MAN SANG JEWELLERY HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1466)

UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

The board of directors (the "Board") of Man Sang Jewellery Holdings Limited (the "Company") is pleased to announce the unaudited financial results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2015, together with the unaudited comparative figures for the corresponding period in the year 2014.

	Six months ended 30 September		**Decrease**	
	2015	2014		
	HK$'000	*HK$'000*	*HK$'000*	*Percentage*
Revenue	**110,469**	153,850	43,381	28.2%
Gross profit	**34,193**	56,944	22,751	40.0%
Gross profit margin	**31%**	37%		
(Loss)/profit attributable for the period to equity holders of the Company	**(3,731)**	4,365	8,096	185.5%

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 September 2015

	Note	Six months ended 30 September **2015** ***HK$'000*** **(Unaudited)**	2014 *HK$'000* (Unaudited)
Revenue	*5*	**110,469**	153,850
Cost of sales		**(76,276)**	(96,906)
Gross profit		**34,193**	56,944
Other (losses)/gains, net		**(9)**	261
Gain on disposal of subsidiaries	*10*	**9,845**	–
Selling expenses		**(4,231)**	(5,152)
Administrative expenses		**(43,732)**	(44,649)
Operating (loss)/profit	*6*	**(3,934)**	7,404
Finance income		**47**	285
Finance cost		**(413)**	(503)
Finance cost, net		**(366)**	(218)
(Loss)/profit before income tax		**(4,300)**	7,186
Income tax credit/(expense)	*7*	**569**	(2,821)
(Loss)/profit for the period attributable to equity holders of the Company		**(3,731)**	4,365
(Loss)/earnings per share attributable to equity holders of the Company	*9*		
— Basic and Diluted		**(1.40) HK cents**	1.64 HK cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2015

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	**(3,731)**	4,365
Other comprehensive income:		
Item that may be reclassified to profit or loss		
Exchange difference on translation of foreign operations	**(941)**	–
Item that will not be reclassified subsequently to profit or loss		
Increase in fair value of leasehold land and building, net of deferred income tax	**3,686**	1,117
Other comprehensive income for the period, net of tax	**2,745**	1,117
Total comprehensive (loss)/income for the period attributable to equity holders of the Company	**(986)**	5,482

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 September 2015

	Note	**30 September 2015** *HK$'000* **(Unaudited)**	31 March 2015 *HK$'000* (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**5,958**	101,881
Prepayments		**3,534**	6,810
Deferred income tax assets		**1,103**	742
		10,595	109,433
Current assets			
Inventories		**115,640**	99,837
Trade and other receivables	*11*	**78,628**	72,738
Cash and cash equivalents		**100,539**	76,486
		294,807	249,061
Current liabilities			
Trade and other payables	*12*	**35,100**	29,386
Current income tax liabilities		**3,547**	4,015
Bank borrowing		**–**	45,200
		38,647	78,601
Net current assets		**256,160**	170,460
Total assets less current liabilities		**266,755**	279,893
Non-current liabilities			
Deferred income tax liabilities		**143**	12,295
Net assets		**266,612**	267,598
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**2,663**	2,663
Reserves		**263,949**	264,935
Total equity		**266,612**	267,598

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. GENERAL INFORMATION AND KEY EVENT

1.1 General Information

Man Sang Jewellery Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in the purchasing, processing, designing, production and wholesale distribution of pearls and jewellery products.

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Laws 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 17 October 2014.

This condensed consolidated interim financial information is presented in Hong Kong dollars, unless otherwise stated.

This condensed consolidated interim financial information has not been audited.

1.2 Key Event

On 25 September 2015, the Group disposed of its entire equity interest in Man Sang International Holdings Limited and Hong Kong Man Sang Investments Limited, being wholly owned subsidiaries of the Group, which were engaged in investment and property holding, for a cash consideration of HK$55.7 million. A gain on disposal of HK$9.8 million was resulted and had been recognised in the interim condensed consolidated income statement. Further details are given in Note 10.

2. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 September 2015 has 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"). The condensed consolidated interim financial information should be read in conjunction with annual financial statements for the year ended 31 March 2015, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, accounting policies applied in the preparation of this condensed consolidated interim financial information are consistent with those of the annual financial statements for the year ended 31 March 2015, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following amended standards are mandatory for the first time for the financial year beginning on or after 1 April 2015, but do not have significant financial impact to the Group:

HKAS 19 (Amendment)	Defined Benefit Plans
HKFRSs (Amendment)	Annual Improvements 2012 and 2013

There are no other amended standards that are effective for the first time for this interim period that could be expected to have a material impact on this Group.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following are standards and amendments to existing standards that have been published and are relevant to the Group, but are not effective for the accounting periods beginning on 1 April 2015 and have not been early adopted by the Group:

HKFRS 9 (2014)	Financial Instruments[3]
HKAS 10 and HKAS 28 Amendments	Sale or Contribution of Assets Between an Investor and Its Associates or Joint Venture[1]
HKFRS 10, HKFRS 12 and HKAS 28 Amendments	Investment Entities: Applying the Consolidation Exception[1]
HKFRS 11 Amendment	Accounting for Acquisitions of Interests in Joint Operations[1]
HKFRS 14	Regulatory Deferral Accounts[1]
HKFRS 15	Revenue from Contracts with Customers[2]
HKAS 1 Amendment	Disclosure Initiative[1]
HKAS 16 and HKAS 38 Amendments	Acceptable Methods of Depreciation and Amortisation[1]
HKAS 27 Amendment	Equity Method in Separate Financial Statements[1]
HKFRSs Amendments	Annual Improvements 2012-2014 Cycle[1]

[1] effective for annual periods beginning on or after 1 April 2016
[2] effective for annual periods beginning on or after 1 April 2017
[3] effective for annual periods beginning on or after 1 April 2018

Management is in the process of making an assessment of the likely impact of these changes but is not yet in a position to state whether any substantial changes to the Group's significant accounting policies and/or the presentation of its financial information will result.

4. ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2015.

5. SEGMENT INFORMATION

The Group's management reviews the Group's internal reporting in order to assess performance and allocate resources. They have determined the operating segments based on these reports. The Group is principally engaged in purchasing, processing, designing, production and wholesale distribution of peals and jewellery products. Information reported to the Group's management for the purpose of resources are integrated. Accordingly, the Group has identified one operating segment — pearls and jewellery, and segment disclosures are not presented.

Revenue represents the amounts received and receivable from customers in respect of goods sold less returns and allowances.

The Group operates its business in Hong Kong and places other than Hong Kong. The Group's revenue by geographical locations (as determined by the area or country in which the customer is located) is analysed as follows:

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Europe	**25,859**	44,427
North America	**31,800**	37,314
Asian countries (excluding Hong Kong)	**32,270**	43,455
Hong Kong	**16,908**	25,613
Others	**3,632**	3,041
	110,469	153,850

Revenue from the transactions with one individual customer amounted to HK$14,786,000 (2014: HK$18,315,000) was more than 10% of total revenue of the Group for the six months ended 30 September 2015.

The following is an analysis of the carrying amounts of the Group's segment assets analysed by geographical location in which the assets are located:

	30 September 2015	31 March 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Hong Kong	**280,635**	317,582
PRC	**24,767**	40,912
	305,402	358,494

6. OPERATING (LOSS)/PROFIT

An analysis of the amounts presented as operating items charged/(credited) in the interim financial information is given below.

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost of inventories	**57,591**	73,856
Staff costs, including directors emoluments	**34,522**	31,495
Provision for/(reversal of provision for) inventory obsolescence	**2,420**	(2,305)
Provision for impairment of trade receivables	**4,541**	1,711
Depreciation of property, plant and equipment	**3,015**	2,874
Gain on disposal of subsidiaries	**(9,845)**	–
Loss on disposals of property, plant and equipment	**–**	174

7. INCOME TAX (CREDIT)/EXPENSE

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current income tax:		
Hong Kong profits tax	**583**	2,461
PRC enterprise income tax	**145**	236
	728	2,697
Over-provision in prior year:		
Hong Kong profits tax	**(988)**	–
Deferred income tax	**(309)**	124
Net (credit)/charge for the period	**(569)**	2,821

Hong Kong profits tax has been provided at a rate of 16.5% (2014: 16.5%) on the estimated assessable profits for the six months ended 30 September 2015.

The PRC enterprise income tax in respect of operations in the PRC is calculated at applicable tax rates on the estimated assessable profit for the period based on existing legislation, interpretation and practices in respect thereof.

The PRC tax law imposes a withholding tax at 10%, unless reduced by a tax treaty, for dividends distributed by PRC subsidiaries to its immediate holding company outside the PRC for earnings generated beginning on 1 January 2008.

