

MANHATTAN RESOURCES LIMITED

(Incorporated In the Republic of Singapore)

(Company Registration No. 199006289K)

ANNOUNCEMENT PURSUANT TO RULE 706A OF SGX-ST LISTING MANUAL

The Board of Directors of Manhattan Resources Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce the following transaction which occurred during the period from 1 January 2021 to 30 June 2021, pursuant to Rule 706A of the SGX-ST Listing Manual:

INCREASE IN SHARE CAPITAL OF MANHATTAN PROPERTY DEVELOPMENT PTE. LTD. RESULTING IN SUBSIDIARIES BECOMING ASSOCIATES

The Company's 51%-owned subsidiary (prior to the Subsidiary Share Capital Increase), Manhattan Property Development Pte. Ltd. ("**MPDPL**") had on 4 May 2021 increased its paid-up share capital ("**Subsidiary Share Capital Increase**") by:

(i) the capitalisation of loans from the Company and Kaiyi Investment Pte. Ltd. ("**Kaiyi**") of US\$34,935,000 and US\$33,565,000 respectively ("**Loans**"); and

(ii) the issuance and allotment of an additional 5,000,000 ordinary shares to Kaiyi for a total consideration of US\$5,000,000.

The Loans arose from a restructuring exercise in 2018 where the consideration for the transfer by the Company and Kaiyi of their respective interests in Manhattan Resources (Ningbo) Property Limited ("**MRN**") to MPDPL was deemed as loans from shareholders and are non-interest bearing.

Changes to the number of shares and share capital of MPDPL are as follows:

	Before			After		
	No. of shares	Percentage shareholding	Share capital fully paid	No. of shares	Percentage shareholding	Share capital fully paid
Manhattan Resources Limited	7,242,051	51%	US\$7,242,051	42,177,051	48.09%	US\$42,177,051
Kaiyi Investment Pte. Ltd.	6,958,049	49%	US\$6,958,049	45,523,049	51.91%	US\$45,523,049
TOTAL	14,200,100	100%	US\$14,200,100	87,700,100	100%	US\$87,700,100

There was no further capital contribution to the Subsidiary Share Capital Increase by the Company. Accordingly, the Company's shareholding interest in MPDPL has been diluted from 51% to 48.09%.

Consequently, the effective shareholding interest in MRN held by the Company through MPDPL will also be diluted from 51% to 48.09%. As a result, both MPDPL and MRN will cease as subsidiaries of the Group and become associates of the Group.

An announcement in relation to the above was made on 4 May 2021.

On 9 July 2021, MPDPL had further increased its share capital by the issuance and the allotment of 14,000,000 ordinary shares to Kaiyi for a total consideration of US\$14,000,000. Consequently, the Company's shareholding interest in MPDPL has been diluted from 48.09% to 41.47%. Please refer to the Company's announcement made on 9 July 2021.

BY ORDER OF THE BOARD

Low Yi Ngo
Chief Executive Officer and Managing Director
6 August 2021