

2 August 2024

**High Concentration of Shareholding
in
Migao Group Holdings Limited (Stock Code: 09879)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Migao Group Holdings Limited (the “Company”) in the hands of a limited number of shareholders as at 23 July 2024.

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 23 July 2024, 13 shareholders held an aggregate of 225,255,000 Shares, representing 24.78% of the issued Shares. Such shareholding, together with 675,000,000 Shares (representing 74.26% of the issued Shares) held by the controlling shareholders of the Company, represented 99.04% of the issued Shares. As such, only 8,685,000 Shares (representing 0.96% of the issued Shares) were in the hands of other shareholders.

As at 23 July 2024, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Mr Liu Guocai (<i>Note</i>)	675,000,000	74.26
A group of 13 shareholders	225,255,000	24.78
Other shareholders	8,685,000	0.96
Total	908,940,000	100

Note: Mr Liu Guocai is the Chairperson, Chief Executive Officer and an Executive Director of the Company. All the issued shares of Migao BVI is held by Migao Barbados which in turn is held by Mr Liu Guocai, each of Mr Liu Guocai and Migao Barbados is deemed to be interested in the Shares held by Migao BVI.

The Shares were listed on the Main Board of the Stock Exchange of Hong Kong on 21 March 2024 at the Listing Price of HK\$4.08.

During the period from 18 April 2024 to 23 July 2024, the closing price of the Shares increased substantially by 96% from HK\$4.08 on 17 April 2024 to HK\$8.00 on 23 July 2024. On 31 May



2024, the Company published a profit warning announcement anticipating a year-on-year decrease of 34% to 39% in net profit of the Group for the year ended 31 March 2024. On 21 June 2024, the Company published the annual results and reported a year-on-year decrease of 34.5% in net profit for the year ended 31 March 2024.

As at 1 August 2024, the Shares closed at HK\$7.65, representing an increase of 87.5% from the closing price of HK\$4.08 on 17 April 2024.

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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