



# Man Shing Global Holdings Limited 萬成環球控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(Stock code : 8309)



## 2022

## INTERIM REPORT



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*This report, for which the directors (the “**Directors**”) of Man Shing Global Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*



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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Wong Chong Shing (*Chairman*)  
Mr. Wong Man Sing  
Mr. Wong Chi Ho

### Independent Non-Executive Directors

Mr. Lee Pak Chung  
Mr. Au-Yeung Tin Wah  
Mr. Chiu Ka Wai

### COMPANY SECRETARY

Mr. Tong Wai Kit, Raymond

### AUDIT COMMITTEE

Mr. Au-Yeung Tin Wah (*Chairman*)  
Mr. Lee Pak Chung  
Mr. Chiu Ka Wai

### REMUNERATION COMMITTEE

Mr. Chiu Ka Wai (*Chairman*)  
Mr. Lee Pak Chung  
Mr. Wong Man Sing

### NOMINATION COMMITTEE

Mr. Wong Chong Shing (*Chairman*)  
Mr. Chiu Ka Wai  
Mr. Lee Pak Chung

### RISK MANAGEMENT COMMITTEE

Mr. Wong Chong Shing (*Chairman*)  
Mr. Lee Pak Chung  
Mr. Au-Yeung Tin Wah

### AUTHORISED REPRESENTATIVES

Mr. Wong Chong Shing  
Mr. Wong Man Sing

### REGISTERED OFFICE

PO BOX 309  
Ugland House, Grand Cayman  
KY1-1104, Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 10, 11/F Trans Asia Centre  
18 Kin Hong Street  
Kwai Chung, New Territories  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited  
PO Box 1093, Boundary Hall  
Cricket Square, Grand Cayman  
KY1-1102, Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## COMPLIANCE OFFICER

Mr. Wong Chong Shing

## AUDITORS

CCTH CPA Limited

## LEGAL ADVISOR

KEITH LAM LAU & CHAN

## PRINCIPAL BANKERS

Shanghai Commercial Bank Limited  
Fubon Bank (Hong Kong) Limited  
Standard Chartered Bank  
O-Bank Co. Ltd  
DBS Bank (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited

## WEBSITE ADDRESS

[www.manshing.com.hk](http://www.manshing.com.hk)

## STOCK CODE

8309



The board (the “**Board**”) of Directors is pleased to present the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2022 (the “**Reporting Period**”), together with the comparative unaudited figures for the corresponding period in 2021.

## Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2022

	Notes	Three months ended 30 September		Six months ended 30 September	
		2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Revenue	3	<b>256,029</b>	114,095	<b>479,360</b>	265,203
Cost of sales		<b>(229,503)</b>	(106,523)	<b>(433,595)</b>	(242,300)
Gross profit		<b>26,526</b>	7,572	<b>45,765</b>	22,903
Other income	4	<b>2,754</b>	1,117	<b>3,942</b>	1,325
Administrative expenses		<b>(14,711)</b>	(11,882)	<b>(28,622)</b>	(22,316)
Finance costs	5	<b>(1,546)</b>	(469)	<b>(2,710)</b>	(934)
Profit/(loss) before tax		<b>13,023</b>	(3,662)	<b>18,375</b>	978
Income tax (expenses)/recoverable	6	<b>(1,167)</b>	2	<b>(2,640)</b>	(572)
Profit/(loss) and total comprehensive income/(expenses) for the period	7	<b>11,856</b>	(3,660)	<b>15,735</b>	406
Earnings/(loss) per shares (HK cents)					
Basic and diluted	8	<b>1.98</b>	(0.61)	<b>2.62</b>	0.07



# Unaudited Condensed Consolidated Statement of Financial Position

As at 30 September 2022

	Notes	30 September 2022 HK\$'000 (Unaudited)	31 March 2022 HK\$'000 (Audited)
Non-current assets			
Plant and equipment	10	3,975	3,999
Right-of-use assets	11	51,422	43,815
Goodwill		4,095	4,095
Deposits		5,082	5,082
		<b>64,574</b>	56,991
Current assets			
Trade receivables	12	147,383	87,339
Prepayments, deposits and other receivables		13,228	17,541
Pledged bank deposits		44,797	63,012
Bank balances and cash		94,207	73,583
		<b>299,615</b>	241,475
Current liabilities			
Trade payables	13	10,815	10,004
Accruals and other payables		72,983	54,891
Income tax payable		2,334	3,067
Lease liabilities		18,304	19,144
Long service payment obligations		–	1,801
Bank and other borrowings		84,200	75,680
		<b>188,636</b>	164,587
Net current assets		<b>110,979</b>	76,888
		<b>175,553</b>	133,879
Capital and reserves			
Share capital	14	6,000	6,000
Reserves		104,495	88,760
Total equity		<b>110,495</b>	94,760
Non-current liabilities			
Lease liabilities		27,732	21,339
Long service payment obligations		32,342	15,435
Deferred tax liabilities		4,984	2,345
		<b>65,058</b>	39,119
		<b>175,553</b>	133,879



# Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2022

	Share Capital HK\$'000	Share Premium HK\$'000	Other Reserve HK\$'000 (Note i)	Retained Earnings HK\$'000	Total Equity HK\$'000
Balance as at 1 April 2022	6,000	33,463	110	55,187	94,760
Profit for the period	–	–	–	15,735	15,735
Balance as at 30 September 2022 (Unaudited)	6,000	33,463	110	70,922	110,495
Balance as at 1 April 2021	6,000	42,463	110	52,934	101,507
Profit for the period	–	–	–	406	406
Balance as at 30 September 2021 (Unaudited)	6,000	42,463	110	53,340	101,913

Note:

- (i) Other reserve represents the difference between the nominal value of the issued capital of subsidiaries acquired pursuant to a group reorganisation over the consideration paid for acquiring these subsidiaries.



# Unaudited Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2022

	Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	9,862	(71,328)
NET CASH (USED IN) GENERATED FROM INVESTING ACTIVITIES	(3,360)	26,006
NET CASH GENERATED FROM FINANCING ACTIVITIES	14,122	4,204
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	20,624	(41,118)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	73,583	70,545
CASH AND CASH EQUIVALENTS AT END OF PERIOD	94,207	29,427







# Notes to the Unaudited Condensed Consolidated Financial Statements

For the six months ended 30 September 2022

## 1. GENERAL INFORMATION

The Company was incorporated on 18 March 2016 in the Cayman Islands as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and the shares of the Company are listed on the GEM of the Stock Exchange since 13 April 2017.

The Directors consider the ultimate controlling parties during the six months ended 30 September 2022 were Mr. Wong Man Sing, Mr. Wong Chong Shing and Mr. Wong Chi Ho (the “**Controlling Shareholders**”). The addresses of the registered office and the principal place of business of the Company are disclosed in the corporate information section in the Company’s annual report for the year ended 31 March 2022.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are the provision of (i) environmental cleaning solutions including street cleaning solutions, building cleaning solutions, bus and ferry cleaning solutions and other cleaning services which included, among others, refuse collection and waste disposal services, sewage management and pest control and fumigation services; and (ii) property management services.

These unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) which is same as the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

## 2. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), the requirements of the Hong Kong Companies Ordinance (“**HKCO**”) Cap. 622 and the GEM Listing Rules.

The accounting policies used in the condensed consolidated financial statements for the six months ended 30 September 2022 are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2022 except for the changes mentioned below.

In the current interim period, the Group has adopted the below amendments which are relevant to the Group’s condensed consolidated financial statements:

Amendment to IFRS 3	Reference to the Conceptual Framework
Amendment to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendment to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to IFRSs	Annual Improvements to IFRSs 2018–2020

The Group has assessed the impact of the adoption of the above amendments and considered that there was no significant impact on the Group’s results and financial position or any substantial changes in the Group’s accounting policies. The Group has not applied any new standards or interpretation that is not yet effective for the current accounting period.

The unaudited condensed consolidated interim results have been prepared on the historical cost basis.

The interim results are unaudited and have not been reviewed by the Group’s auditors but have been reviewed by the audit committee of the Company (the “**Audit Committee**”).



### 3. REVENUE

Revenue represents the amount received and receivable for rendering of (i) cleaning and related services; and (ii) property management services. An analysis of the Group's revenue is as follows:

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Street cleaning solutions	186,253	62,036	358,166	162,619
Building cleaning solutions	22,572	21,105	46,732	41,940
Bus and ferry cleaning solutions	12,194	17,948	23,444	35,701
Others cleaning services	32,304	10,888	45,826	20,829
Property management services	2,706	2,118	5,192	4,114
	<b>256,029</b>	114,095	<b>479,360</b>	265,203

#### Segment information

For management purposes, the Group is organised into the following reportable operating segments based on the services rendered by the Group:

- Environmental cleaning services: provision of street cleanings, building cleaning, bus and ferry cleaning and other cleaning services
- Property management services: provision of property management services

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that bank interest income, government subsidies, finance costs, as well as other head office and corporate expenses are excluded from such measurement.

