



25 March 2014

**High Concentration of Shareholding
in
JF Household Furnishings Limited (Stock Code: 776)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of JF Household Furnishings Limited (“the Company”) in the hands of a limited number of shareholders as at 17 March 2014.

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 17 March 2014, 19 shareholders held an aggregate of 80,569,900 Shares, representing 28.05% of the issued Shares. Such shareholding, together with the 179,407,488 Shares (representing 62.47% of the issued Shares) held by a substantial shareholder of the Company, represented 90.52% of the issued Shares as at 17 March 2014. Therefore, only 27,228,612 Shares (representing 9.48% of the issued Shares) were held by other shareholders.

As at 17 March 2014, the shareholding structure of the Company was as follows:

	Number of Shares held (shares)	% of total number of issued Shares (%)
Power Ocean Holdings Limited (<i>Note 1</i>)	179,407,488	62.47
A group of 19 shareholders	80,569,900	28.05
Other shareholders	27,228,612	9.48
	287,206,000	100.00

Note 1: Power Ocean Holdings Limited is jointly owned by Mr. Chau Cheok Wa and Mr. Cheng Ting Kong, who is the Chairman and Executive Director of the Company.

The share price of the Company surged substantially by 841% from the closing price of HK\$2.20 on 2 January 2014 to the closing price of HK\$20.70 on 19 March 2014. During this period, the Company announced a placing on 27 January 2014 of 47,867,000 new shares on a best effort basis to independent third parties at HK\$3.14 per share. The Company also announced that on 26 February 2014 it entered into a memorandum of understanding for a possible acquisition of properties for consideration of up to HK\$200 million.

As at 24 March 2014, the closing price of the Company was HK\$14.62, representing an increase of 565% from the closing price of HK\$2.20 on 2 January 2014.



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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