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FURNIWEB HOLDINGS LIMITED

飛電控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8480)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of the Stock Exchange in respect of the concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 8 October 2018.

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 (the “Shares”) could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

This announcement is made by Furniweb Holdings Limited (the “**Company**”) at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to Rule 17.10(1) of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) in respect of the concentration of the shareholding of the Company in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 8 October 2018.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement (the “**SFC Announcement**”) has been published by the Securities and Futures Commission (the “**SFC**”) on 30 October 2018.

As disclosed in the SFC Announcement:

The SFC has recently completed an enquiry into the shareholding of the Company. SFC’s findings suggested that as at 8 October 2018, 19 Shareholders held an aggregate of 143,276,000 Shares, representing 28.43% of the issued Shares. Such shareholding, together with 317,520,000 Shares (representing 63.00% of the issued Shares) held by a substantial shareholder of the Company, represented 91.43% of the issued Shares as at 8 October 2018. As such, only 43,204,000 Shares (representing 8.57% of the issued Shares) were in the hands of other Shareholders as at 8 October 2018.

According to the SFC Announcement, as at 8 October 2018, the shareholding structure of the Company was as follows:

	Number of Shares held	% of total number of issued Shares
	<i>(Shares)</i>	<i>(%)</i>
PRG Holdings Berhad (<i>Note</i>)	317,520,000	63.00
A group of 19 Shareholders	143,276,000	28.43
Other Shareholders	43,204,000	8.57
	504,000,000	100.00

Note: PRG Holdings Berhad is a public limited liability company incorporated in Malaysia and the shares of which are listed on the Main Market of Bursa Malaysia Securities Berhad.

As stated in the SFC Announcement:

- A. During the period from 29 August 2018 to 8 October 2018, the closing price of the Shares increased from HK\$0.335 on 28 August 2018 to HK\$0.920, which represented an increase of 175% during the period.
- B. The Company released the consolidated interim results of the Company and its subsidiaries (together, the “**Group**”) for the six months ended 30 June 2018 on 9 August 2018 with a profit for the period of RM612,000, representing a decline in the Group’s profit by approximately 76.1% as compared with a profit of RM2,562,000 for the same period of 2017.
- C. The Company also announced on 3 October 2018 that its board of directors (the “**Board**” or the “**Directors**”) was informed by PRG Holdings Berhad, the controlling shareholder of the Company, that it had disposed of 60,480,000 Shares, representing 12% of the issued Shares as at 3 October 2018, for a consideration of HK\$30,240,000 to independent third parties. The disposal price was HK\$0.50 per Share, compared with the closing price of the Shares at HK\$0.80 on 3 October 2018.
- D. As at 29 October 2018, the Shares closed at HK\$1.81, which represented an increase of 440% from the closing price of \$0.335 on 28 August 2018.

The Board wishes to clarify that the above information is extracted from the SFC Announcement and the Board has not independently verified such information. Accordingly, the Board is not in a position to comment on the accuracy of the above information except for (i) the number of Shares held by and the shareholding of PRG Holdings Berhad; and (ii) the information set out in paragraphs (A) to (D) above. Please refer to the SFC Announcement for other information.

PUBLIC FLOAT

Based on the information available and to the Directors’ best knowledge after making all reasonable enquiries, the Company confirms that not less than 25% of the issued Shares were and are in the hands of the public as at 8 October 2018 and the date of this announcement, and the Company is able to comply with the public float requirement under the GEM Listing Rules.

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.

By Order of the Board
Furniweb Holdings Limited
Dato' Lim Heen Peok
Chairman

Hong Kong, 30 October 2018

As at the date of this announcement, the chairman and non-executive Director is Dato' Lim Heen Peok, the executive Directors are Mr Cheah Eng Chuan, Mr Tan Chuan Dyi and Dato' Lua Choon Hann, and the independent non-executive Directors are Mr Ho Ming Hon, Dato' Sri Wee Jeck Seng and Dato' Sri Dr Hou Kok Chung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be posted on the Company's website at www.furniweb.com.my.