8. DIVIDEND

At a meeting of the board of directors held on 25 November 2015, the directors resolved not declare an interim dividend to shareholders for the six months ended 30 September 2015.

9. (LOSS)/EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Loss)/profit attributable to equity holders of the Company	**(3,731)**	4,365
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**266,321**	266,321
Basic (loss)/earnings per share (HK cents)	**(1.40)**	1.64

There is no dilutive potential ordinary share during the six months ended 30 September 2015 (2014: same).

10. DISPOSAL OF SUBSIDIARIES

The Group entered into an agreement with the Chairman and the ultimate controlling shareholder of the Group to dispose of the entire equity interest of Man Sang International Holdings Limited and Hong Kong Man Sang Investments Limited, both being the wholly owned subsidiaries of the Group, for a total consideration of HK$55,665,000 which was determined with reference to its financial position as at 25 September 2015. The disposal was completed on 25 September 2015.

	Six months ended 30 September 2015
	HK$'000
	(Unaudited)
Net assets disposed of:	
Property, plant and equipment	**101,351**
Cash and bank balances	**517**
Prepayments and other receivables	**73**
Accruals and other payables	**(9)**
Bank borrowing	**(44,200)**
Deferred tax liabilities	**(12,858)**
	44,874
Legal and professional fees for disposal of subsidiaries	**946**
Gain on disposal of subsidiaries	**9,845**
	55,665
Satisfied by:	
Cash	**55,665**

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	2015
	HK$'000
	(Unaudited)
Cash consideration	**55,665**
Cash and bank balances disposed of	**(517)**
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	**55,148**

11. TRADE AND OTHER RECEIVABLES

The Group grants a credit period of 30 days to 120 days to its customers. The carrying amounts of the trade and other receivables approximate their fair values as these financial assets, which are measured at amortised cost, are expected to be received within a short period of time, such that the impact of the time value of money impact is not significant.

As at 30 September 2015, included in trade and other receivables of the Group are trade receivables of HK$70,296,000 (31 March 2015: HK$61,435,000) and their ageing analysis is as follows:

	30 September 2015	31 March 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Not past due	**17,001**	18,659
1 to 60 days past due	**29,906**	18,387
61 to 120 days past due	**11,557**	8,107
More than 120 days past due	**11,832**	16,282
	70,296	61,435

12. TRADE AND OTHER PAYABLES

The carrying amounts of the trade and other payables approximate their fair values as these financial liabilities, which are measured at amortised cost, are expected to be paid within a short period of time, such that the impact of the time value of money impact is not significant.

As at 30 September 2015, included in trade and other payables of the Group are trade payables of HK$10,977,000 (31 March 2015: HK$4,216,000) and their ageing analysis is as follows:

	30 September 2015	31 March 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 to 60 days	**7,737**	4,216
61 to 120 days	**1,920**	–
More than 120 days	**1,320**	–
	10,977	4,216

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL OVERVIEW

The board of directors (the "Board") of Man Sang Jewellery Holdings Limited (the "Company") is pleased to report the results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2015 (the "Period" or "HY15"). During the Period, the unaudited consolidated loss attributable to equity holders of the Company was HK$3.7 million (six months ended 30 September 2014 ("HY14"): profit of HK$4.4 million).

BUSINESS REVIEW

During the Period, the downturn of global economy has reduced the demand for pearl and jewellery products. Together with the strong US currency which reduced the price competitiveness of the Group's pearl and jewelry products to customers in Europe and Asia, the revenue generated from customers in these regions reduced in the Period.

There was also a weakening consumption sentiment in the PRC and Hong Kong which has an impact on the sales contribution from our prestigious showroom ("VIP showroom") in our Hong Kong headquarter (HY15: HK$6.6 million, HY14: HK$13.3 million).

To strengthen our financial position and reduce operating expenses, the Group has disposed of 2 wholly owned subsidiaries which provide residence to our Chairman, for a cash consideration of HK$55.7 million during the Period.

The Group has expanded to designing, processing and wholesale-distributing diamond and gemstones jewellery with a new team of sales executives, designers and goldsmiths, whose efforts will focus on exploring new markets to expand the Group's clientele in the PRC and overseas. The Group has also entered into a cooperation agreement with a renowned gold jeweler to expand its sales of pearl jewellery in Shenzhen.

The Group has a strategy to build up a stronger market reputation associated with the high quality, new and fashionable products and performs internet sales through our online stores at certain E-commerce platforms.

