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## **M&L HOLDINGS GROUP LIMITED**

**明樑控股集團有限公司**

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

**(Stock code: 8152)**

### **CHANGE IN USE OF PROCEEDS**

Reference is made to (i) the prospectus of M&L Holdings Group Limited (the “Company”, together with its subsidiaries, the “Group”) dated 30 June 2017 (the “Prospectus”) in relation to the listing (the “Listing”) of shares by the Company on GEM of The Stock Exchange of Hong Kong Limited, (ii) the announcement of the Company dated 21 December 2018 in relation to the update on the status of use of Net Proceeds from the listing (the “Net Proceeds”), (iii) the announcement of the Company dated 28 July 2020 in relation to the update on expected timeline for use of Net Proceeds (the “2020 UOP Announcement”), and (iv) the announcement of the Company dated 23 March 2022 in relation to the update on expected timeline for use of Net Proceeds (the “2022 UOP Announcement”).

The Net Proceeds from the Listing, after deducting the underwriting fees and other Listing related expenses, amounted to approximately HK\$40.2 million. As at the date of this announcement, the Group had utilised approximately HK\$34.2 million of the Net Proceeds, representing approximately 85.1% of the Net Proceeds. The unutilised Net Proceeds amounted to approximately HK\$6.0 million, representing approximately 14.9% of the Net Proceeds.

The Group adopted a more prudent approach to assess and undertake any expansion plan amidst the uncertain business environment since the COVID-19 outbreak in order to conserve its capital resources. In view of the present circumstances, management determined that it is to the benefit of the Group to utilise the Company’s cash reserves to finance for ordinary operations of the Group in Hong Kong, which has recorded a growth in revenue since the start of year 2023, and to lessen the Group’s external financing needs for savings in interest costs. The Board has therefore resolved to change the intended usage and timeline for utilisation of Net Proceeds as below:

	Estimated use of Net Proceeds as set out in the Prospectus <i>HK\$'million</i>	Adjusted use of Net Proceeds as set out in the 2022 UOP <i>HK\$'million</i>	Up to the date of this announcement		Proposed change in use of unutilised Net Proceeds <i>HK\$'million</i>	Updated expected completion date
			<u>utilised</u> <i>HK\$'million</i>	<u>unutilised</u> <i>HK\$'million</i>		
To further develop fabricated construction steel works and equipment business in the PRC	16.0	0.2	0.2	–	–	N/A
To acquire and/or partly finance the expansion of fleet of specialised construction machinery and equipment	13.6	22.0	17.0	5.0	0.0	N/A
To expand repair and maintenance services in the PRC for tunnelling business	5.5	0.4	0.4	–	–	N/A
To expand repair and maintenance services in Australia for tunnelling business	–	2.7	2.7	–	–	N/A
To renew the wear-off facilities and machineries of the repair and maintenance centres of the Group in Hong Kong and Singapore	–	1.5	0.5	1.0	0.0	N/A
General working capital	3.9	13.4	13.4	–	6.0	On or before 31 Dec 2023
	<u>39.0</u>	<u>40.2</u>	<u>34.2</u>	<u>6.0</u>	<u>6.0</u>	

By order of the Board  
**M&L Holdings Group Limited**  
**Ng Lai Ming**  
*Chairman, Chief Executive Officer and  
Executive Director*

Hong Kong, 12 May 2023

*This announcement, for which the directors of the Company (the “**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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.*

*As at the date of this announcement, the executive Directors are Mr. Ng Lai Ming, Mr. Ng Lai Tong and Mr. Ng Lai Po and the independent non-executive Directors are Mr. Tai Wai Kwok, Ir Lo Kok Keung and Mr. Lau Chi Leung.*

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the Company’s website at [www.mleng.com](http://www.mleng.com).*