Segment assets exclude unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

#### Segment revenue and results

	Segment revenue Six months ended 30 September		Segment profit/(loss) Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Environmental cleaning services	474,168	261,089	17,759	2,533
Property management services	5,192	4,114	692	272
	<b>479,360</b>	265,203	<b>18,451</b>	2,805



### 3. REVENUE (CONTINUED)

#### Segment revenue and results (Continued)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment services in the current year (2021: Nil).

	<b>Six months ended 30 September 2022 HK\$'000 (Unaudited)</b>	Six months ended 30 September 2021 HK\$'000 (Unaudited)
Segment profit reported above	18,451	2,805
Government subsidies	3,554	–
Bank interest income	35	24
Corporate and other unallocated expenses – net	(955)	(917)
Finance costs	(2,710)	(934)
Profit before tax	18,375	978
Income tax expense	(2,640)	(572)
Profit for the period	15,735	406

#### Segment assets and liabilities

	<b>As at 30 September 2022 HK\$'000 (Unaudited)</b>	As at 31 March 2022 HK\$'000 (Audited)
<b>Segment assets</b>		
Environmental cleaning services	360,216	295,241
Property management services	3,016	2,358
Total segment assets	363,232	297,599
Corporate and other unallocated assets	957	867
Total assets	364,189	298,466
<b>Segment liabilities</b>		
Provision of cleaning services	249,422	194,360
Property management services	820	854
Total segment liabilities	250,242	195,214
Corporate and other unallocated liabilities	3,452	8,492
Total liabilities	253,694	203,706



#### 4. OTHER INCOME

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Government subsidies from Anti-epidemic Fund	25	–	945	–
Government subsidies from Employment Support Scheme	2,433	–	2,609	–
Disposal of fixed asset	216	962	216	1,165
Bank interest income	29	24	35	24
Sundry income	51	131	137	136
	<b>2,754</b>	1,117	<b>3,942</b>	1,325

#### 5. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Interest on:				
Bank borrowings	1,000	251	1,665	463
Lease liabilities	546	218	1,045	471
	<b>1,546</b>	469	<b>2,710</b>	934



## 6. INCOME TAX EXPENSES

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Current tax:				
Hong Kong Profits Tax	2,733	201	4,254	826
Deferred tax	(1,566)	(203)	(1,614)	(254)
	1,167	(2)	2,640	572

Notes:

- (a) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (b) Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. For the period ended 30 September 2022 and 2021, Hong Kong Profits Tax of the qualified entity is calculated in accordance with the two-tiered profits tax rates regime. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5% (six months ended 30 September 2021: 16.5%).

## 7. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Staff costs (including directors' remuneration)				
Wage, salaries and other benefits	192,170	85,381	362,777	202,034
Retirement benefit scheme contributions	5,790	2,513	10,851	5,515
Reversal of long service payments	(11)	4,077	(44)	5,401
Provision for gratuity obligations	8,100	–	15,160	–
Total staff costs	206,049	91,971	388,744	212,950
Auditors' remuneration	180	189	360	314
Depreciation of plant and equipment	226	229	446	522
Depreciation of right-of-use assets	3,487	1,728	6,748	3,559



## 8. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to the owners of the Company is based on the following data:

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic earnings/(loss) per share calculation	11,856	(3,660)	15,735	406

  

	Number of shares			
	2022 '000	2021 '000	2022 '000	2021 '000
<b>Shares</b> Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings/(loss) per share calculation	600,000	600,000	600,000	600,000

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 September 2022 and 2021.

## 9. DIVIDENDS

No dividend was proposed by the Group during the six months ended 30 September 2022 and 2021.

## 10. PLANT AND EQUIPMENT

During the six months ended 30 September 2022, the Group acquired certain plant and equipment of approximately HK\$990,000 (six months ended 30 September 2021: HK\$720,000).

During the six months ended 30 September 2022, the Group disposed of certain motor vehicles with carrying amount of approximately HK\$274,000 (six months ended 30 September 2021: HK\$37,000) for cash proceeds of approximately HK\$490,000 (six months ended 30 September 2021: HK\$1,202,000), resulting in a net gain on disposal of approximately HK\$216,000 (six months ended 30 September 2021: HK\$1,165,000).

## 11. RIGHT-OF-USE ASSETS

During the six months ended 30 September 2022, the Group entered into a number of lease agreements for use of motor vehicles, and therefore recognised the addition of right-of-use assets of HK\$ 14,355,000 (six months ended 30 September 2021: HK\$ 5,595,000). In addition, the Group did not dispose any items of right-of-use assets (six months ended 30 September 2021: Nil).



