



MANSION INTERNATIONAL HOLDINGS LIMITED

民 信 國 際 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8456



Your Baby Our Vision

以愛編織 快樂未來

Interim Report 2023/24



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Yao Ruhe (*Chairman*)
Ms. Kam Chun Fong
Ms. Wong Ka Man

Independent Non-executive Directors

Mr. Lang Yonghua
Ms. Wong Ying Yu
Mr. Wu Chi King

BOARD COMMITTEES

Audit Committee

Mr. Wu Chi King (*Chairman*)
Mr. Lang Yonghua
Ms. Wong Ying Yu

Remuneration Committee

Mr. Lang Yonghua (*Chairman*)
Ms. Wong Ying Yu
Mr. Wu Chi King

Nomination Committee

Mr. Wu Chi King (*Chairman*)
Mr. Lang Yonghua
Ms. Wong Ying Yu

COMPLIANCE OFFICER

Ms. Wong Ka Man

COMPANY SECRETARY

Mr. Tse Fung Chun

AUTHORISED REPRESENTATIVES

Ms. Wong Ka Man
Mr. Tse Fung Chun

INDEPENDENT AUDITOR

McMillan Woods (Hong Kong) CPA Limited
24/F., Siu On Centre,
188 Lockhart Road,
Wan Chai, Hong Kong

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Union Registrars Limited
Suites 3301-04, 33/F.,
Two Chinachem Exchange Square,
338 King's Road, North Point,
Hong Kong

**HEADQUARTERS AND PRINCIPAL
PLACE OF BUSINESS IN
HONG KONG**

Room 204, 2/F., Empire Court,
2–4 Hysan Avenue, Causeway Bay,
Hong Kong

**PRINCIPAL SHARE REGISTRAR AND
TRANSFER OFFICE IN THE
CAYMAN ISLANDS**

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive,
PO Box 2681, Grand Cayman,
KY1-1111, Cayman Islands

REGISTERED OFFICE

Cricket Square, Hutchins Drive,
PO Box 2681, Grand Cayman,
KY1-1111, Cayman Islands

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking
Corporation Limited
DBS Bank (Hong Kong) Limited

COMPANY WEBSITE

www.mansionintl.com

STOCK CODE

8456

INTERIM RESULTS

The board of Directors (the “**Board**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 September 2023 (the “**Period**”), together with the comparative figures for the corresponding period in 2022, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2023

	Notes	Three months ended 30 September		Six months ended 30 September	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Revenue	4	21,079	19,971	37,630	35,125
Cost of sales		(14,221)	(12,582)	(24,650)	(22,143)
Gross profit		6,858	7,389	12,980	12,982
Other income, gains and losses	5	29	68	154	7,118
Selling and distribution costs		(4,643)	(5,512)	(7,089)	(8,421)
Administrative and other expenses		(4,035)	(9,792)	(7,110)	(13,591)
Finance costs	6	(43)	(164)	(173)	(321)
Loss before tax		(1,834)	(8,011)	(1,238)	(2,233)
Income tax credit	7	–	13	–	–
Loss and total comprehensive expenses for the period		(1,834)	(7,998)	(1,238)	(2,233)
Loss per share:					
Basic and diluted (HK cents)	9	(0.87)	(3.78)	(0.59)	(1.06)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Notes	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	3,476	4,052
Right-of-use assets	11	–	155
Deposits	13	222	222
		3,698	4,429
Current assets			
Inventories		3,215	3,863
Trade receivables	12	22,874	21,894
Deposits, prepayments and other receivables	13	4,369	1,860
Cash and bank balances		7,201	1,373
		37,659	28,990
Current liabilities			
Trade payables	14	6,952	3,523
Contract liabilities	15	–	38
Accruals and other payables	16	13,303	6,632
Amounts due to directors		–	163
Loan from a director of a subsidiary		–	544
Other borrowings	17	11,727	11,727
Lease liabilities	19	–	155
Provisions	18	164	188
		32,146	22,970
Net current assets		5,513	6,020
Total assets less current liabilities		9,211	10,449
Net Assets		9,211	10,449
Equity			
Equity attributable to owners of the Company			
Share capital	21	42,305	42,305
Reserves		(33,094)	(31,856)
		9,211	10,449