The Group will continue its focus on the established pearls and jewellery business. The Group will continue to actively participate in leading trade shows around the world in order to diversify its clientele.

Notwithstanding the above discussed changes, we will continue to develop our business in pearls and jewellery by leveraging our competitive strengths which comprise of close and stable relationship with customers and suppliers, a vertically integrated product chain and renowned reputation in the pearls and jewellery industry.

FINANCIAL REVIEW

The Group is principally engaged in the purchasing, processing, designing, production and wholesale distribution of pearls and jewellery.

Revenue and Gross Profit

Net sales decreased by HK$43.4 million or 28.2% from HK$153.9 million for HY14 to HK$110.5 million for HY15. Such decrease was primarily attributable to a decrease in net sales of saltwater pearls and jewellery products. Saltwater pearls contributed HK$41.3 million (HY14: HK$55.2 million) to the Group's net sales in HY15, representing a decrease of HK$13.9 million from HY14. Wholesale distribution of jewellery contributed to the Group's net sales in HY15 with HK$55.9 million (HY14: HK$76.1 million), representing a decrease of HK$20.2 million from HY14. VIP showroom contributed to the Group's net sales in HY15 with HK$6.6 million (HY14: HK$13.3 million), representing a decrease of HK$6.7 million from HY14.

Net sales of saltwater pearls and jewellery accounted for 37.4% (HY14: 35.9%) and 56.6% (HY14: 58.1%) of the total net sales, respectively, in HY15.

During the Period, net sales in North America decreased by HK$5.5 million or 14.8% to HK$31.8 million, as compared to HK$37.3 million in HY14. Net sales in China, Hong Kong and other Asian countries were HK$49.2 million in HY15, representing a decrease of 28.8%, as compared to HK$69.1 million in HY14. Net sales in Europe were HK$25.9 million, representing a decrease of HK$18.5 million or 41.7% as compared to HK$44.4 million in HY14.

Gross profit decreased by HK$22.8 million or 40.0% to HK$34.2 million in HY15 (HY14: HK$56.9 million) mainly due to a decrease in gross profit margin by 6.0 percentage points (HY15: 31.0%; HY14: 37.0%).

Selling and administrative expenses (the "S&A expenses")

S&A expenses mainly comprised selling expenses of HK$4.2 million (HY14: HK$5.2 million) and administrative expenses of HK$43.7 million (HY14: HK$44.6 million).

(Loss)/profit attributable to equity holders of the Company

The loss attributable to equity holders of the Company was HK$3.7 million (HY14: profit of HK$4.4 million) during the Period.

Such reduction was primarily due to the (i) downturn in the global economy and the strong US currency which reduced the demand and price competitiveness of the Group's pearls and jewellery products and (ii) the increase in provision for impairment of trade receivables (HY15: HK$4.5 million; HY14: HK$1.7 million) and inventory obsolescence (HY15: HK$2.4 million; HY14: reversal of provision of HK$2.3 million) during the Period.

LIQUIDITY, GEARING RATIO AND FINANCIAL RESOURCES

As at 30 September 2015, the Group's total equity was HK$266.6 million (31 March 2015: HK$267.6 million), representing a decrease of 0.4%.

As at 30 September 2015, the Group had cash and bank balances of HK$100.5 million (31 March 2015: HK$76.5 million). Cash and bank balances were mainly denominated in Hong Kong dollars, United States dollars and Chinese Renminbi. The Group's working capital or net current assets were HK$256.2 million (31 March 2015: HK$170.5 million). The current ratio, represented by current assets divided by current liabilities, was 7.6 (31 March 2015: 3.2).

As at 30 September 2015, the Group did not have any borrowings (31 March 2015: HK$45.2 million). The Group does not currently use any derivatives to manage interest rate risk. Gearing ratio, represented by total borrowing divided by total equity, was nil (31 March 2015: 0.17).

As at 30 September 2015, the Group had banking facilities of HK$85.0 million (31 March 2015: HK$125.2 million) with a bank. With the committed unused banking facilities in place and available cash and cash equivalents, the Group has adequate financial resources to meet our anticipated future liquidity requirements and capital expenditure commitment.

PLEDGE OF ASSETS

As at 31 March 2015, the Group's borrowing and banking facilities were secured by an investment property in Hong Kong with an aggregate carrying amount of HK$95.0 million. Such borrowing and the pledge of the investment property on the banking facilities were released together with the disposal of subsidiaries during the Period.

