Selling Shareholders, subject to the Over-allotment Option)
- Offer Price** : HK\$3.91 per Offer Share (excluding brokerage fee of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%)
- Nominal Value** : RMB1.00 per H Share
- Stock Code** : 3768

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HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED  廣發証券(香港)經紀有限公司
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