

**MANHATTAN RESOURCES LIMITED**  
(Incorporated In the Republic of Singapore)  
(Company Registration No. 199006289K)

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**(I) INCREASE IN SHARE CAPITAL OF SUBSIDIARY**  
**(II) UPDATE ON THE USE OF PROCEEDS FROM THE RIGHTS ISSUE**

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**1. INTRODUCTION**

The Board of Directors (“**Board**” or “**Directors**”) of Manhattan Resources Limited (“**Company**”) and its subsidiaries (together the “**Group**”) refers to its announcements dated 5 September 2018, 13 September 2018, 27 September 2018, 29 October 2018, 16 November 2018, 27 November 2018, 20 December 2018 and 21 December 2018 in relation to the Company’s Rights Issue, its circular to Shareholders dated 1 November 2018 relating to, amongst others, the Rights Issue (“**Circular**”), the offer information statement dated 27 November 2018 (“**Offer Information Statement**”) and its announcement dated 9 July 2020 in relation to the use of proceeds from the Company’s Rights Issue. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Offer Information Statement.

**2. INCREASE IN SHARE CAPITAL OF SUBSIDIARY**

The Board wishes to announce that its 51%-owned subsidiary, Manhattan Property Development Pte. Ltd. (“**MPDPL**”) has increased its paid-up share capital from US\$7,000,100 to US\$14,200,100 (“**Subsidiary Share Capital Increase**”) following the issuance and allotment of an additional 7,200,000 ordinary shares for a total consideration of US\$7,200,000 as set out below:

	Before Subsidiary Share Capital Increase		After Subsidiary Share Capital Increase	
	No. of shares	Percentage shareholding	No. of shares	Percentage shareholding
Manhattan Resources Limited	3,570,051	51%	7,242,051	51%
Kaiyi Investment Pte. Ltd.	3,430,049	49%	6,958,049	49%
TOTAL	7,000,100	100%	14,200,100	100%

The consideration of US\$3,672,000 paid by the Company was fully funded using the proceeds from the Rights Issue.

The Subsidiary Share Capital Increase is not expected to have any material impact on the earnings per share and net tangible assets of the Company and the Group for the financial year ending 31 December 2020.

Following the Subsidiary Share Capital Increase and as set out in the Circular, the Company will not contribute any further capital in MPDPL from the proceeds from the Rights Issue in the event that Manhattan Resources (Ningbo) Property Limited (through MPDPL) requires further capitalisation for the development of the Ningbo Project.

**3. USE OF PROCEEDS FROM THE RIGHTS ISSUE**

As disclosed in its announcement dated 20 December 2018 on the results of the Rights Issue, the net proceeds from the Rights Issue was approximately S\$13,730,000. Following the consideration

paid by the Company as described above, the Board wishes to announce that the Company has utilised a total of US\$7,422,000 (approximately S\$9,884,290), representing approximately 72% of the net proceeds, for capital investment in the Ningbo Project via MPDPL.

The above utilization of the net proceeds is in accordance with the stated use and the amount allocated as previously stated in the Offer Information Statement.

**BY ORDER OF THE BOARD**

Low Yi Ngo  
Chief Executive Officer and Managing Director  
17 December 2020