## 12. TRADE RECEIVABLES

	30 September 2022 HK\$'000 (Unaudited)	31 March 2022 HK\$'000 (Audited)
Trade receivables	<b>147,383</b>	87,339

The Group allows a credit period of not more than 60 days to its trade customers. The following is an aged analysis of trade receivables presented based on the invoice date and net of loss allowance, which approximate the respective revenue recognition dates, at the end of the Reporting Period.

	30 September 2022 HK\$'000 (Unaudited)	31 March 2022 HK\$'000 (Audited)
0 to 60 days	<b>141,280</b>	78,788
61 to 90 days	<b>2,260</b>	–
Over 91 days	<b>3,843</b>	8,551
	<b>147,383</b>	87,339

No impairment of trade receivables had been recognised during the six months ended 30 September 2022 and an impairment of HK\$290,000 has been made for the year ended 31 March 2022.

## 13. TRADE PAYABLES

	30 September 2022 HK\$'000 (Unaudited)	31 March 2022 HK\$'000 (Audited)
Trade payables	<b>10,815</b>	10,004

The average credit period is 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe. The following is an aged analysis of trade payables presented based on the invoice date.

	30 September 2022 HK\$'000 (Unaudited)	31 March 2022 HK\$'000 (Audited)
0 to 60 days	<b>8,237</b>	7,427
61 to 90 days	<b>221</b>	695
Over 91 days	<b>2,357</b>	1,882
	<b>10,815</b>	10,004



## 14. SHARE CAPITAL

	30 September 2022 (Unaudited)		31 March 2022 (Audited)	
	Number of ordinary shares '000	Share capital HK\$'000	Number of ordinary shares '000	Share capital HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	10,000,000	100,000	10,000,000	100,000
Issued and fully paid:				
Ordinary shares of HK\$0.01 each	600,000	6,000	600,000	6,000

## 15. RELATED PARTY TRANSACTION

The Group also had the following transactions with its related parties during the Reporting Period:

### (a) Transaction

Related party	Nature of transaction	Notes	Three months ended 30 September		Six months ended 30 September	
			2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Mr. Wong Chong Shing	Lease payment	(i)	108	107	216	212
Mr. Lo Wing Keung	Consultancy fee	(ii)	–	30	–	60

Notes:

- (i) Lease payment was conducted at terms determined on a basis mutually agreed between the Group and the related party. Mr. Wong Chong Shing is a director and one of the Controlling Shareholders of the Company.
- (ii) Consultancy fee paid to a director of a subsidiary, Mr. Lo Wing Keung, was made on mutually agreed terms.

### (b) Compensation of key management personnel

The remuneration of directors of the Company and other key management personnel during the Reporting Period was as follows:

	Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Short term benefits	5,436	3,309
	5,436	3,309







# Management Discussion and Analysis

## BUSINESS REVIEW

During the Reporting Period, the Group's revenue managed to achieve a significant growth as compared to the corresponding period of 2021. Such increase was mainly attributable to the award of four street cleaning services contracts in the second half of 2021, one street cleaning services contract for Yau Tsim District (North) in May 2022 and one street cleaning services contract for Sai Kung District in July 2022.

### Cleaning Solution Services

The provision of cleaning solutions services remains the main business of the Group. The Group has been engaged in this business for over 30 years and has steadily grown since its inception. Our business covers a comprehensive portfolio of environmental cleaning solutions, including providing street cleaning solutions, building cleaning solutions, bus and ferry cleaning solutions, waste management services, external wall and window cleaning, confined space cleaning as well as pest control and fumigation services in Hong Kong.

During the Reporting Period, the revenue generated by the Group from cleaning solutions services amounted to approximately HK\$474,200,000, representing an increase of 81.6% as compared to that of the corresponding period of 2021 (approximately HK\$261,100,000). Such increase is mainly attributable to (i) the award of the contract for the provision of street cleaning services for Fanling in North District in October 2021, (ii) the award of the contract for the provision of street cleaning services for Sheung Shui in North District in October 2021, (iii) the award of the contracts for the provision of street cleaning services for Southern District in November 2021, (iv) the award of the contract for the provision of street cleaning services for Tuen Mun District in December 2021, (v) the award of the contract for the provision of street cleaning services for Yau Tsim District (North) in May 2022, and (vi) the award of the contract for the provision of street cleaning services for Sai Kung District in July 2022. The award of such contracts by the Food and Environmental Hygiene Department of the Government of Hong Kong ("FEHD") signifies their recognition of our service quality, which is able to meet their stringent requirements.

### Property Management Services

Though the revenue contributed by our property management services remains limited, it provided a stable and steady revenue stream to our Group. We believe the property management services poses a synergy effect on our existing cleaning solution services and will become one of our main income streams in the future.

