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民商創科

Minshang Creative Technology Holdings Limited

民商創科控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1632)

CHANGE IN USE OF PROCEEDS FROM LISTING

References are made to (i) the prospectus of Minshang Creative Technology Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 17 November 2016 (the “**Prospectus**”) in relation to the listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Listing**”), (ii) the announcement of the Company dated 19 September 2019 (the “**2019 Announcement**”) in relation to the change of use of proceeds from the Listing, (iii) the announcement of the Company dated 24 September 2021 (the “**2021 Announcement**”) in relation to the change of use of proceeds, (iv) the annual report of the Company for the financial year ended 31 March 2023 (the “**2023 Annual Report**”) in relation to the use of proceeds from the Listing, and (v) the announcement of the Company dated 27 April 2023 in relation to the disposal of Prosperity One Limited (the “**Target**”).

CHANGE IN USE OF PROCEEDS FROM LISTING

The net proceeds from the Listing (the “**Net Proceeds**”) were approximately HK\$70.9 million. As disclosed in the 2019 Announcement and the 2021 Announcement, having considered the business environment and development needs of the Group, the board of directors (the “**Director(s)**”) of the Company (the “**Board**”) has resolved to change the proposed use of part of the unutilised Net Proceeds in the amount of HK\$20 million originally allocated for broadening cuisines offers to (i) investing in new business on supply trading on food and other consumers good; and (ii) working capital and general corporate purposes, and further resolved to change the proposed use of part of the unutilised Net Proceeds in the amount of HK\$10 million originally allocated for broadening cuisine offerings to working capital and general corporate purposes.

The amount of Net Proceeds which remains unutilised as at date of this announcement was approximately HK\$9.7 million as set out in the table below (the “**Unutilised Net Proceeds**”). As a result of the disposal of the Target on 27 April 2023, the Company ceased to operate Vietnamese-style restaurant business in Hong Kong (the “**Restaurant Business**”). Therefore, the Board has resolved to change the proposed use of the Unutilised Net Proceeds as follows:

Use of proceeds	Original allocation as disclosed in the Prospectus (in HK\$ million)	Amount remained as unutilised as disclosed in the 2023 Annual Report (in HK\$ million)	Amount remained as unutilised as at the date of this announcement (in HK\$ million)	Proposed re-allocation (in HK\$ million)	Revised allocation (in HK\$ million)
Maintain and expand Viet’s					
Choice brand restaurant	16.5	–	–	–	–
Broaden cuisine offerings	43.6	7.0	7.0	(7.0)	–
Upgrade and expand food processing centre	2.3	2.2	2.2	(2.2)	–
Upgrade information technology systems	1.9	0.5	0.5	(0.5)	–
Broaden the promotion of brand image and recognition	1.1	–	–	–	–
Working capital and general corporate purposes	5.5	2.0	–	9.7	9.7
Invest in new supply chain business	–	–	–	–	–
	<u>70.9</u>	<u>11.7</u>	<u>9.7</u>	<u>–</u>	<u>9.7</u>

After the disposal of the Restaurant Business, the Company intends to focus its resources in developing and operating its current business and operation. The Board considers the reallocation of the Unutilised Net Proceeds of approximately HK\$9.7 million to working capital and general corporate purposes could improve the Group’s liquidity and provide more buffer to cope with the economic uncertainties, in particular, to cope with expected inflation. The Board expects to use the Unutilised Net Proceeds by 31 March 2026. The Board considers that the proposed change in the use of the Unutilised Net Proceeds will not have any material adverse effect on the existing business and operation of the Group and is in the best interests of the Company and its shareholders as a whole.

Save as disclosed in this announcement, there are no other changes on the use of Net Proceeds.

By Order of the Board
Minshang Creative Technology Holdings Limited
Wu Jiangtao
Chairman

Hong Kong, 10 November 2023

As at the date of this announcement, the executive Directors are Mr. Wu Jiangtao, Mr. Tao Jingyuan and Mr. Lai Xiaopeng Michael; and the independent non-executive Directors are Mr. Choi Tze Kit, Sammy, Mr. Cheung Miu and Mr. Cheung Pak To.