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## **Zhongshen Jianye Holding Limited**

**中 深 建 業 控 股 有 限 公 司**

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

**(Stock code: 2503)**

### **SUPPLEMENTAL ANNOUNCEMENT**

#### **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

Reference is made to the announcement of the Company dated 10 January 2025 in relation to the subscription of new Shares under the General Mandate (the “**Announcement**”). Unless otherwise stated, capitalized terms used in this announcement shall bear the same meanings as those defined in the Announcement.

The Company would like to provide the following additional information in relation to the Subscription.

#### **INFORMATION OF THE SUBSCRIBERS**

As disclosed in the Announcement, the Company entered into the Subscription Agreements with six Subscribers in respect of the subscription of an aggregate of 102,960,000 Subscription Shares. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the following are further information in regard to the Subscribers:

<b>Subscriber</b>	<b>Background of the Subscriber</b>
Subscriber 1	A permanent resident of the Macau Special Administrative Region of the PRC with extensive experience in investment in capital market in Hong Kong.
Subscriber 2	A permanent resident of Hong Kong with extensive experience in capital market in Hong Kong and the United States of America.

<b>Subscriber</b>	<b>Background of the Subscriber</b>
Subscriber 3	A permanent resident of Hong Kong with extensive experience in accounting and property and capital market investments in Hong Kong.
Subscriber 4	A permanent resident of Hong Kong with extensive experience in accounting, capital market and investment in stock market.
Subscriber 5	A permanent resident of Hong Kong with extensive experience in investment in stock market and derivatives.
Subscriber 6	A permanent resident of Hong Kong with extensive experience in capital market, including shares and debentures.

Save for the Subscription, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each Subscriber is independent of and not connected with each other within the meaning of the Listing Rules.

## **REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS**

Reference is made to the section headed "Future plans and use of proceeds" in the prospectus of the Company dated 28 December 2023 (the "**Prospectus**") in relation to the intended use of the net proceeds (the "**Share Offer Proceeds**") from the Share Offer (as defined in the Prospectus) and the section headed "Management discussion and analysis — Use of proceeds" in the interim report of the Group for the six months ended 30 June 2024 in relation to the status of the use of the Share Offer Proceeds as at 30 June 2024. The following table sets forth the status of the use of the Share Offer Proceeds as at 10 January 2025, being the date of the Announcement:

<b>Purposes as disclosed in the Prospectus</b>	<b>Net proceeds to be applied in the percentage allocation stated in the Prospectus RMB million</b>	<b>Utilised net proceeds up to 10 January 2025 RMB million</b>	<b>Unutilised net proceeds as at 10 January 2025 RMB million</b>	<b>Expected timeline for utilising the unutilised net proceeds</b>
(1) Funding the capital needs and cash flow of certain projects	35.3	35.3	—	N/A
(2) Acquiring equipment and machinery	31.9	1.5	30.4	By 31 December 2025
(3) Hiring additional manpower	5.4	0.9	4.5	By 31 December 2026
(4) Working capital and other general corporate purposes	4.7	4.7	—	N/A
	<u>77.3</u>	<u>42.4</u>	<u>34.9</u>	

Taking into account (i) the Share Offer Proceeds have specific intended usage as aforementioned, (ii) the reasons for the Subscription as mentioned in the Announcement, and (iii) the Subscription Agreements are entered into upon normal commercial terms following arm's length negotiations between the Company and the Subscribers and the terms of the Subscription Agreements (including the Subscription Price) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, the Board considered that the Subscription will provide additional funding for the Group's operation and grasp of business opportunities.

Expected timeline for utilising the net proceeds from the Subscription of HK\$51.3 million is as below:

- (i) utilising approximately HK\$30.0 million for potential acquisition in construction companies attained with qualifications and licenses related to municipal and public construction works by 31 December 2025.
- (ii) utilising approximately HK\$21.3 million for general working capital by 30 April 2025.

The Company intends to apply the net proceeds from the Subscription for the general working capital of the Group as follows:

- (i) approximately 70% of the net proceeds, or approximately HK\$14.9 million, will be applied to construction project costs, including the procurement of construction materials and subcontracting costs;
- (ii) approximately 20% of the net proceeds, or approximately HK\$4.3 million, will be applied for staff costs; and
- (iii) approximately 10% of the net proceeds, or approximately HK\$2.1 million, will be applied for professional expenses and office expenses, including office maintenance.

By order of the Board  
**Zhongshen Jianye Holding Limited**  
**Sang Xianfeng**  
*Chairman and Executive Director*

Hong Kong, 20 January 2025

*As at the date hereof, the executive directors of the Company are Mr. Sang Xianfeng (Chairman) and Mr. Xian Yurong; and the independent non-executive directors of the Company are Ms. Liu Zhihong, Mr. Zeng Qingli and Mr. Xie Huagang.*