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	Attributable to owners of the Company								Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Statutory reserve HK\$'000	Other reserve HK\$'000	Share option reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	
As at 1 April 2022 (Audited)	42,305	118,409	-	-	8	-	-	(144,265)	16,457
Loss for the period	-	-	-	-	-	-	-	(2,233)	(2,233)
Total comprehensive expense for the period	-	-	-	-	-	-	-	(2,233)	(2,233)
As at 30 September 2022 (Unaudited)	42,305	118,409	-	-	8	-	-	(146,498)	14,224
As at 1 April 2023 (Audited)	42,305	118,409	-	-	8	-	-	(150,273)	10,449
Loss for the period	-	-	-	-	-	-	-	(1,238)	(1,238)
Total comprehensive expense for the period	-	-	-	-	-	-	-	(1,238)	(1,238)
As at 30 September 2023 (Unaudited)	42,305	118,409	-	-	8	-	-	(151,511)	9,211

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2023

	Six months ended 30 September	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Net cash (used in) from operating activities	5,827	(9,702)
Investing activities		
Interest received	1	–
Proceeds from disposal of property, plant and equipment	–	100
Purchases of property, plant and equipment	–	(2,000)
Net cash (used in) from investing activities	1	(1,900)
Net cash used in financing activities	–	–
Net decrease in cash and cash equivalents	5,828	(11,602)
Cash and cash equivalents at the beginning of the period	1,373	19,682
Cash and cash equivalents at the end of the period	7,201	8,080



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 17 May 2017. Its shares (the “**Shares**”) in issue are listed on GEM. The address of the Company’s registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands, and its principal place of business in Hong Kong is located at Room 204, 2/F., Empire Court, 2–4 Hysan Avenue, Causeway Bay, Hong Kong.

The Company is an investment holding company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the sale of baby and children garments.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The unaudited condensed consolidated financial statements of the Group for the Period (the “**Interim Financial Statements**”) have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules. The Interim Financial Statements do not include all the information required in annual consolidated financial statements in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual HKFRSs, HKASs and Interpretations issued by the HKICPA, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 March 2023 (the “**Annual Financial Statements 2022/23**”).

The Interim Financial Statements have been prepared on the historical cost basis and are presented in Hong Kong dollars (“**HK\$**”) which is the functional currency of the Company’s major operating subsidiaries and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

Significant accounting policies

In the current period, the Group has adopted all the new and revised Hong Kong HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The accounting policies applied in the Interim Financial Statements are the same as those applied in the Group’s consolidated financial statements as at and for the year ended 31 March 2023. A number of new or amended standards are effective from 1 April 2023 but they do not have a material effect on the Interim Financial Statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Interim Financial Statements in conformity with HKFRSs requires the use of certain critical accounting estimates. The significant judgments, estimates and assumptions applied in the preparation of the Interim Financial Statements are consistent with those used in the Annual Financial Statements 2022/23.

4. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segments based on the internal reports reviewed by the executive Directors, who are the chief operating decision-maker, that are used to allocate resources and assess performance.

Sale of baby and children garments including our own brand "Mides" and complementary third party brand products through self-operated retail stores and department store counters in Hong Kong, and wholesale in United Kingdom and the PRC, including Hong Kong, Macau and Taiwan.

Since there is only one operating segment of the Group, no segment information is presented.

Revenue

All revenue are recognised at a point in time. An analysis of the Group's revenue for the three months and the six months ended 30 September 2023 is as follows:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Sales of baby and children garments	21,079	19,971	37,630	35,125

5. OTHER INCOME, GAINS AND LOSSES

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Bank interest income	–	–	1	–
Sundry income and expenses, net	29	68	153	104
Receive (refund) of government subsidies	–	–	–	576
Loss on disposal of property, plant and equipment	–	–	–	(20)
Gain on disposal of subsidiaries	–	–	–	6,458
	29	68	154	7,118

6. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Interests on other borrowings	43	127	172	252
Interests on lease liabilities	–	37	1	69
	43	164	173	321

7. INCOME TAX CREDIT (EXPENSE)

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Current — Hong Kong Profits tax — tax for the Period	–	13	–	–
	–	13	–	–
Deferred tax — charge for the Period	–	–	–	–
Income tax credit	–	13	–	–

The applicable tax rates for Hong Kong Profits Tax were calculated at 8.25% of the first HK\$2,000,000 of estimated assessable profits of the qualifying corporation and 16.5% of the remaining estimated assessable profits.

