MAN SANG INTERNATIONAL LIMITED
民生國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 938)

UNAUDITED FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2008

Website: http://www.man-sang.com

INTERIM RESULTS HIGHLIGHTS

	For the period ended September 30,		Decrease	
	2008	2007		
	HK$'000	*HK$'000*	*HK$'000*	*Percentage*
Revenue	**211,937**	212,701	(764)	(0.4%)
(Loss)/Profit attributable to equity shareholders	**(21,669)**	38,037	(59,706)	(157.0%)
	HK cents per share			
Basic (loss)/earnings	**(1.77) cents**	3.52 cents		

The Board of Directors of Man Sang International Limited ("the Company") announces the unaudited financial results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended September 30, 2008, together with the unaudited comparative figures for the corresponding period in the year 2007. The results have been reviewed by the Company's audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	**2008** **HK$'000** **(unaudited)**	2007 *HK$'000* *(unaudited)*
Revenue	*3*	**211,937**	212,701
Cost of sales		**(122,982)**	(136,836)
Gross profit		**88,955**	75,865
Investment income		**5,673**	9,334
Other operating income		**794**	164
Selling expenses		**(12,875)**	(5,239)
Administrative expenses		**(46,273)**	(43,531)
Net unrealized (loss)/gain on financial assets at fair value through profit or loss		**(5,211)**	1,232
Decrease in fair value of investment properties		**(115,083)**	—
(Loss)/Profit before taxation	*4*	**(84,020)**	37,825
Taxation	*5*	**23,770**	(4,421)
Net (loss)/profit for the period		**(60,250)**	33,404
(Loss)/Profit attributable to:			
Equity shareholders		**(21,669)**	38,037
Minority interests		**(38,581)**	(4,633)
		(60,250)	33,404
(Loss)/Earnings per share	*6*		
— Basic		**(1.77 cents)**	3.52 cents
— Diluted		**N/A**	3.37 cents

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	September 30, 2008 HK$'000 (unaudited)	March 31, 2008 HK$'000 (audited)
Non-current assets			
Investment properties		**870,626**	952,867
Properties under development		**166,358**	123,768
Property, plant and equipment		**112,955**	121,530
Prepaid land lease payments		**30,121**	30,502
Interest in an associate		**68**	105
Deferred tax assets		—	175
		1,180,128	1,228,947
Current assets			
Inventories		**52,039**	49,395
Completed properties held for sale		**184,082**	182,426
Trade and other receivables	*7*	**273,707**	253,146
Financial assets at fair value through profit or loss		**24,025**	5,411
Tax receivable		**2,365**	5,172
Cash and cash equivalents		**517,949**	587,602
		1,054,167	1,083,152
Current liabilities			
Trade and other payables	*8*	**452,891**	462,233
Taxation		**72,800**	71,266
Bank borrowings (secured) — current portion		**79,800**	33,300
		605,491	566,799
Net current assets		**448,676**	516,353
Total assets less current liabilities		**1,628,804**	1,745,300

CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

	Note	September 30, 2008 HK$'000 (unaudited)	March 31, 2008 HK$'000 (audited)
Non-current liabilities			
Due to an intermediate and immediate holding companies		**1,023**	2,352
Deferred tax liabilities		**126,729**	150,807
Bank borrowings (secured)		**148,200**	166,500
		275,952	319,659
Net assets		**1,352,852**	1,425,641
Capital and reserves			
Share capital		**122,474**	122,474
Reserves		**1,055,279**	1,098,799
Total equity attributable to equity shareholders		**1,177,753**	1,221,273
Minority interests		**175,099**	204,368
Total equity		**1,352,852**	1,425,641

1. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements do not include all the information and disclosure required in the annual consolidated financial statements, and should be read in conjunction with the Company and its subsidiaries ("the Group") annual consolidated financial statements at March 31, 2008.

2. SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis, except for financial assets at fair value through profit or loss, investment properties, leasehold land and buildings, which are stated at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statement are consistent with those used in the annual consolidated financial statements of the Group for the year ended March 31, 2008.