## OUTLOOK

Moving forward, we remain confident about the prospects of the environmental cleaning services industry. The award of the said large scale services contracts from the government during the period strengthens our Group's business and financial status for further expansion.

We will continue to establish closer ties with our customers from both the Hong Kong government and private sectors to secure new projects in the industry and broaden our customer base. While striving to explore further business opportunities and maximize our market share in our business segments, we will continue to implement stringent internal control to enhance operational efficiency and to improve our financial position in order to maximize the return for our shareholders.





## FINANCIAL REVIEW

### Revenue

During the Reporting Period, the Group recorded a revenue of approximately HK\$479,360,000 (2021: approximately HK\$265,203,000), representing an increase of approximately HK\$214,157,000, or 80.8%, as compared to the corresponding period of 2021. As mentioned above, such increase was mainly attributable to the award of four street cleaning services contracts in the second half of 2021, which contributed an additional revenue of approximately HK\$244,797,000, although there was an offset effect from the reduction in revenue of approximately HK\$48,641,000 resulting from the expiration of three street cleaning services contracts in the corresponding period.

### Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately HK\$22,862,000 or 99.8% from approximately HK\$22,903,000 for the six months ended 30 September 2021 to approximately HK\$45,765,000 for the Reporting Period. The Group's gross profit margin for the Reporting Period was approximately 9.5%, representing an increase of approximately 0.9% as compared to approximately 8.6% for the six months ended 30 September 2021. The increase in gross profit and gross profit margin was mainly due to the effective cost control in staff costs during the Reporting Period.

### Other Income

Other income of the Group increased from approximately HK\$1,325,000 for the six months ended 30 September 2021 to approximately HK\$3,942,000 for the Reporting Period. The increase was mainly due to (i) the government subsidies of approximately HK\$945,000 from the Anti-epidemic Fund received; and (ii) the government subsidies of approximately HK\$2,609,000 from the Employment Support Scheme received during the Reporting Period.

### Administrative Expenses

Administrative expenses mainly consist of staff costs and Directors' remuneration, insurance expense, depreciation, maintenance, office supplies and transportation expense, legal and professional fee, and other administrative expenses. Administrative expenses increased by approximately HK\$6,306,000 from approximately HK\$22,316,000 for the six months ended 30 September 2021 to approximately HK\$28,622,000 for the Reporting Period. The increase in administrative expenses was mainly attributable to the increase of insurance expenses.

### Finance Costs

Finance costs for our Group increased by approximately HK\$1,776,000 from approximately HK\$934,000 for the six months ended 30 September 2021 to approximately HK\$2,710,000 for the Reporting Period. The increase was mainly attributable to the increase in the amount of interest expenses paid for bank borrowings and finance leases.

### Net Profit

During the Reporting Period, the Group recorded a net profit attributable to the shareholders of the Company of approximately HK\$15,735,000, increased by approximately HK\$15,329,000 as compared to the net profit of approximately HK\$406,000 for the six months ended 30 September 2021.





## DIVIDEND

The Board does not recommend the payment of a dividend for the six months ended 30 September 2022 (for the six months ended 30 September 2021: Nil).

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group maintains a stable financial position. During the Reporting Period, all the Group's business operations took place in Hong Kong, which was mainly financed by the revenue generated from the Group's operating activities and bank borrowings.

As at 30 September 2022, the Group has available cash and bank balance amounting to approximately HK\$94,207,000 (31 March 2022: HK\$73,583,000), representing an increase of approximately 28.0% from 31 March 2022. Cash and bank balances are maintained in Hong Kong dollars.

As at 30 September 2022, the Group's current assets and current liabilities were approximately HK\$299,615,000 (31 March 2022: HK\$241,475,000) and HK\$188,636,000 (31 March 2022: HK\$164,587,000) respectively, while the current ratio of our Group as at 30 September 2022 was 1.59 times as compared to that of 1.47 times as at 31 March 2022. The liquidity position of the Group was thus maintained at a healthy level.

As at 30 September 2022, the Group's bank borrowings amounted to approximately HK\$84,200,000 (31 March 2022: HK\$75,680,000), representing an increase of approximately 11.3%; the Group's lease liabilities were approximately HK\$46,036,000 (31 March 2022: HK\$40,483,000), which was made for the same purpose as that of the previous year to finance the acquisition of motor vehicles for operational usage. The average lease terms were five years during the Reporting Period. The secured bank borrowings carried interest at floating rates referenced to HK\$ Prime Rate plus or minus a spread and ranging from 2.25% to 3.34% per annum. The effective interest rate for the lease liabilities for the Reporting Period were under fixed rates and ranged from 2.5% to 3.00% per annum. All borrowings were denominated in Hong Kong dollars and were repayable within 5 years. During the Reporting Period, no financial instruments were used for hedging purposes.