CAPITAL EXPENDITURE

The Group's capital expenditure during the Period, which was primarily related to purchase of property, plant and equipment, amounted to HK$0.4 million.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group principally operates its businesses in Hong Kong and Mainland China. The Group is exposed to foreign exchange fluctuations from various currencies, such as United States dollars, Hong Kong dollars and Chinese Renminbi, which were the main currencies transacted by the Group during the Period.

Since Hong Kong dollars remains pegged to the United States dollars within a defined range, the Group is not exposed to any significant foreign exchange risk against the United States dollars. The Group has subsidiaries operating in Mainland China, in which most of their transactions are denominated in Chinese Renminbi. The Group is not exposed to any significant foreign exchange transaction risk in relation to Chinese Renminbi and has not entered into any foreign exchange contract as hedging measures.

Notwithstanding the above, the Group is subject to foreign currency risk arising from certain transactions that are denominated in other currencies, such as Euro. The Group manages its foreign currency risk against other currencies by closely monitoring the movement of the foreign currency rates and may use hedging derivative, such as foreign currency forward contract, to manage its foreign currency risk as appropriate.

HUMAN RESOURCES

As at 30 September 2015, the Group had a total workforce of approximately 540, of which approximately 60 were based in Hong Kong. The total staff cost, including directors' emoluments and mandatory provident fund, was approximately HK$34.5 million (HY14: HK$31.5 million) during the Period. Employees were remunerated on the basis of their performance and experience. Remuneration package, including salary and year-end discretionary bonus, was determined by reference to market conditions and individual performance.

FINANCIAL GUARANTEE

As at 30 September 2015, the Group had no financial guarantee.

PROSPECTS

Facing the tremendous challenges ahead, the Group will continue its tight cost controls while improving the operating efficiency and productivity to maintain competitiveness as the worldwide recovery moves to full throttle. The Group will also manage its liquidity vigilantly to maintain the cash flexibility in the prevailing unpredictable financial atmosphere and grasp any new business and development opportunities. The Group will continue to explore new opportunities so arising in order to maximize shareholder's value in the coming future.

CORPORATE GOVERNANCE CODE

The Company and its subsidiaries (collectively the "Group") recognise the importance of achieving the highest standard of corporate governance consistent with the needs and requirements of its businesses and the best interest of all of its stakeholders, and the Board is fully committed to doing so. The Board believes that high standards of corporate governance provide a framework and solid foundation for the Group to manage business risks, enhance transparency, achieve high standard of accountability and protect stakeholders' interests.

The Group has adopted a corporate governance statement of policy which provides guidance on the application of the corporate governance principles on the Group, with reference to the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of Listing Rules on the Stock Exchange.

In the opinion of the directors of the Company, the Company has complied with all code provisions as set out in the CG Code throughout the six months ended 30 September 2015 and, where appropriate, the applicable recommended best practices of the CG Code.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules on the Stock Exchange for securities transactions by the Directors. The Company confirms that, having made specific enquiry of all Directors, all of the Directors confirmed that they have complied with the required standard as set out in the Model Code throughout the six months ended 30 September 2015.

BOARD OF DIRECTORS

As at 30 September 2015 and the date of this report, the Board comprises two Executive Directors, namely Ms. Yan Sau Man, Amy and Mr. Chen Zhi Wei, one Non-Executive Director, namely Mr. Cheng Chung Hing (Chairman), and three Independent Non-Executive Directors, namely Mr. Fung Yat Sang, Mr. Look Andrew and Mr. Tsui Francis King Chung.

PURCHASE , SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 September 2015.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company, which comprises three Independent Non-Executive Directors, namely Mr. Fung Yat Sang, Mr. Look Andrew and Mr. Tsui Francis King Chung, has reviewed the unaudited interim results of the Group for the six months ended 30 September 2015 and has recommended their adoption to the Board.

In addition, the Company's auditor, PricewaterhouseCoopers, has also conducted a review of the aforesaid unaudited interim financial information in accordance with Hong Kong Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

On behalf of the Board
Man Sang Jewellery Holdings Limited
Tse Chi Keung
Company Secretary

Hong Kong, 25 November 2015

As at the date of this announcement, the executive Directors are Ms. Yan Sau Man, Amy (CEO) and Mr. Chen Zhi Wei; the non-executive Director is Mr. Cheng Chung Hing (Chairman); and the independent non-executive Directors are Mr. Fung Yat Sang, Mr. Look Andrew and Mr. Tsui Francis King Chung.