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## MAN SHUN GROUP (HOLDINGS) LIMITED

萬順集團(控股)有限公司

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

(Stock code: 1746)

### UPDATE ON USE OF PROCEEDS; AND SUPPLEMENTAL ANNOUNCEMENT TO ANNUAL REPORT

References are made to the section headed “Future plans and Use of Proceeds” in the prospectus of Man Shun Group (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 28 June 2018 (the “**Prospectus**”), and the sections headed “Management Discussion and Analysis — Use of proceeds” in the 2019 annual report of the Company (the “**2019 Annual Report**”). Unless otherwise defined, capitalized items used in this announcement shall have the same meanings as those defined in the Prospectus and the 2019 Annual Reports, respectively.

The Board would like to provide an update to the use of the proceeds from the Listing as supplemental information to the 2019 Annual Report.

The net proceeds of the Listing (after deducting underwriting fee and the relevant expenses payable by the Group in connection to the Listing) amounted to approximately HK\$102.4 million. As at 31 May 2020, a total amount of approximately HK\$61.5 million out of the net proceeds of the Listing had been utilised by the Group according to the allocation set out in the Prospectus and the remaining balance of approximately HK\$40.9 million is expected to be utilised as intended.

In accordance with the requirements of paragraph 11(8) of Appendix 16 to the Listing Rules, the table below is a summary of the Group’s use of proceeds up to 31 May 2020 (including additional information on the expected timeline of the full utilisation of the balance of such proceeds):

		Utilised as of 31 December 2019 HK\$	Utilised as of 31 May 2020 HK\$	Balance as of 31 May 2020 HK\$	Expected timeline
Procurement of HVAC systems	87,654	17,229	49,450	38,204	End of 2021
Taking out surety bonds	4,608	1,880	1,880	2,728	End of 2021
General working capital	10,138	10,138	10,138	–	–
	<u>102,400</u>	<u>29,247</u>	<u>61,468</u>	<u>40,932</u>	

The proceeds from the Listing have mainly been utilised in two property developments projects that are situated in close proximity to the Tai Wai mass transit station and in Tuen Mun town by which the expected timeline for the application of unutilised proceeds is with reference to the estimated construction progress. Due to the significant subsidence near the Tai Wai mass transit station, it caused the slowdown in construction progress and the use of proceeds has been delayed accordingly.

The Board confirmed that the above supplemental information does not affect other information contained in the 2019 Annual Report and, save as disclosed above, the content of the 2019 Annual Report remains accurate and correct.

By Order of the Board  
**Man Shun Group (Holdings) Limited**  
**Cheung Yuen Tung**  
*Chairman and Executive Director*

Hong Kong, 29 June 2020

*As at the date of this announcement, the executive Directors are Mr. Cheung Yuen Tung and Mr. Cheung Yuen Chau; and the independent non-executive Directors are Mr. Pang Kam Fai, Dickson, Mr. Law Chung Lam, Nelson and Mr. Lau Yu Ching.*