The gearing ratio of the Group was approximately 76.2% as at 30 September 2022 (31 March 2022: 79.9%), which was calculated based on all interest-bearing bank borrowings for our general business operations divided by total equity of the Group.

With available cash and bank balance and banking facilities, the Group has sufficient liquidity to satisfy our operational and capital expenditure needs.

As at 30 September 2022, the Company's issued and fully paid capital and total equity attributable to equity holders of the Company amounted to approximately HK\$6,000,000 and HK\$110,495,000 respectively.





## CONTINGENT LIABILITIES

The Group maintained to utilize bank credit facilities including but not limited to bank guarantees which were solely used to support the provision of any financial obligation accruing to certain service contracts. According to the terms of such contracts, the Group is obliged to provide due performance and decent work to complete the contracts to the satisfaction of customers. In the event where the Group is held liable to settle any potential liabilities arising from any allegation of breach of any contractual duties, these bank guarantees will serve as an iron clad protection for the Group's customers, especially when there is a claim for compensation in relation to the occurrence of any accidents.

As at 30 September 2022, the amount of pledged deposit to banks for the aforesaid facilities was approximately HK\$44,797,000 (31 March 2022: approximately HK\$63,012,000).

During the six months ended 30 September 2022, the Group was involved in several litigation claims in relation to personal injuries brought by its employees or third party claimants.

In the opinion of the Directors, (i) the potential liabilities arising from relevant legal proceedings are not material, and thus no corresponding liabilities have been accounted for in the unaudited condensed consolidated interim financial statements; and (ii) such litigation claims are expected to be adequately covered by the relevant insurance policies.

## CAPITAL COMMITMENTS

As at 30 September 2022, there was no capital commitment for the Group (31 March 2022: HK\$Nil).

## EXPOSURE TO EXCHANGE RATE FLUCTUATION

The Group's business operations were conducted in Hong Kong and the transactions, monetary assets and liabilities of the Group were denominated in Hong Kong dollars. As no monetary assets were denominated in foreign currencies, the Group did not engage in any derivatives agreement and did not commit itself to any financial instruments to hedge its foreign exchange exposure during the Reporting Period, the Directors therefore consider the impact of foreign exchange exposure is minimal.

## SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

The Group did not engage in any material investments, acquisitions or disposals during the Reporting Period.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

On 13 October 2022, Jasen Services Limited, an indirect wholly-owned subsidiary of the Company, as purchaser, entered into a provisional sale and purchase agreement with Bonco Trading Limited as vendor for the acquisition of a property located at Workshop Nos. 12, 13 and 14, 11th Floor, Trans Asia Centre, 18 Kin Hong Street, Kwai Chung, New Territories, Hong Kong at the consideration of HK\$13,700,000. Please refer to the announcement of the Company dated 13 October 2022 for details.

Save as disclosed in this interim report, the Group does not have any present plans for material investments and capital assets.





## CHARGE OVER THE GROUP'S ASSETS

The total interest-bearing debts of the Group, including bank and other borrowings, lease liabilities and obligations under finance leases amounted to approximately HK\$130,236,000 (31 March 2022: HK\$116,163,000) as at 30 September 2022. As at 30 September 2022, our Group had general banking facilities amounted to HK\$463,973,000 (31 March 2022: HK\$463,973,000).

As at 30 September 2022, the Group had secured bank borrowings with an outstanding balance of approximately HK\$84,200,000 (31 March 2022: HK\$75,680,000) and utilized performance bond of approximately HK\$129,215,000 (31 March 2022: HK\$121,031,000). As at 30 September 2022, the general banking facilities were secured by (i) corporate guarantee executed by the Company, and (ii) certain cash deposits and certain trade receivables of a subsidiary.

As at 30 September 2022, the lease liabilities amounted to approximately HK\$46,036,000 (31 March 2022: HK\$40,483,000 as shown under finance lease liabilities), were secured by the lessor's charge over the leased assets and corporate guarantees executed by the Company.

## EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2022, the Group had approximately 5,053 employees (31 March 2022: 7,833 employees). The total staff costs of the Group, including Directors' emoluments and discretionary bonus, were approximately of HK\$388,744,000 for the six months ended 30 September 2022 (six months ended 30 September 2021 approximately of HK\$212,950,000).

Remuneration is determined based on each employee's qualification, position and seniority. In addition to a basic salary, year-end discretionary bonuses will be offered with reference to the Group's performance as well as individual's performance to attract and retain appropriate and suitable personnel to serve the Group.

