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TOMO HOLDINGS LIMITED

萬馬控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6928)

CHANGE IN USE OF PROCEEDS

References are made to the section headed “Future plans and Use of Proceeds” in the prospectus of the TOMO Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 30 June 2017 (the “**Prospectus**”), the sections headed “Management Discussion and Analysis – Use of proceeds” in the annual report of the Company for the year ended 31 December 2019, and the announcements of the Company dated 17 July 2020 and 19 March 2021 respectively in relation to, among others, update on expected timeline for use of proceeds and change in use of proceeds (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus and the Announcements.

The Board would like to provide an update to the use of the proceeds from the Listing as supplemental information to the Announcements on update on expected timeline for use of proceeds and change in use of proceeds.

CHANGE IN USE OF PROCEEDS

As of 30 June 2023, a total of approximately S\$9.91 million of the net proceeds from the Listing had been utilised by the Group according to the allocation as set out in the Prospectus and the Announcements and the remaining net proceeds from the Listing amount to approximately S\$390,000 (the “**Remaining Net Proceeds**”).

After careful consideration and detailed evaluation of the Group operations and the business strategy, the Board has resolved to change the use of the Remaining Net Proceeds from the Listing with an updated expected timeline of full utilisation as follows:

	Planned use of net proceeds updated from the Listing Date to 30 June 2023 S\$'000	Actual utilised amount up to 30 June 2023 S\$'000	Unutilised amount of net proceeds as at 30 June 2023 S\$'000	Updated Revised allocation of unutilized amount of net proceeds S\$'000	Updated expected timeline of full utilization of the balance
Use of net proceeds from the Listing					
Upgrade existing facilities, acquire new machinery and premises	5,160	4,770	390	--	
Strengthen our sales and marketing efforts	1,760	1,760	--	--	
Expand our product offerings	1,430	1,430	--	--	
Upgrade and integrate of our information technology system	350	350	--	--	
Working capital and general corporate use	1,600	1,600	--	390	End of 2023
	<u>10,300</u>	<u>9,910</u>	<u>390</u>	<u>390</u>	

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS

The continual impact of COVID-19 pandemic and the slowing economic growth have curtailed the progress of the Group's business scale expansion, the Board believes that the reallocation of the Remaining Net Proceeds will provide higher level of flexibility for the Group to manage its asset and liability against the current unstable business environment and enable the Group to capture other business opportunities for the Groups' revenue growth. The Board will continue to assess the impact of the COVID-19 pandemic and the economic trend of Singapore on the operations of the Group.

The Remaining Net Proceeds as at 30 June 2023 is currently placed as interest-bearing deposits in banks in Hong Kong and Singapore.

The Board considers that the change of use of the Remaining Net Proceeds will allow the Company to deploy its financial resources more effectively and is in the interests of the Company and its shareholders as a whole and will not have any material adverse effect on the existing business and operations of the Group.

Save as disclosed in this announcement, the Board does not anticipate any other change to the plan as to the use of the Remaining Net Proceeds.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
TOMO Holdings Limited
Ma Xiaoqiu
Chairlady and Executive Director

Hong Kong, 14 August 2023

As at the date of this announcement, the Board comprises Ms. Ma Xiaoqiu and Mr. Tsang Chun Ho Anthony as executive Directors; Ms. Liu Xinyi, Ms. Chen Jun, Ms. Lyu Qiuqia and Mr. Choi Tan Yee as non-executive Directors; and Mr. Jin Lailin, Mr. Cheng Wai Hei and Mr. Peng Peng as independent non-executive Directors.