In accordance with the EIT Law of the PRC, the applicable EIT rates for domestic and foreign enterprises are unified at 25%.

8. DIVIDEND

The Board has resolved not to declare the payment of any dividend for the Period (2022: Nil).

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Loss				
Loss attributable to owners of the Company for the purposes of basic and diluted loss per share (HK\$'000)	(1,834)	(7,998)	(1,238)	(2,233)
	2023	2022	2023	2022
Number of shares				
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	211,524,720	211,524,720	211,524,720	211,524,720

Diluted loss per share is same as the basic loss per share as there are no dilutive potential ordinary shares in existence during the Period and the corresponding period in 2022.

10. PROPERTY, PLANT AND EQUIPMENT

During the Period, there was no disposal and acquisition of property, plant and equipment (six months ended 30 September 2022: acquired HK\$2.0 million). Also, depreciation of approximately HK\$47,000 was charged during the Period (six months ended 30 September 2022: HK\$380,000).

11. RIGHT-OF-USE ASSETS

	Office premises HK\$'000 (Note)	Warehouses and retail stores HK\$'000 (Note)	Total HK\$'000
As at 1 April 2023 (Audited)	–	155	155
Addition	–	–	–
Disposal	–	–	–
Depreciation	–	155	155
As at 30 September 2023 (Unaudited)	–	–	–

Notes:

The Group has obtained the right to use other properties as offices, warehouses and retail stores through tenancy agreements. The leases typically run for an initial period of two to three years.

The Group leases a number of retail stores which contain variable lease payment terms that are based on sales generated from the retail stores and minimum annual lease payment terms that are fixed. These payment terms are common in retail stores in Hong Kong where the Group operates. During both periods, none of the variable lease payment based on sales generated from the retail stores was recognised as the variable lease payment terms were not fulfilled.

Some leases include an option to renew the lease when all terms are renegotiated.

12. TRADE RECEIVABLES

The following is an aged analysis of trade receivables based on the invoice dates and net of loss allowance at the end of the reporting period:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Within 30 days	10,492	1,308
31 days to 120 days	8,504	11,981
121 days to 1 year	3,878	9,278
More than 1 year	–	–
	22,874	22,567

13. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Non-current		
Rental and utilities deposits	222	222
Current		
Rental, utilities and other deposits	4,280	1,741
Prepayments	89	112
Other receivables	–	7
	4,369	1,860

14. TRADE PAYABLES

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Trade payables	6,952	3,523

The following is an aged analysis of trade payables based on the invoice date at the end of the reporting period:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Within 30 days	5,752	539
31 days to 1 year	1,200	2,819
More than 1 year	–	165
	6,952	3,523

15. CONTRACT LIABILITIES

The contract liabilities represented the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of each period.

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Billing in advance of sale of goods	–	38

The Group also sells gift certificates to the customers who redeems the gift certificates for goods offered at the retail stores. The gift certificates are non-refundable and valid for one year from the date of issue.

The following is the movement in contract liabilities during the period/year:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Balance as at beginning of the period/year	38	97
Decrease in contract liabilities as a result of recognising revenue during the period/year that was included in the contract liabilities at the beginning of the period/year	(38)	(97)
Increase in contract liabilities as a result of billing in advance of sale of goods	–	38
Balance as at end of the period/year	–	38

The Group has applied the practical expedient to its sales contracts for the production of baby clothing and baby accessories and therefore the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for garment production that had an original expected duration of one year or less.

16. ACCRUALS AND OTHER PAYABLES

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Accruals and other payables	13,303	6,632

Note: The amounts mainly represented accrued staff costs, commission and other selling and distribution expenses.

17. OTHER BORROWINGS

On 17 May 2019, the Group entered into an agreement with a director to borrow a loan of HK\$20,000,000. The loan which matures on 30 June 2021, is unsecured and the effective interest rate is 4% per annum. On 24 April 2020, the same director has resigned and the balance was reclassified to other borrowing. As at 30 September 2023, the outstanding balance of the loan was approximately HK\$8,367,000 (As at 31 March 2023: HK\$8,367,000).