The Company also adopted a share option scheme on 20 March 2017 to attract and retain the best available personnel, and to provide additional incentive to eligible persons.

Furthermore, the Group offers other staff benefits like provision of retirement benefits, various types of trainings and sponsorship of training courses. The Group has also adopted an annual review system to assess the performance of our staff, which forms the basis of the Group's decisions with respect to salary increment and promotion.



## DISCLOSURE OF INTERESTS

### A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 September 2022, the interests and short position of the Directors and the chief executive of the Company in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO")) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules were as follows:

#### Long Position in the Shares

Directors	Capacity/Nature	Number of ordinary Shares	Percentage of interest
Mr. Wong Chong Shing ("Mr. C.S. Wong") (Note 1, 2)	Interest in controlled corporation; interest in persons acting in concert	369,000,000	61.50%
Mr. Wong Man Sing ("Mr. M.S. Wong") (Note 1, 3)	Interest in controlled corporation; interest in persons acting in concert	369,000,000	61.50%
Mr. Wong Chi Ho ("Mr. C.H. Wong") (Note 1, 4)	Interest in controlled corporation; interest in persons acting in concert	369,000,000	61.50%

Notes:

- On 30 March 2016, a deed of acting in concert was entered into between Mr. C.S. Wong, Mr. M.S. Wong and Mr. C.H. Wong in which it was confirmed that in respect of Man Shing Cleaning Service Company Limited, Man Shing Environmental Company Limited and Jasen Services Limited (collectively, the "Relevant Companies") during the two financial years ended 31 March 2015 and 31 March 2016 and the six months ended 30 September 2016 and thereafter from the date of the deed, the parties have been acting in concert (as defined under The Codes on Takeovers and Mergers and Share Buy-backs) to jointly reach a consensus in relation to all matters in respect of the management and business operations of each of the Relevant Companies including but not limited to voting unanimously in respect of matters that require shareholders' or directors' approval and the execution of documents for the purpose of furthering and expanding the business operations of the Relevant Companies. By virtue of the SFO, Mr. C.S. Wong, Mr. M.S. Wong and Mr. C.H. Wong are deemed to be interested in the Shares which are interested by each other.





2. 369,000,000 Shares in the Company in which Mr. C.S. Wong is interested consist of (i) 175,500,000 Shares held by Man Shing Global Limited, a company wholly owned by Mr. C.S. Wong, and which Mr. C.S. Wong is deemed to be interested for the purpose of the SFO; and (ii) 193,500,000 Shares in which Mr. C.S. Wong is deemed to be interested as a result of being a party acting in concert with Mr. M.S. Wong and Mr. C.H. Wong. Mr. C.S. Wong is the younger brother of Mr. M.S. Wong and the uncle of Mr. C.H. Wong.
3. 369,000,000 Shares in the Company in which Mr. M.S. Wong is interested consist of (i) 175,500,000 Shares held by Lik Hang Investment Company Limited, a company wholly owned by Mr. M.S. Wong, and which Mr. M.S. Wong is deemed to be interested for the purpose of the SFO; and (ii) 193,500,000 Shares in which Mr. M.S. Wong is deemed to be interested as a result of being a party acting in concert with Mr. C.S. Wong and Mr. C.H. Wong. Mr. M.S. Wong is the elder brother of Mr. C.S. Wong and the father of Mr. C.H. Wong.
4. 369,000,000 Shares in the Company in which Mr. C.H. Wong is interested consist of (i) 18,000,000 Shares held by Chun Shing Investment Limited, a company wholly owned by Mr. C.H. Wong, and which Mr. C.H. Wong is deemed to be interested for the purpose of the SFO; and (ii) 351,000,000 Shares in which Mr. C.H. Wong is deemed to be interested as a result of being a party acting in concert with Mr. M.S. Wong and Mr. C.S. Wong. Mr. C.H. Wong is the son of Mr. M.S. Wong and the nephew of Mr. C.S. Wong.

Save as disclosed above, as at 30 September 2022, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.