In the current period, the Group has applied, for the first time, the following new interpretations issued by the HKICPA that are relevant to the Group and effective for accounting periods beginning on or after April 1, 2008.

HK International Financial Reporting Interpretations Committee ("IFRIC") - Interpretation ("Int") 12	Service Concession Arrangements
HK (IFRIC)-Int 14	Hong Kong Accounting Standard ("HKAS") 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new interpretations has had no material effect on how the results and financial position of the Group for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new or revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]
HKAS 39 and Hong Kong Financial Reporting Standard ("HKFRS") 7 (Amendment)	Reclassification of Financial Assets[4]
HKAS 1, HKAS 32, HKAS 39 and HKFRS 7 (Amendment)	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[2]
HKFRS 8	Operating Segments[1]
HK(IFRIC)-Int 2 (Amendment)	Members' shares in co-operative entities and similar instruments[1]
HK(IFRIC)-Int 13	Customers Loyalty Programmes[4]
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate[1]
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation[3]

1 Effective for annual periods beginning on or after January 1, 2009
2 Effective for annual periods beginning on or after July 1, 2009.
3 Effective for annual periods beginning on or after October 1, 2008.
4 Effective for annual periods beginning on or after July 1, 2008.

The Directors of the Company are currently assessing the impact of the above new standards, amendments and interpretations but are not yet in position to state whether they would have material impact on the consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents (i) the net amounts received and receivable in respect of goods sold, less returns and allowances, by the Group to outside customers during the period, (ii) the aggregate of gross proceeds from the sale of properties during the period, and (iii) the gross amounts received and receivable in respect of leasing of investment properties during the period.

For management purposes, the Group is currently organized into two operating segments — (i) pearls and jewelry, and (ii) property development and investment. The following segments are the basis on which the Group reports its primary segment information:

Pearls and jewelry	—	Purchasing, processing, assembling, merchandising, wholesale distribution of pearls and jewelry products.
Property development and investment	—	Development, sales and leasing of properties.

Segment information about these businesses is presented below:

Income statement for the six months ended September 30, 2008 (unaudited)

	Pearls and Jewelry *HK$'000*	**Property Development and Investment** *HK$'000*	**Consolidated** *HK$'000*
Revenue			
External sales or rentals	**190,441**	**21,496**	**211,937**
Results			
Segment results	**34,901**	**(115,531)**	**(80,630)**
Unallocated other operating income and investment income			**5,673**
Unallocated corporate expense			**(9,063)**
Loss before taxation			**(84,020)**
Taxation			**23,770**
Loss for the period			**(60,250)**

Income statement for the six months ended September 30, 2007 (unaudited)

	Pearls and Jewelry *HK$'000*	Property Development and Investment *HK$'000*	Consolidated *HK$'000*
Revenue			
External sales or rentals	210,059	2,642	212,701
Results			
Segment results	40,831	(10,775)	30,056
Unallocated other operating income and investment income			10,725
Unallocated corporate expense			(2,956)
Profit before taxation			37,825
Taxation			(4,421)
Profit for the period			33,404

4. (LOSS) PROFIT BEFORE TAXATION

	For the six months ended September 30,	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	*(unaudited)*
(Loss) profit before taxation has been arrived at after charging:		
Finance cost:		
Interest on bank borrowings wholly repayable within five years	**8,641**	5,941
Less: Amount capitalized	**(8,641)**	(5,941)
	—	—
Depreciation and amortization	**4,986**	4,915
Staff costs, including directors emoluments	**32,046**	21,619

5. TAXATION

	For the six months ended September 30,	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	*(unaudited)*
Current income tax:		
Hong Kong Profits Tax	**3,208**	4,084
Land Appreciation Tax	**1,361**	—
Deferred income tax:		
(Credited)/Charged to the current period	**(28,339)**	337
	(23,770)	4,421

On March 16, 2007, the People's Republic of China (the "PRC") promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On December 6, 2007, the State Council of the PRC issued the Implementation Regulations of the New Law which changed the tax rates either from 33% to 25%, or from 15% to 18% for certain subsidiaries from January 1, 2008.

