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建 福 集 團 控 股 有 限 公 司
KENFORD GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00464)

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 2 May 2019.

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.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in respect of the concentration of shareholding of Kenford Group Holdings Limited (the “**Company**”) in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 2 May 2019.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement (the “**SFC Announcement**”) was published by the Securities and Futures Commission (the “**SFC**”) on 16 May 2019.

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. The SFC’s findings suggested that as at 2 May 2019, 17 Shareholders held an aggregate of 77,189,000 shares of the Company (the “**Shares**”), representing 17.32% of the issued Shares. Such shareholding, together with a total of 348,207,500 Shares (representing 78.14% of the issued Shares) held by 3 substantial Shareholders of the Company, represented 95.46% of the issued Shares as at 2 May 2019. Therefore, only 20,249,500 Shares (representing 4.54% of the issued Shares) were held by other Shareholders.

As set out in the SFC Announcement, as at 2 May 2019, the shareholding structure of the Company was as follows:–

	Number of Shares held (Shares)	% of total number of issued Shares (%)
China Yuen Capital Limited (<i>Note 1</i>)	253,132,500	56.80
Tianjin Xian Tong Investment Management Co., Ltd	50,575,000	11.35
Tianjin Wei Tong Yuan Asset Management Co., Ltd	44,500,000	9.99
A group of 17 Shareholders	77,189,000	17.32
Other Shareholders	20,249,500	4.54
Total	<u>445,646,000</u>	<u>100.00</u>

Note 1: China Yuen Capital Limited is ultimately beneficially owned as to 60.87% by Mr. Liu Xuezhong and 39.13% by Ms. Li Yuelan (the spouse of Mr. Liu Xuezhong).

As stated in the SFC Announcement:

- 1) From 22 March 2019 to 3 May 2019, the closing price of the Shares increased by 71%, from \$1.82 on 21 March 2019 to \$3.11 on 3 May 2019.
- 2) During this period, the Company made, inter alia, the following announcements:
 - On 29 March 2019, the Company announced that its direct wholly owned subsidiary had entered into a memorandum of understanding with China Overseas Assets Management (Shanghai) Co., Ltd., in relation to the proposed formation of a joint venture company for the purpose of jointly investing in and developing financial related business in the People's Republic of China.
 - On 25 April 2019, the Company announced that its direct wholly owned subsidiary had entered into a memorandum of understanding with Xiao Yiwen, in relation to the possible acquisition of a majority equity interest in CF Capital Limited.
- 3) As at 15 May 2019, price of the Shares closed at \$3.06, which was 68% higher than the closing price of \$1.82 on 21 March 2019.

The board (the “**Board**”) of directors of the Company 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 shareholdings of China Yuen Capital Limited, Tianjin Xian Tong Investment Management Co., Ltd and Tianjin Wei Tong Yuan Asset Management Co., Ltd in the Company based on the latest available disclosure of interests notices filed pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (ii) the information set out in paragraphs (1) to (3) above. Please refer to the SFC Announcement for further details.

PUBLIC FLOAT

Based on the information available and to the best knowledge of the Board after making all reasonable enquiries, the Company confirms that not less than 25% of the Company's issued Shares are held in public hands as at the date of this announcement and the Company is able to comply with the public float requirement under the Rules Governing the Listing of Securities on the Stock Exchange.

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
Kenford Group Holdings Limited
Zhang Huijun
Director

Hong Kong, 16 May 2019

As at the date of this announcement, the Board of the Company comprises five executive Directors, namely Mr. Gao Jianbo, Ms. Cai Dongyan, Mr. Zhang Huijun, Ms. Pauline Lam, and Mr. Lin Liangyong, and three independent non-executive Directors, namely Mr. Han Dengpan, Mr. Huang Zhiwei and Mr. Lam Yick Man.

Website: www.kenford.com.hk