## B. Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 September 2022, so far as is known to the Directors or the chief executive of the Company, the following persons other than a Director or chief executive of the Company had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

### *Long Position in the Shares*

<b>Name of Shareholders</b>	<b>Capacity/Nature</b>	<b>Number of ordinary shares</b>	<b>Percentage of interest</b>
Man Shing Global Limited ( <i>Note 1</i> )	Beneficial owner	175,500,000	29.25%
Lik Hang Investment Company Limited ( <i>Note 2</i> )	Beneficial owner	175,500,000	29.25%
Ms. Wong Lai Man ( <i>Note 3</i> )	Interest of spouse	369,000,000	61.50%
Chun Shing Investment Limited ( <i>Note 4</i> )	Beneficial owner	18,000,000	3.00%
Ms. Wan Wing Ting ( <i>Note 5</i> )	Interest of spouse	369,000,000	61.50%

#### *Notes:*

1. Man Shing Global Limited is a company wholly owned by Mr. C.S. Wong, our executive Director. Accordingly, Mr. C.S. Wong is deemed to be interested in all shares in which Man Shing Global Limited is interested for the purpose of the SFO.
2. Lik Hang Investment Company Limited is a company wholly owned by Mr. M.S. Wong, our executive Director. Accordingly, Mr. M.S. Wong is deemed to be interested in all shares in which Lik Hang Investment Company Limited is interested for the purpose of the SFO.
3. Ms. Wong Lai Man, who is the spouse of Mr. M.S. Wong, is deemed to be interested in all shares in which Mr. M.S. Wong is interested.
4. Chun Shing Investment Limited is a company wholly owned by Mr. C.H. Wong. Accordingly, Mr. C.H. Wong is deemed to be interested in all shares in which Chun Shing Investment Limited is interested for the purpose of the SFO.
5. Ms. Wan Wing Ting, who is the spouse of Mr. C.H. Wong, is deemed to be interested in all shares in which Mr. C.H. Wong is interested.

Save as disclosed above, as at 30 September 2022, the Directors are not aware of any other persons (who are not Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO.







## COMPETING AND CONFLICT OF INTEREST

The Directors confirm that none of the Controlling Shareholders or the Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by our Group which competes or is likely to compete, directly or indirectly, with our Group's business, and they are not aware of any other conflicts of interest which any such person has or may have with the Group during the Reporting Period and up to the date of this report.

## CHANGE IN INFORMATION OF DIRECTORS

The Company is not aware of any change in Directors' information which are required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules subsequent to the date of the 2022 annual report.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted and complied with the principles and all the applicable code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 15 of the GEM Listing Rules.

The Company is dedicated to maintaining high standards of corporate governance practice and corporate governance principles in order to uphold the transparency of the Group and safeguard the interest of its shareholders.

## CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors in respect of the shares of the Company (the "**Code of Conduct**"). The Company has made specific enquiries to all Directors, and all Directors have confirmed that they have fully complied with the required standard of dealings set out in the Code of Conduct during the Reporting Period and up to the date of this report.

## SHARE OPTION SCHEME

The share option scheme of the Company (the "**Share Option Scheme**") has been adopted by way of a written resolution passed by the shareholders of the Company on 20 March 2017 for the primary purposes of enabling the Company to attract, retain and motivate talented participants and, to strive for future developments and expansion of the Group. Eligible participants of the Share Option Scheme include any employees, any executives, non-executive Directors (including independent non-executive Directors), advisors, consultants of the Company or any of its subsidiaries. The terms of the Share Option Scheme are made in accordance with the provision of Chapter 23 of the GEM Listing Rules.

As at 30 September 2022, no share options had been granted under the Share Option Scheme.





## SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and to the best of the knowledge of the Directors, the Directors confirm that there is sufficient public float of at least 25% of the Company's issued shares as required under the GEM Listing Rules as at the date of this report.

## AUDIT COMMITTEE

An Audit Committee has been established with its terms of reference in compliance with Rule 5.28 to 5.33 of the GEM Listing Rules, code provisions D.3.3 and D.3.7 of the CG Code. As at the date of this report, the Audit Committee consists of three members, namely Mr. Au-Yeung Tin Wah, Mr. Lee Pak Chung and Mr. Chiu Ka Wai, all being independent non-executive Directors. Mr. Au-Yeung Tin Wah currently serves as the chairman of the Audit Committee.

The Audit Committee assists the Board in fulfilling its responsibilities by (i) supervising and providing an independent review of the financial reporting process of the Group; and (ii) monitoring and evaluating the effectiveness of the internal controls of our Group as well as the adequacy of the external and internal audits.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2022 have not been audited by the auditors of the Company but have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements had been prepared in compliance with the applicable accounting principles and requirements of the GEM Listing Rules.

By order of the Board  
**Man Shing Global Holdings Limited**  
**Wong Chong Shing**  
*Chairman and Executive Director*

Hong Kong, 11 November 2022

*As at the date of this report, the Board comprises three executive Directors, namely, Mr. Wong Chong Shing, Mr. Wong Man Sing, Mr. Wong Chi Ho and three independent non-executive Directors, namely, Mr. Lee Pak Chung, Mr. Au-Yeung Tin Wah and Mr. Chiu Ka Wai.*