On 3 August 2021, the Group entered into an agreement with an independent third party to borrow a loan of HK\$3,360,000 (As at 31 March 2023: HK\$3,360,000). The loan which matured on 2 August 2022, was unsecured and the effective interest rate was 5% per annum.

18. PROVISIONS

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Analysed for reporting purpose as:		
Non-current liabilities	–	–
Current liabilities	164	188
	164	188

	Long service payment HK\$'000	Reinstatement cost HK\$'000	Total HK\$'000
At 1 April 2023 (Audited)	–	188	188
Utilisation of provision	–	(24)	24
As at 30 September 2023 (Unaudited)	–	164	164

19. LEASE LIABILITIES

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Lease liabilities payable:		
Within one year	–	155
Within a period of more than one year but not exceeding two years	–	–
Within a period of more than two years but not exceeding five years	–	–
	–	155
Less: Amount due for settlement with 12 months shown under current liabilities	–	(155)
Amount due for settlement after 12 months shown under non-current liabilities	–	–

The incremental borrowing rates applied to lease liabilities as at 31 March 2023 was range from 4.25% to 4.37%.

20. SHARE CAPITAL

	Number of shares	Amount HK\$'000
Authorised:		
500,000,000 ordinary shares of HK\$0.2 each		
As at 1 April 2022, 31 March 2023, 1 April 2023 and 30 September 2023	500,000,000	100,000
Issued and fully paid:		
211,524,720 ordinary shares of HK\$0.2 each		
As at 1 April 2022, 31 March 2023, 1 April 2023 and 30 September 2023	211,524,720	42,305

21. RELATED PARTY TRANSACTIONS

During the Period, the Group entered into the following transactions with related parties:

Compensation of key management personnel

The emoluments of executive Directors who are also identified as members of key management of the Group during the Period were approximately HK\$198,000 (six months ended 30 September 2022: HK\$168,000).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the sale of baby and children garments. In 2022/2023, the threat of the COVID-19 continuing impact on the local economic activities and supply chains in the Asian region. Hong Kong retail market has been shaky for much of the period, under the negative impact of the COVID-19 pandemic. However, thanks to another batch of consumption vouchers in April 2023 and Mainland's re-opening in January 2023, Hong Kong consumption market finally shook off the lingering effects of the pandemic. As such, the Group has recorded an increase in revenue for the six months ended 30 September 2023 (the "**Period**") by approximately HK\$2.5 million, as compared to the Corresponding Period. Despite the uncertainties and challenges the Group faces this year, the Group foresees that our business performance will be getting better in year 2023/2024 as a result of the local economy have started on the path of recovery from the COVID-19.

FINANCIAL REVIEW

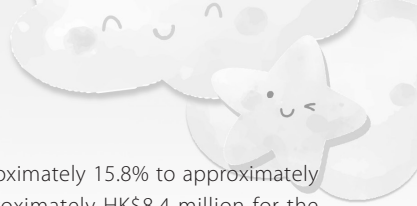
Revenue

The Group's revenue increased by approximately 7.1% to approximately HK\$37.6 million for the Period as compared to that of approximately HK\$35.1 million for the six months ended 30 September 2022 (the "**Corresponding Period**").

The revenue of the Group's business slightly increased was mainly due to the willingness of spending by the consumers, which is started to be recovered from the COVID-19. Also, the Group believed that the disbursement of electronic consumption vouchers will stimulate the consumers' spending on the sales products of the Group in coming year.

Cost of sales, gross profit and gross profit margin

The Group's cost of sales increased by approximately 11.3% to approximately HK\$24.7 million for the Period as compared to that of approximately HK\$22.1 million for the Corresponding Period which is in line with the increase in revenue during the Period. The Group's gross profit slightly decreased by approximately 0.02% to approximately HK\$13.0 million for the Period as compared to that of approximately HK\$13.0 million for the Corresponding Period and the Group's gross profit margin was decreased from 37.0% to 34.5% for the Period.



Expenses

The Group's selling and distribution costs decreased by approximately 15.8% to approximately HK\$7.1 million for the Period as compared to those of approximately HK\$8.4 million for the Corresponding Period. The Group's administrative and other expenses decreased by approximately 47.7% to approximately HK\$7.1 million for the Period as compared to those of approximately HK\$13.6 million for the Corresponding Period. Such decrease was mainly due to the Group's cost controls on operating costs in order to improve the Group's operating performance.