Hong Kong Profits Tax is calculated at a rate of 16.5% (For the six months ended September 30, 2007: 17.5%) on the estimated assessable profit for the six months ended September 30, 2008.

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property expenditures.

6. (LOSS) EARNINGS PER SHARE

The calculation of the basic (loss) earnings per share for the six months ended September 30, 2008 is based on the net loss attributable to equity shareholders for the period of HK$21,669,000 (Net profit attributable to equity shareholders for the six months ended September 30, 2007: HK$38,037,000) and on the weighted average number of 1,224,740,000 (For the six months ended September 30, 2007: 1,079,564,000) shares in issue during the period.

Diluted loss per share for the six months ended September 30, 2008 is not presented because the Company's outstanding share options are anti-dilutive. Diluted earnings per share for the six months ended September 30, 2007 was calculated based on the profit for the period of HK$38,037,000 and on the adjusted weighted average number of 1,127,274,000 shares which was the weighted average number of shares in issue during the period used in the computation of basic earnings per share plus the weighted average number of 47,710,000 shares deemed to be issued at no consideration if all outstanding options had been exercised.

7. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period of 60 days to its trade customers. The carrying amounts of the trade and other receivables are considered a reasonable approximation of fair value as these financial assets which are measured at amortized cost, are expected to be paid within a short timescale, such that the time value of money impact is not significant.

Included in trade and other receivables of the Group are trade receivables of HK$185,619,000 (At March 31, 2008: HK$165,436,000) and their ageing analysis after credit period is as follows:

	At September 30, 2008	At March 31, 2008
	HK$'000	*HK$'000*
	(unaudited)	*(audited)*
0–60 days	**90,002**	106,569
61–120 days	**22,148**	17,980
> 120 days	**73,469**	40,887
	185,619	165,436

8. TRADE AND OTHER PAYABLES

Included in trade and other payables of the Group are trade payables of HK$125,466,000 (At March 31, 2008: HK$123,928,000) and their ageing analysis after credit period is as follows:

	At September 30, 2008	At March 31, 2008
	HK$'000	*HK$'000*
	(unaudited)	*(audited)*
0–60 days	**125,376**	119,697
61–120 days	**90**	3,548
>120 days	**—**	683
	125,466	123,928

DIVIDEND

The Board of Directors does not recommend the payment of an interim dividend for the six months ended September 30, 2008 (For the six months ended September 30, 2007: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Pearl Operations

Economic conditions have recently been deteriorating significantly in many countries and regions, including the markets in which we conduct our Pearl Operations, and may remain depressed for the foreseeable near future. If unfavorable economic conditions continue to challenge the consumer environment, our business, results of operations, financial condition and cash flows could be adversely affected. Our Pearl Operations in Europe have exhibited a relatively strong performance during the first half of financial year 2008. However, based on the prolonged turmoil noted in the financial market which has adversely affected the real economy, we do not expect to maintain these performance levels in the second half of the financial year. As a result, we have adopted a more conservative financial management policy to ensure that we maintain adequate working capital to finance our operations. Our Pearl Operations are geographically diverse and we believe we are well-positioned to embracing the business challenges under the existing global market conditions.

Real Estate Operations

Financial markets have recently experienced unusual volatility and uncertainty. While this condition has occurred most visibly within the "subprime" mortgage sector of the lending market, credit and liquidity has tightened in overall financial markets, including investment grade debt and equity capital markets. In addition, the PRC government has introduced a number of macroeconomic austerity measures to slow the growth of the real estate sector in the PRC in recent years, which have dampened the investment appetite for this sector during the period under review. The launch of these measures have significantly increased the uncertainties and difficulty of real estate investment and development business in the PRC. At September 30, 2008, the occupancy rate, representing the percentage of leaseable gross floor area leased, of Man Sang Industrial City and China Pearls and Jewelry City was approximately 77.2% and 20.0%, respectively. All Hong Kong properties for lease were vacant at September 30, 2008. However, we believe that the challenges posed by these measures are cyclical in nature and that such challenges can be met with sound management and appropriate business and marketing strategies. We have attempted to embrace these challenges with a continued emphasis on enhancing operating efficiency, improving quality of our products and strictly controlled the developments costs of our real estate projects. We continue to believe in the long-term growth prospects of the PRC economy, coupled with the continued acceleration of urbanization and the growing desire of urban residents to improve their living conditions, will allow the real estate sector in the PRC to continue to develop and expand in the long run.

