

4 September 2017

High Concentration of Shareholding in Haitian Energy International Limited (Stock Code: 08261)

This announcement is made by the Securities and Futures Commission ("SFC") in respect of the concentration of the shareholding of Haitian Energy International Limited ("the Company") in the hands of a limited number of shareholders as at 24 August 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 24 August 2017, 19 shareholders held an aggregate of 2,555,584,000 Shares, representing 27.97% of the issued Shares. Such shareholding, together with 6,000,000,000 Shares (representing 65.67% of the issued Shares) held by the controlling shareholder of the Company, represented 93.64% of the issued Shares as at 24 August 2017. As such, only 580,416,000 Shares (representing 6.36% of the issued Shares) were held by other shareholders.

As at 24 August 2017, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Victor River Limited (Note 1)	6,000,000,000	65.67
A group of 19 shareholders	2,555,584,000	27.97
Other shareholders	580,416,000	6.36
Total	9,136,000,000	100.00

Note 1: Victor River Limited is wholly and beneficially owned by Mr. Lin Yang (the Chairman and an Executive Director of the Company).

During the period from 3 April 2017 to 9 June 2017, the closing price of the Shares first dropped 13.3% from HK\$0.270 on 31 March 2017 to HK\$0.234 on 7 June 2017 and subsequently increased 28.2% to HK\$0.300 on 9 June 2017. Since then, the closing price of the Shares hovered between HK\$0.270 and HK\$0.300 during 12 June 2017 to 31 August 2017.



On 14 August 2017, the Company announced its interim results for the six months ended 30 June 2017, which reported a profit attributable to shareholders of the Company of RMB 10,872,000, representing a decrease of 60.3% from the profit attributable to shareholders of the Company of RMB 27,358,000 for the corresponding period in the previous year.

As at 1 September 2017, the Shares closed at HK\$0.265 which was 13.3% higher than the closing price of HK\$0.234 on 7 June 2017.

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