# MAN SANG INTERNATIONAL LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 938)**

## PROFIT WARNING

This announcement is made by Man Sang International Limited (the **"Company"**, together with its subsidiaries, the **"Group"**) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **"Listing Rules"**) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the **"Board"**) of the Company wishes to inform the shareholders of the Company (the **"Shareholders"**) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Company for the year ended 31 March 2017, the Company is expected to record a loss attributable to equity holders of the Company for the year ended 31 March 2017 as compared to a profit attributable to equity holders of the Company of HK$51.2 million for the year ended 31 March 2016. The expected loss is mainly attributable to (i) an increase in finance costs as a result of the promissory note issued by the Company as part of the consideration for the acquisition of a property located in Chongqing, the People's Republic of China (the **"Acquisition"**, details of which are disclosed in the Company's announcement dated 12 April 2016, 19 May 2016, 15 July 2016 and 28 July 2016 and the Company's circular dated 16 June 2016), which was completed on 28 July 2016, at the interest rate of 8% per annum; (ii) an increase in finance costs due to the existing mortgage loan of the newly acquired property from the Acquisition at an effective interest rate of 8.1% per annum; (iii) an increase in finance costs in relation to the secured bonds issued by the Company in November 2016 at the interest rate of 9% per annum, details of which are disclosed in the Company's announcement dated 3 November 2016; and (iv) a loss in fair values of investment properties and investment properties under construction for the year ended 31 March 2017 in contrast to a gain in fair values of investment properties and investment properties under construction for the year ended 31 March 2016.

The Board wishes to emphasize that the information contained in this announcement is based on the preliminary assessment of the unaudited consolidated management accounts of the Company for the year ended 31 March 2017 and the information currently available to the Board, which have not been audited or reviewed by the Company's independent auditors. As at the date of this announcement, the Company's annual results for the year ended 31 March 2017 have not been finalized. It is scheduled that the annual results of the Company for the year ended 31 March 2017 will be announced early next month.

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

By order of the Board
**MAN SANG INTERNATIONAL LIMITED**
**Leung Alex**
*Executive Director and Company Secretary*

Hong Kong, 16 May 2017

*As at the date of this announcement, the executive directors are Mr. Lei Hong Wai (Chairman), Ms. Cheng Ka Ki, Mr. Cheung Kwok Wai, Elton, Mr. Leung Alex and Mr. Yuan Huixia; and the independent non-executive directors are Mr. Lai Hok Lim, Mr. Lei Seng Fat and Mr. Wong Tak Chuen.*