

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Maxicity Holdings Limited

豐城控股有限公司

(Incorporated in the Cayman Islands with members' limited liability)

(Stock Code: 8216)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of Stock Exchange in respect of the high concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 17 March 2021.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors of the Company 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 Maxicity Holdings Limited (the “**Company**”) at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in respect of the high concentration of the shareholding of the Company in the hands of a limited number of shareholders of the Company (the “**Shareholder(s)**”) as at 17 March 2021.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement (the “**SFC Announcement**”) was published by the Securities and Futures Commission (the “**SFC**”) on 29 March 2021.

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 17 March 2021, 19 Shareholders held an aggregate of 67,635,000 Shares, representing 16.91% of the issued Shares. Such shareholding, together with 300,000,000 Shares (representing 75.00% of the issued Shares) held by the Company’s controlling Shareholder, represented 91.91% of the issued Shares. As such, only 32,365,000 Shares (representing 8.09% of the issued Shares) were in the hands of other Shareholders.

According to the SFC Announcement, as at 17 March 2021, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Good Hill Investment Limited ^(Note 1)	300,000,000	75.00
A group of 19 Shareholders ^(Note 2)	67,635,000	16.91
Other Shareholders	<u>32,635,000</u>	<u>8.09</u>
Total	<u><u>400,000,000</u></u>	<u><u>100.00</u></u>

Note 1: Good Hill Investment Limited is directly owned in equal share by each of the Chairman and executive director of the Company Mr. Sieh Shing Kee and the Chief Executive Officer and executive director of the Company Mr. Ho Ka Ki.

Note 2: 31,530,000 Shares (representing 7.88% of the issued Shares) were held by 12 Shareholders who initially obtained 19,860,000 Shares from the IPO placing of the Shares in December 2019.

The SFC Announcement further states that:

The Company was listed on the GEM Board of the Stock Exchange on 13 December 2019 by way of placing and public offer of a total of 100,000,000 Shares (representing 25% of the issued Shares) at HK\$0.60 per Share (“**IPO Price**”). At the time of listing, the top 19 Shareholders, together with the controlling Shareholder, held an aggregate 82.58% of the issued Shares.

The closing price of the Shares decreased 60.2% from the IPO Price of HK\$0.60 to HK\$0.239 on 19 March 2020. From 20 March 2020 to 30 October 2020, the closing price of the Shares ranged between HK\$0.245 and HK\$0.345.

Subsequently, the closing price of the Shares increased 400% from HK\$0.26 on 30 October 2020 to HK\$1.30 on 25 February 2021. From 26 February 2021 to 17 March 2021, the closing price of the Shares ranged between HK\$1.30 and HK\$1.33.

During the period from 30 October 2020 to 17 March 2021, the Company made the following announcements, amongst others:

- On 30 October 2020, the Company issued a profit alert that it expected to record more than 30% increase in both revenue and adjusted profit and total comprehensive income attributable to equity holders of the Company (excluding the one-off listing expenses and the financial support from the Anti-epidemic Fund, “**Adjusted Profit**”) for the nine months ended 30 September 2020, as compared to those for the corresponding period in 2019.

- On 4 November 2020, the Company announced its third quarterly results which recorded an increase of 37.6% and 34.8% in revenue and Adjusted Profit, respectively, for the nine months ended 30 September 2020, as compared to those for the corresponding period in 2019.
- On 18 February 2021, the Company issued a profit alert that it expected to record more than 40% increase in revenue and more than 50% increase in Adjusted Profit for the year ended 31 December 2020, as compared to those for the year ended 31 December 2019.
- On 26 February 2021, the Company announced that it had appointed professional parties to evaluate the possibility of transferring the listing of its Shares from GEM to Main Board of the Stock Exchange (“**Transfer of Listing**”). On the same day, the Company also announced its annual results which recorded an increase of 50.1% and 54.3% in revenue and Adjusted Profit, respectively, for the year ended 31 December 2020, as compared to those for the year ended 31 December 2019.
- On 10 March 2021, the Company announced that it had submitted a formal application to the Stock Exchange in respect of the proposed Transfer of Listing.

As at 26 March 2021, the price of the Shares closed at HK\$1.33, which was 411.5% higher than its closing price of HK\$0.26 on 30 October 2020 or 121.7% higher than the IPO Price of HK\$0.60.

The information above is extracted from the SFC Announcement and the board (the “**Board**”) of the directors (the “**Directors**”) of the Company 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 the shareholdings held by Good Hill Investment Limited 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).

PUBLIC FLOAT

Based on the information available and to the Directors’ best knowledge after making all reasonable enquiries, the Directors confirm that not less than 25% of the issued Shares were held in public hands as at 17 March 2021 and the date of this announcement, and the Company has maintained a sufficient public float as required under the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors of the Company 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
Maxicity Holdings Limited
Sieh Shing Kee
Chairman

As at the date of this announcement, the Board comprises Mr. Sieh Shing Kee (chairman of the Board) and Mr. Ho Ka Ki (chief executive officer) as the executive Directors and Mr. Kwong Che Sing, Mr. Ling Siu Tsang and Mr. Tso Ping Cheong Brian as the independent non-executive Directors.

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 herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page on the GEM website at <http://www.hkgem.com> for at least 7 days from the day of its posting. This announcement will also be published on the Company’s website at www.maxicity.com.hk.