

2 December 2009

**High Concentration of Shareholding
in
Honbridge Holdings Limited (Stock Code: 8137)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Honbridge Holdings Limited (“the Company”) in the hands of a limited number of shareholders as at 20 November 2009.

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 20 November 2009, 12 shareholders held an aggregate of 586,712,963 Shares, representing 10.64% of the issued shares. Such shareholding, together with 4,395,000,000 Shares beneficially held by two substantial shareholders, namely, Hong Bridge Capital Limited (*Note 1*) and Gui Shengyue (representing 79.72% of the issued shares), represented 90.37% of the issued shares as at 20 November 2009. Thus, only 9.63% of the issued shares were held by other investors.

As at 20 November 2009, the shareholding structure of the Company is as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Hong Bridge Capital Limited (<i>Note 1</i>)	4,095,000,000	74.28
Gui Shengyue	300,000,000	5.44
A group of 12 shareholders	586,712,963	10.64
Other shareholders	531,006,753	9.63
Total	5,512,719,716	100.00

Note 1: Hong Bridge Capital Limited is wholly and beneficially owned by Mr. He Xuechu, the Chairman and an executive director of the Company.

It is noted that the closing price of the Shares increased 116.47% from \$0.85 on 5 November 2009 to reach a high of \$1.84 on 25 November 2009. During the aforesaid period, the Company announced (i) a very substantial acquisition of a manganese ore mining business in Brazil at a purchase consideration of \$880 million to be satisfied through the issuance of both consideration shares and convertible bonds; and (ii) the signing of a memorandum of understanding with an independent third party for its possible investment in an iron ore mining business in Brazil. As at 1 December 2009, the closing price of the Shares was \$1.65, representing an increase of 94.12% from its closing price of \$0.85 on 5 November 2009.



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