Finance costs

The Group's finance costs decreased by approximately 46.1% to approximately HK\$173,000 during the Period as compared to those of approximately HK\$321,000 for the Corresponding Period. The decrease in finance cost due to the decrease on lease liabilities during the Period.

Loss before tax

The Group's loss before tax decreased by approximately 44.6% to approximately HK\$1.2 million for the Period as compared to that of approximately HK\$2.2 million for the Corresponding Period. Such decrease was mainly due to the decrease in administrative and other expenses and selling and distribution cost of approximately HK\$7.8 million during the Period while offset with the gain on disposal of subsidiaries of approximately HK\$6.5 million during the Corresponding Period.

DIVIDEND

The Board has resolved not to declare the payment of any dividend for the Period (2022: Nil).

OUTLOOK

Under the economic impacts of COVID-19, there is an increase in the sale of baby and children garments business of the Group which was mainly due to the effort of our sales team. Looking forward, the Board believes that the performance of the Group's business will be dependent on the pandemic of COVID-19. Besides, persistently tense economic, trade and political relations between the PRC and the US, geopolitical tensions, and global financial market volatility also continue to warrant attention. The business performance is thus expected to remain under pressure in the coming year and will remain very difficult in the near term amid the deep economic recession.

In view of present economic uncertainty and difficulties, the Group is reviewing its existing assets structure and business strategies and may make adjustment to our existing assets structure, with the aim to consolidate our resources, so as to be flexibly prepared for uncertainties in the future. At the same time, the Group will strictly adhere to its cost control policy and swiftly adjust business strategies of our business in response to ever-changing market dynamics.

Even though the past years were very tough for the Group's retail operations, the Group has made certain important strategic moves such as adjusting our product portfolio in a timely manner in response to the changes in customer preferences and latest market trends. Besides our signature own brand "Mides", the Group is gradually increasing its sales efforts on its other brands such as "All I Adore" and other complementary third party brands. Looking forward, the Group intend to maintain a sustainable and profitable retail business and will progressively develop its online and social media distribution channels to fuel its future growth.

Looking ahead to 2023/2024, the Group foresees that global economy will be getting better in year 2023/2024 as a result of the disbursement of HK\$5,000 electronic consumption vouchers from government and the local economy has started on the path of recovery from the COVID-19. We will actively explore all suitable investment opportunities to diversify the Group's business horizons and will work hard to strengthen overall business development in order to generate better financial returns for shareholders.



LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's sources of funds were mainly cash generated from operations for the Period. As at 30 September 2023, the Group had cash and bank balances of approximately HK\$7.2 million (31 March 2023: approximately HK\$1.4 million).

As at 30 September 2023, the Group's other borrowings amounted to approximately HK\$11.7 million (31 March 2023: HK\$11.7 million). The Group's other borrowings are unsecured, repayable on demand or within one year and denominated in Hong Kong Dollars and Renminbi, and bear interest from 0% to 5% (31 March 2023: 0% to 5%) per annum.

The current ratio was 1.2 as at 30 September 2023 (31 March 2023: 1.3) and the gearing ratio was approximately 1.3 as at 30 September 2023 (31 March 2023: 1.1).

Note: Gearing ratio is calculated as the total debt (including other borrowings and lease liabilities) divided by the total equity.

The Group did not use any financial instruments for hedging purposes during the Period (31 March 2023: Nil). As at 30 September 2023, the share capital and equity attributable to owner of the Company amounted to approximately HK\$42.3 million and HK\$9.2 million respectively (31 March 2023: share capital and equity attributable to owner of the Company of HK\$42.3 million and HK\$10.4 million respectively).

CAPITAL COMMITMENTS

The Group did not have any significant capital commitments as at 30 September 2023 (31 March 2023: Nil).

CHARGE OVER ASSETS OF THE GROUP

The Group did not have any charge over assets of the Group as at 30 September 2023 (31 March 2023: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed above, there were no material acquisitions and disposals of subsidiaries and affiliated companies by the Group during the Period under review.

MATERIAL INVESTMENTS, AND PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

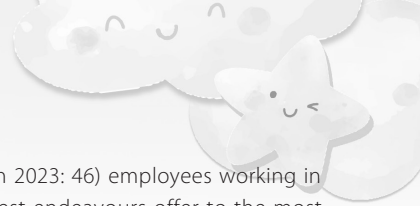
As at 30 September 2023, the Group does not have any material investments and future plans for material investments or capital assets.