As regards the non-legally binding memorandum of understanding that we entered into in June 2008 in respect of a possible investment in constructing and developing a logistics and trade center in the north-eastern region of the PRC, the research and planning progress have been slowed down given the prevailing uncertainties noted in the real estate market in the PRC.

FINANCIAL REVIEW

The Group has two main business segments during the period. One of the business segments is engaging in the purchasing, processing, assembling, merchandising and wholesale distribution of pearls and jewelry products (the "Pearl Segment") and another is engaging in development, sales and leasing of properties. (the "Property Segment").

In March 2007, the Group entered into an agreement to acquire the additional 6% of total issued share capital of China Pearls and Jewellery City Holdings Limited (the "CP&J City"), an associate, and the assignment of the loan, for a consideration of HK$60.0 million. Upon completion of the acquisition on April 12, 2007, the Group had 55% equity interest in CP&J City, which became a subsidiary of the Company. This transaction has been accounted for using the acquisition method of accounting and the results of CP&J City were consolidated in the Group's financial statements since April 12, 2007 under Hong Kong Financial Reporting Standards.

Revenue and Gross Profit

(i) Pearl Segment

Net sales attributable to our Pearl Operations decreased by HK$19.7 million, or 9.3%, from HK$210.1 million for the six months ended September 30, 2007 to HK$190.4 million for the six months ended September 30, 2008 due to the deterioration of the United States economy and the occurrence of the global financial turmoil.

Gross profit attributable to our Pearl Operations decreased by HK$1.7 million, or 2.3%, from HK$73.2 million for the six months ended September 30, 2007 to HK$71.5 million for the six months ended September 30, 2008. Such decrease was primarily attributable to the decrease in net sales to the United States.

Gross profit margin increased from 34.8% for the six months ended September 30, 2007 to 37.6% for the six months ended September 30, 2008. Such increase was primarily due to (a) the implementation of effective cost control measures, (b) continued enhancement of production efficiency; and (c) a shift in our sales focus to higher value jewelry products.

(ii) Property Segment

For the six months ended September 30, 2008, the Property Segment recorded a total revenue of HK$21.5 million (For the six months ended September 30, 2007: HK$2.6 million) including the sales of properties in China Pearls and Jewelry Project ("CP&J Project") and rental income from the investment properties. For the six months ended September 30, 2008, sale of properties in CP&J Project was approximately HK$9.1 million and the gross margin was maintained at above 50%. Sales of properties in CP&J Project had not commenced during the previous six months ended September 30, 2007.

The increase in rental income of investment properties was primarily attributable to an increase of HK$8.6 million in rental income attributable to CP&J Project and an increase in rental income of HK$1.2 million from Man Sang Industrial City as additional units which were originally held for self-use but had been subsequently leased out. Rental income attributable to the CP&J Project has been consolidated since March 2008 which was in line with the inception of the term of rental properties.

Selling, General and Administrative Expenses (the "SG&A expenses")

(i) Pearl Segment

SG&A expenses increased by HK$4.5 million, or 12.7% from HK$35.4 million for the six months ended September 30, 2007 to HK$39.9 million for the six months ended September 30, 2008. The increase was mainly due to the write-back of allowance for doubtful debts of HK$5.0 million for the six months ended September 30, 2007. However, for comparative analysis, if excluding the aforesaid non-recurrent write-back, the SG&A expenses could have just slightly dropped by HK$0.5 million, or 1.2%.

