



3 August 2016

**High Concentration of Shareholding  
in  
Feishang Non-metal Materials Technology Limited (Stock Code: 8331)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Feishang Non-metal Materials Technology Limited (“the Company”) in the hands of a limited number of shareholders as at 25 July 2016.

**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 25 July 2016, 19 shareholders held an aggregate of 94,570,000 Shares, representing 18.91% of the issued Shares. Such shareholding, together with 375,000,000 Shares (representing 75.00% of the issued Shares) held by a substantial shareholder of the Company, represented 93.91% of the issued Shares as at 25 July 2016. Therefore, only 30,430,000 Shares (representing 6.09% of the issued Shares) were held by other shareholders.

As at 25 July 2016, the shareholding structure of the Company was as follows:-

	<b>Number of Shares held (Shares)</b>	<b>% of total number of issued Shares (%)</b>
Feishang Group Limited (Note 1)	375,000,000	75.00
A group of 19 shareholders	94,570,000	18.91
Other shareholders	30,430,000	6.09
Total	<b>500,000,000</b>	<b>100.00</b>

Note 1: Feishang Group Limited is wholly owned by Laitan Investments Limited which is in turn wholly owned by Mr. LI Feilie.



The Company was listed on the GEM Board of the Stock Exchange of Hong Kong Limited on 29 December 2015 by way of placing a total of 125,000,000 placing Shares at \$0.32 per share. Price of the Shares reached a high of \$1.26, and then decreased to close at \$0.51 on the first day of listing.

On 11 July 2016, the Company made an announcement to provide information in relation to the potential adverse impact of the recent floods in eastern China on the Company's assets, business operations and financial performance.

Nevertheless, the closing price of the Shares increased by 112.2% from \$0.49 on 11 July 2016 to \$1.04 on 22 July 2016. Between 25 July 2016 and 29 July 2016, the closing price of the Shares dropped by 54.8% to close at \$0.47 on 29 July 2016.

As at 1 August 2016, price of the Shares closed at \$0.47, represented a drop of 54.8% from the close of \$1.04 on 22 July 2016 but still represented an increase of 46.9% from its placing price.

**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.**

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