CONTINGENT LIABILITIES

As at 30 September 2023, the Group had no material contingent liabilities (31 March 2023: Nil).

EVENTS AFTER REPORTING PERIOD

There was no important event affecting the Group which have occurred since 30 September 2023.



EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2023, the Group had about 40 (31 March 2023: 46) employees working in Hong Kong. As the guiding principles, the Group uses its best endeavours offer to the most competitive compensation to our employees based on factors, including their qualifications, experience, responsibilities and performance, and treats all of our staff equally and fairly. The Group provides a safe and equal-working environment.

Our employees are compensated with a fair and equitable manner, and the opportunity to grow and excel with the Group through continuous learning at all levels. Our employees are entitled to mandatory provident fund scheme, medical insurance and statutory holidays. The Group rewards employees with competitive remuneration, including salaries, allowance and performance bonus. Furthermore, the Company has adopted a share option scheme to reward the eligible participants for their contribution to the Group. The Group also provides internal training to our staff to enhance their technical and product knowledge.

FUND RAISING ACTIVITIES

During the Period, the Group did not conduct any fund raising activities.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

MANAGEMENT CONTRACT

No contracts, other than the executive Directors' employment contracts, concerning the management of the Company and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Period.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transaction, arrangement or contract of significance in relation to the Group's business to which the Company, or its holding company or any of its subsidiaries or fellow subsidiaries was a party, and in which a Director and his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the six-month period or at any time during the Period.

SHARE OPTION SCHEME

The Company has adopted the share option scheme on 28 December 2017 and has been amended on 28 April 2023 (the “**Share Option Scheme**”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

Details of the Share Option Scheme are as follows:

1. *Purposes*

The purpose of the Share Option Scheme is to enable the Company to grant options to selected participants as incentives or rewards for their contribution to the Group.

2. *Eligible participants*

The eligible participants include Directors (including independent non-executive Directors) and employees of any member of the Group (including persons who are granted options under this Share Option Scheme as an inducement to enter into employment contracts with any member of the Group).

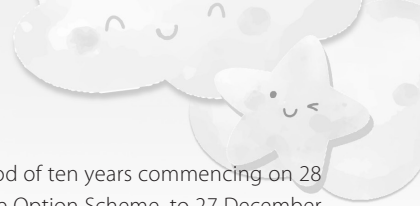
3. *Total number of Shares available for issue*

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme or awards of the Group must not in aggregate exceed 10% of the total number of Shares in issue as at 28 April 2023, being the date of approval of the refreshment of 10% general scheme limit under the Share Option Scheme by the Shareholders (i.e. 21,152,472 Shares, representing approximately 10% of the total number of Shares in issue as at 28 April 2023).

4. *Maximum entitlement of each participant*

The total number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme (including both exercised and outstanding options) to each participant in any 12-month period must not exceed 1% of the Shares in issue for the time being (the “**Individual Limit**”). Any further grant of options to a participant in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the Shareholders and the Shareholders’ approval in the general meeting of the Company with such participant and his/her associates abstaining from voting.

Where any grant of options to a substantial Shareholder or an independent non-executive Director (the “**INED**”) or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the Shares in issue; and (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such further grant of options must be approved by the Shareholders.



5. *Period of the Share Option Scheme*

The Share Option Scheme will remain in force for a period of ten years commencing on 28 December 2017, being the date of adoption of the Share Option Scheme, to 27 December 2027.

6. *Time of acceptance of the offer*

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option.

7. *Minimum period for which an option must be held before it can be exercised*

The vesting period for options shall not be less than 12 months. Options granted to employee participants may be subject to a shorter vesting period under the following circumstances:

- (a) grants of Options with performance-based vesting conditions as determined by the Board, in lieu of time-based vesting criteria;
- (b) grants of Options with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of 12 months; and
- (c) grants of Options with a total vesting and holding period of more than 12 months.

8. *Consideration for the option*

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

9. *Subscription price for Shares*

The subscription price for the Shares under the Share Option Scheme will be a price determined by the Director, but shall not be less than the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the offer of the grant; and (c) the nominal value of a Share.

