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Milestone Builder Holdings Limited

進階發展集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1667)

UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS

Reference is made to (i) the prospectus of Milestone Builder Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 22 March 2017 (the “**Prospectus**”), which contained the proposed use of net proceeds (the “**Net Proceeds**”) raised from the listing of the shares of the Company on the Main Board (the “**Listing**”) on 7 April 2017, (ii) the announcement of the Company dated 9 February 2018 in relation to the change in the use of the Net Proceeds, and (iii) the annual report of the Company for the year ended 31 March 2019 (“**2019 Annual Report**”).

The Net Proceeds from the Listing (after deducting underwriting fees and other Listing related expenses) amounted to approximately HK\$75.9 million. As at the date of this announcement, the Company had utilized approximately HK\$75.4 million of the Net Proceeds, representing approximately 99.3% of the Net Proceeds. The unutilized Net Proceeds amount to approximately HK\$0.5 million, representing approximately 0.7% of the Net Proceeds. As at the date of this announcement, there has not been any change to the intended use of the Net Proceeds of the allocated amount as disclosed in the announcement of the Company dated 9 February 2018.

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 30 June 2020 (including additional information on the expected timeline of the full utilisation of the balance of such proceeds):

Uses of Net Proceeds	Original	Revised	Utilisation as	Remaining	Expected
	allocation	allocation as	at the date of	balance after	timeline of fully
	9 February 2018	disclosed in the	30 June 2020	revised	utilisation of
	HK\$ million	announcement	HK\$ million	allocation	the balance
		dated	HK\$ million	HK\$ million	HK\$ million
Financing the capital input and upfront costs to upcoming projects	36	36	36	—	—
Purchase of surety bonds	13	—	—	—	—
Increasing the employed capital of the Group	11.4	11.4	11.4	—	—
Repayment of current bank borrowings of the Group	4.3	4.3	4.3	—	—
Employing additional staff	3.3	3.3	3.3	—	—
Investing in building information modelling software	0.5	0.5	—	0.5	End of 2021
General working capital of the Group	7.4	7.4	7.4	—	—
Financing the Property Development and Investment Business in Japan	—	13	13	—	—
	<u>75.9</u>	<u>75.9</u>	<u>75.4</u>	<u>0.5</u>	

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
Milestone Builder Holdings Limited
Leung Kam Fai
Chairman and Executive Director

Hong Kong, 20 July 2020

As at the date of this announcement, the executive directors of the Company are Mr. Leung Kam Fai (Chairman) and Mr. Lam Ka Ho, and the independent non-executive directors of the Company are Mr. Keung Kwok Hung, Ms. Lau Suk Han Loretta, Mr. Wong Chun Tai and Mr. Fong Man Fu Eric.