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## **Maxicity Holdings Limited**

### **豐城控股有限公司**

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

**(Stock Code: 2295)**

#### **(1) PROPOSED DECLARATION AND PAYMENT OF SPECIAL DIVIDEND OUT OF RETAINED EARNINGS AND (2) CLOSURE OF REGISTER OF MEMBERS**

The Board is pleased to announce that at a meeting of the Board held on 19 January 2024, the Board has recommended the declaration and payment of a one-off special dividend of HK\$0.175 per Share out of the Retained Earnings.

As at the date of this announcement, the Company has 400,000,000 Shares in issue. Based on the number of issued Shares as at the date of this announcement, the Special Dividend, if declared and paid, will amount to an aggregate amount of HK\$70 million. The payment of the Special Dividend out of the Retained Earnings is conditional upon the passing of an ordinary resolution by the Shareholders approving the declaration and payment of the Special Dividend pursuant to Article 133 of the Articles of Association.

Subject to the fulfilment of the above condition, it is expected that the Special Dividend will be paid in cash on or about 16 February 2024 to those Shareholders whose names appear on the register of members of the Company at close of business on 8 February 2024, being the record date for determination of entitlements to the Special Dividend.

The EGM will be convened to consider and, if thought fit, approve the declaration and payment of the Special Dividend. No Shareholder is required to abstain from voting in respect of the ordinary resolution to be proposed at the EGM to approve the declaration and payment of the Special Dividend.

A circular containing further information about the Special Dividend and the notice of the EGM will be despatched to the Shareholders as soon as practicable.

## **PROPOSED DECLARATION AND PAYMENT OF SPECIAL DIVIDEND OUT OF RETAINED EARNINGS**

The Board is pleased to announce that at a meeting of the Board held on 19 January 2024, the Board has recommended the declaration and payment of a one-off special dividend of HK\$0.175 per Share out of the Retained Earnings.

As at the date of this announcement, the Company has 400,000,000 Shares in issue. Based on the number of issued Shares as at the date of this announcement, the Special Dividend, if declared and paid, will amount to an aggregate amount of HK\$70 million. Subject to the fulfilment of the condition set out in the paragraph headed “Condition of the Payment of Special Dividend” below, the Special Dividend is intended to be paid out of the Retained Earnings pursuant to Article 133 of the Articles of Association and in accordance with the Cayman Companies Act.

As at 30 June 2023, based on the unaudited consolidated financial statements of the Group, the amount standing to the credit of the Retained Earnings was approximately HK\$91.5 million.

At a meeting of the Board held on 31 August 2023, the Board declared the Interim Dividend which was subsequently paid on 29 September 2023. As a result, the remaining amount standing to the credit of the Retained Earnings subsequent to the payment of the Interim Dividend was approximately HK\$81.5 million.

Following the payment of the Special Dividend and assuming no changes in the Retained Earnings subsequent to the payment of the Interim Dividend on 29 September 2023, there will be a remaining balance of approximately HK\$11.5 million standing to the credit of the Retained Earnings.

### **CONDITION OF THE PAYMENT OF SPECIAL DIVIDEND**

The payment of the Special Dividend is conditional upon the passing of an ordinary resolution by the Shareholders approving the declaration and payment of the Special Dividend pursuant to Article 133 of the Articles of Association.

Subject to the fulfilment of the above condition, it is expected that the Special Dividend will be paid in cash on or about 16 February 2024 to those Shareholders whose names appear on the register of members of the Company at close of business on 8 February 2024, being the record date for determination of entitlements to the Special Dividend.

The condition set out above cannot be waived. If the condition set out above is not satisfied, the Special Dividend will not be paid.

## **REASONS FOR AND EFFECT OF THE PAYMENT OF SPECIAL DIVIDEND**

The Group was established in Hong Kong over a decade ago. The Company was listed on GEM of the Stock Exchange in December 2019 and its listing was subsequently transferred to the Main Board in December 2021. Despite storms of the market and adversity, the Group has withstood difficulties with perseverance. The Company has earned considerable profits over the years and has accumulated substantial retained earnings thus far. The operating results are attributable to the long-term support of customers and the concerted effort of the Group's staff in face of difficulties, as well as the trust and confidence of the Shareholders towards the Company over the years. In light of the aforesaid, the Board considers it appropriate to distribute the Special Dividend to reward the Shareholders' support.

The payment of the Special Dividend does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or any change in the trading arrangements in respect of the Shares.

After taking into consideration of the existing cash flow of the Group, the Board considered that the Company has sufficient cash flow to pay the Special Dividend. The payment of the Special Dividend will not have any material adverse effect on the financial position of the Group.

Based on the above, the Directors consider the proposed declaration and payment of the Special Dividend out of the Retained Earnings to be in the interests of the Company and its Shareholders as a whole.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed on 8 February 2024 for the purpose of determining the entitlements of the Shareholders to the Special Dividend, during which period no transfer of shares in the Company will be effected. In order to qualify for the proposed Special Dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch registrar and transfer office, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, no later than 4:30 p.m. on 7 February 2024.

## **EGM**

The EGM will be convened to consider and, if thought fit, approve the declaration and payment of the Special Dividend. No Shareholder is required to abstain from voting in respect of the ordinary resolution to be proposed at the EGM to approve the declaration and payment of the Special Dividend.

A circular containing further information about the Special Dividend and the notice of the EGM will be despatched to the Shareholders as soon as practicable.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings when used herein:

“Articles of Association”	the articles of association of the Company as may be amended from time to time
“Board”	the board of Directors
“Cayman Companies Act”	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands as may be amended from time to time
“Company”	Maxicity Holdings Limited, an exempted company incorporated in the Cayman Islands with members’ limited liability, the Shares of which are listed on Main Board (Stock Code: 2295)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the declaration and payment of the Special Dividend
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Interim Dividend”	an interim dividend of HK\$0.025 per Share declared by the Board on 31 August 2023 and paid on 29 September 2023, totalling HK\$10 million in respect of the six months ended 30 June 2023
“Main Board”	the Main Board of the Stock Exchange
“Retained Earnings”	the retained earnings of the Group
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	the holder(s) of the Share(s) for the time being
“Special Dividend”	the proposed special dividend of HK\$0.175 per Share as recommended by the Board
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Maxicity Holdings Limited**  
**Sieh Shing Kee**  
*Chairman*

Hong Kong, 19 January 2024

*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 Ms. Chiao Siu Ling, Mr. Kwong Che Sing, Mr. Ling Siu Tsang and Mr. Tso Ping Cheong Brian as the independent non-executive Directors.*