As a percentage of revenue, our SG&A expenses increased by 4.1% from 16.9% for the six months ended September 30, 2007 to 21.0% for the six months ended September 30, 2008.

(ii) Property Segment

SG&A expenses increased by HK$5.9 million, or 44.0% from HK$13.4 million for the six months ended September 30, 2007 to HK$19.3 million for the six months ended September 30, 2008. The increase was mainly related to advertisement and promotion activities, fees to relevant professional marketing personnel and expenses on other marketing promotion activities in line with the launch of sales and leasing businesses in CP&J Project.

Net unrealized (loss)gain on financial assets at fair value through profit or loss

Under the unprecedented turmoil noted in the financial market during the quarter under review, a net unrealized loss on financial assets (listed equity investments in Hong Kong) at fair value amounted to HK$5.2 million was made for the six months ended September 30, 2008 against unrealized gain amounting to HK$ 1.2 million for the six months ended September 30, 2007. Save for this, the Group did not hold any other derivative or structured financial products. With continuing volatility in the global capital and debt markets, the Group will remain vigilant in closely monitoring and adjusting the investment portfolio.

Decrease in fair value of investment properties

According to the valuation reports dated September 30, 2008 issued by independent professional property valuers, the fair values of investment properties in the CP&J Project at September 30, 2008 decreased by HK$115.1 million (For the six months ended September 30, 2007: HK$Nil).

Taxation

Taxation for the six months ended September 30, 2008 consisted of Hong Kong profits tax of HK$3.2 million (For the six months ended September 30, 2007: HK$4.0 million), land appreciation tax of HK$1.4 million (For the six months ended September 30, 2007: HK$Nil) arising from the sales of properties in CP&J Project and reversal of deferred taxation of HK$28.3 million (Provision of deferred taxation for the six months ended September 30, 2007: HK$0.4 million).

Loss attributable to equity shareholders

The Group recorded a loss attributable to equity shareholders of HK$21.7 million for the six months ended September 30, 2008 against profit attributable to equity shareholders of HK$38.0 million for the six months ended September 30, 2007. The net loss was mainly due to (a) the impairment loss of approximately HK$48.2 million (after deduction of minority interests) incurred on the fair values of investment properties; (b) the increase in SG&A expenses of HK$10.4 million which mainly related to the write-back of allowance for doubtful debts of HK$5.0 million for the six months ended September 30, 2007 as well as advertisement and promotion activities, fees to relevant professional marketing personnel and expenses on other marketing promotion activities in line with the launch of sales and leasing businesses in CP&J Project; and (c) a net unrealized loss on financial assets (listed equity investments in Hong Kong) of HK$5.2 million for the six months ended September 30, 2008.

PROSPECTS

The outlook of the global economy remains uncertain as the ripple effects of the global financial turmoil continues. We believe that our core markets for our pearl products (Europe and the United States) will be facing slower growth in the second half of our financial year. During these unprecedented, fast-changing times and credit tightening period, we will continue to adopt prudent business and financial management policies to maintain our market share for the pearl products and cautiously expanding new clientele in order to mitigate the slow down noted in the economy of our core markets. As for the property segment, the PRC government has recently announced an array of policies, including tax exemptions, a loosening of lending restrictions and a reduction of interest rates and mortgage deposit requirements, in an effort to encourage the development of the real estate market and domestic economy as a whole. Although these new policies have not yet had a material impact on our operations, if the PRC government continues to promote policies aimed at stabilizing and maintaining growth in the real estate market, it may have a positive effect on our operations in the future. The Group will closely monitor the development of the macroeconomic austerity measures adopted in China to adjust our sales, marketing and development plans for the CP&J Project so as to preserve our ability to rebound when the PRC government adjusts and uplifts these austerity measures.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2008, the Group had working capital of HK$448.7 million (At March 31, 2008: HK$516.4 million). With sufficient committed banking facilities in place and cash on hand, the Group has adequate financial resources to meet our anticipated future liquidity requirements. Cash and cash equivalents amounted to HK$517.9 million (At March 31, 2008: HK$587.6 million) accounted for 49% (At March 31, 2008: 54%) of Group's total current assets at September 30, 2008. Current ratio slightly decreased from 1.9 at March 31, 2008 to 1.7 at September 30, 2008.