10. *Transfer or assignment*

An option is personal to the grantee and shall not be transferable or assignable. Subject to the Stock Exchange granting the necessary waiver, a grantee may transfer any options to a vehicle (such as a trust or a private company) for the benefit of the grantee and any family members of such grantee including but not limited to for estate planning and/or tax planning purposes that would continue to meet the purpose of the Share Option Scheme and comply with other requirements of Chapter 23 of the GEM Listing Rules.

11. *Termination of the Share Option Scheme*

The Company may by resolution in the general meeting at any time terminate the Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

No option has been granted, exercised, cancelled or lapsed under the Share Option Scheme during the Period. The Company did not have any outstanding share options, warrants, derivatives or securities which are convertible or exchangeable into Shares as at 30 September 2023 and up to the date of this report.

As at 30 September 2023 and up to the date of this report, there were 21,152,472 shares available to be granted under the Share Option Scheme of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION


DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2023, the interests of the Directors of the Company in shares, underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("**SFO**") as 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 the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Long positions in shares and underlying shares of the Company

Name	Capacity	Number of ordinary Shares held	Approximate percentage of the issued share capital of the Company as at 30 September 2023
Mr. Yao Ruhe	Beneficial owner	400,000	0.19%

Save as disclosed above, none of the Directors and chief executive of the Company had any interests or short position in the shares, underlying shares or debentures of the Company or its associated corporation as at 30 September 2023.



SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2023, the Company had not been notified by any persons (other than the Directors whose interests were disclosed above) who had interests or short positions in the Shares or underlying Shares which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles of and complied with the applicable code provisions of the Corporate Governance Code as contained in Appendix 15 to the GEM Listing Rules (the “**CG Code**”) during the Period and up to the date hereof. The Company periodically reviews its corporate governance practices to ensure that it continues to meet the requirements of the CG Code.

Code provision A.6.7 of the CG Code stipulates that INEDs and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Some individual Directors were unable to attend the annual general meeting of the Company held on 30 September 2023 due to other business engagements. This constitutes a deviation from code provision A.6.7 of the CG Code.

The company secretary of the Company had reminded the Directors to attend general meetings in future in order to establish effective communications with the Shareholders.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors (the “**Required Standard of Dealings**”). Following specific enquiries made by the Company on all the Directors, each of them has confirmed he/she had complied with the Required Standard of Dealings throughout the Period. No incident of non-compliance was noted by the Company during the Period.

COMPETING INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDER AND THEIR RESPECTIVE CLOSE ASSOCIATES

None of the Directors or the controlling Shareholder(s) or their respective close associates (as defined in the GEM Listing Rules) had interests in any business apart from the Group's businesses which competed or was likely to compete, either directly or indirectly, with the businesses of the Group and any other conflicts of interest which any such person had or might have with the Group during the Period and up to the date hereof.

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

During the Period, the Company did not redeem its listed securities, nor did the Company or any of its subsidiaries purchase or sell such securities.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date hereof, there is sufficient public float of not less than 25% of the Company's issued Shares as required under the GEM Listing Rules.

REVIEW OF FINANCIAL STATEMENTS

The Company established the Audit Committee on 26 January 2018 with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment, re-appointment and removal of external auditor, review the financial statements and material advice in respect of financial reporting, and oversee internal control and risk management procedures of the Group.

The Audit Committee currently comprises three INEDs, namely Mr. Wu Chi King, Mr. Lang Yonghua and Ms. Wong Ying Yu. Mr. Wu Chi King is the chairman of the Audit Committee. The Audit Committee has reviewed this report, including the unaudited condensed consolidated results of the Group for the Period and discussed with the management of the Company the accounting principles and practices adopted by the Group as well as internal controls and other financial reporting matters. The Audit Committee is of the opinion that the preparation of such results have complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

By order of the Board
Mansion International Holdings Limited
Yao Ruhe
Chairman

Hong Kong, 14 November 2023

As at the date hereof, the executive Directors are Mr. Yao Ruhe (chairman), Ms. Kam Chun Fong and Ms. Wong Ka Man; and the INEDs are Mr. Lang Yonghua, Ms. Wong Ying Yu and Mr. Wu Chi King.

This report will remain on the "Latest Listed Company Information" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication. This report will also be published and will remain on the Company's website at www.mansionintl.com.