At September 30, 2008, the Group's total secured bank loans were HK$228.0 million (At March 31, 2008: HK$199.8 million) which was mainly related to CP&J Project. Gearing ratio at September 30, 2008, calculated on the basis of total bank borrowings to total equity, was 0.19 (At March 31, 2008: 0.16). The Group had available bank facilities of HK$458.0 million (At March 31, 2008: HK$414.8 million) with various banks at September 30, 2008, of which HK$228.0 million (At March 31, 2008: HK$199.8 million) has been drawn down and HK$230.0 million (At March 31, 2008: HK$215.0 million) remained unutilized at September 30, 2008.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities during the six months ended September 30, 2008.

CODE ON CORPORATE GOVERNANCE PRACTICE

The Board of Directors ("Board") and the management of the Company committed to the maintenance of good corporate governance practices and procedure. During the six months ended September 30, 2008, the Company has complied with the code provision set out in the Code of Corporate Governance Practice contained in Appendix 14 of the Listing Rules except for code provision A.2.1 and A.4.1.

According to code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Cheng Chung Hing assumes both the said roles currently. Mr. Cheng Chung Hing who has outstanding industry experience, is one of the founders and substantial shareholders of the Group. The Board is of the view that it is in the best interest of the Group to have an executive chairman who is most knowledgeable about the business of the Group and is capable to guide the growth of the Group and report to the Board in a timely manner on pertinent issues and to facilitate open dialogue between the Board and management. In addition, the Group's business is best served when strategic planning and decisions are made and implemented by the management under the leadership of Mr. Cheng Chung Hing.

As required by code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. Pursuant to relevant provisions of the Bye-laws of the Company, any director appointed to fill a casual vacancy shall hold office until the next annual general meeting of the Company and is therefore subject to re-election by the shareholders at that annual general meeting after his or her appointment. All Directors would retire at annual general meeting at least once every three years either by rotation pursuant to the retirement provisions of the Bye-laws or on voluntary basis. At the annual general meeting of the Company held on August 1, 2008, Mr. Cheng Chung Hing and Mr. Cheng Tai Po, both retired from their office and were re-elected as Directors.

On August 8, 2008 Ms. Hung Yuen Yee, Flavia was appointed an executive director of the Company. At September 30, 2008, the Board consists of a total of seven Directors, comprising four executive directors and three Independent Non-executive Directors.

AUDIT COMMITTEE

Grant Thornton has reviewed the unaudited condensed interim financial statements of the Group for the six months ended September 30, 2008 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by The Hong Kong Institute of Certified Public Accountants. The audit committee of the Company, which comprises all three Independent Non-executive Directors, has reviewed the unaudited condensed interim financial statements of the Group for the six months ended September 30, 2008 and has recommended their adoption by the Board.

COMPLIANCE WITH THE MODEL CODE SET OUT IN APPENDIX 10 TO THE LISTING RULES

The Company has adopted a code of conduct regarding securities transactions of directors and employees (the "Securities Code") no less exacting than the required standard set out in the Model Code. The Company confirms that, having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Securities Code for the six months ended September 30, 2008.

PUBLICATION OF FURTHER INFORMATION

The Interim Report for the six months ended September 30, 2008 containing all the applicable information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the respective websites of the Company at www.man-sang.com and the Stock Exchange at www.hkex.com.hk in early December 2008.

By order of the Board
Man Sang International Limited
CHENG CHUNG HING
Chairman

Hong Kong, November 13, 2008

As at the date hereof, the Board comprises Mr. Cheng Chung Hing, Mr. Cheng Tai Po, Miss Yan Sau Man, Amy, Ms. Hung Yuen Yee, Flavia as executive directors; Mr. Lee Kang Bor, Thomas, Mr. Kiu Wai Ming, Kenneth and Mr. Lau Chi Wah, Alex as independent non-executive directors.