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MAN KING HOLDINGS LIMITED

萬景控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2193)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

FINANCIAL PERFORMANCE HIGHLIGHTS

Revenue	HK\$182.3 million
Profit attributable to owners of the Company	HK\$24.6 million
Basic earnings per share	HK5.87 cents
Equity attributable to owners of the Company per share	HK\$0.63

INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of Man King Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2021 together with the comparative figures for the preceding financial year as follows:

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

		Unaudited Six months ended 30 September	
	Notes	2021 HK\$'000	2020 HK\$'000
Revenue	4	182,318	119,922
Cost of services		<u>(151,449)</u>	<u>(107,043)</u>
Gross profit		30,869	12,879
Other income	5	1,677	988
Other losses, net	6	(187)	(211)
Administrative expenses		<u>(11,015)</u>	<u>(12,305)</u>
Operating profit		21,344	1,351
Finance costs		(49)	(52)
Share of profit of an associate		<u>5,720</u>	<u>2,665</u>
Profit before income tax	7	27,015	3,964
Income tax expense	8	<u>(2,368)</u>	<u>(181)</u>
Profit for the period		24,647	3,783
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Share of other comprehensive income of an associate		<u>598</u>	<u>–</u>
Total comprehensive income for the period attributable to owners of the Company		<u>25,245</u>	<u>3,783</u>
Earnings per share attributable to owners of the Company			
Basic and diluted per share (<i>HK cents</i>)	9	<u>5.87</u>	<u>0.90</u>

The above condensed consolidated interim statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021**

		Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
	<i>Notes</i>		
ASSETS			
Non-current assets			
Property, plant and equipment		12,563	10,905
Right-of-use assets		1,550	1,993
Investment in an associate		95,668	98,820
Deposits	<i>11</i>	2,133	–
		111,914	111,718
Current assets			
Inventories		5,681	3,356
Contract assets	<i>10</i>	53,768	42,520
Trade and other receivables	<i>11</i>	48,228	25,409
Amounts due from joint operations		13,470	14,882
Financial assets at fair value through profit or loss		5,438	5,650
Pledged bank deposits		5,206	5,206
Cash and cash equivalents		111,440	107,102
		243,231	204,125
Total assets		355,145	315,843
EQUITY			
Equity attributable to owners of the Company			
Share capital		4,198	4,198
Share premium and other reserves		93,900	105,897
Retained earnings		168,116	143,469
Total equity		266,214	253,564

The above condensed consolidated interim statement of financial position should be read in conjunction with the accompanying notes.

		Unaudited	Audited
		30 September	31 March
		2021	2021
	<i>Notes</i>	HK\$'000	HK\$'000
LIABILITIES			
Non-current liabilities			
Contract liabilities		4,076	–
Lease liabilities		189	605
Deferred tax liabilities		50	–
		<u>4,315</u>	<u>605</u>
Current liabilities			
Contract liabilities		6,482	7,398
Trade and other payables	<i>12</i>	55,859	36,348
Amounts due to other partners of joint operations		11,943	13,864
Bank borrowings		5,709	1,634
Lease liabilities		1,378	1,400
Tax liabilities		3,245	1,030
		<u>84,616</u>	<u>61,674</u>
Total liabilities		<u>88,931</u>	<u>62,279</u>
Total equity and liabilities		<u>355,145</u>	<u>315,843</u>

The above condensed consolidated interim statement of financial position should be read in conjunction with the accompanying notes.

Notes:

1. General information

The Company was incorporated in the Cayman Islands on 12 November 2014 as an exempted company with limited liability under the Companies Law, (Cap. 22, Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of the Company's registered office is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Group are principally engaged in the provision of civil engineering works.

The Company is listed on the Main Board of the Stock Exchange.

Its ultimate holding company is LOs Brothers (PTC) Limited and its immediate holding company is Jade Vantage Holdings Limited.

The condensed consolidated interim financial information is presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand ("HK\$'000"), unless otherwise stated.

The condensed consolidated interim financial information has been reviewed, not audited.

2. Basis of preparation

The condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The condensed consolidated interim financial information does not include all the notes of the type normally included in the annual consolidated financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"). The condensed consolidated interim financial information has been prepared on the historical cost basis, except for certain financial assets at fair value through profit or loss ("FVTPL") which have been measured at fair value.

3. Summary of significant accounting policies

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 March 2021, as described in those annual financial statements, except for the estimation of income tax and the adoptions of new and amended standards.

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

(a) New and amended standards adopted by the Group

The following new standards and amendments to standards are mandatory for the financial year beginning on or after 1 April 2021:

HKFRS 16 (Amendments)	Covid-19-Related Rent Concessions
HKFRS 9, HKAS 39, and HKFRS 7, HKFRS 4 and HKFRS 16 (Amendments)	Interest Rate Benchmark Reform — Phase 2
HKFRS 16 (Amendments)	Covid-19-Related Rent Concessions beyond 30 June 2021

These amendments to standards did not have material impact on the Group's accounting policies and did not require any adjustments.

(b) New and amended standards issued but not yet applied by the Group

The following new standards and amendments to standards have been issued but are not yet effective for the financial period of the Group beginning on 1 April 2021 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKFRS 3 (Amendment)	Reference to the Conceptual Framework	1 January 2022
HKFRS 16 (Amendment)	Property, Plant and Equipment — Proceeds before Intended Use	1 January 2022
HKAS 37 (Amendment)	Onerous Contracts — Costs of Fulfilling a Contract	1 January 2022
HKFRS 1, HKFRS 9, HKFRS 16 and HKAS 41 (Amendments)	Annual Improvements to HKFRS Standards 2018 to 2020	1 January 2022
Accounting Guideline 5 (Amendments)	Merger Accounting for Common Control Combinations	1 January 2022
HKFRS 17	Insurance Contracts	1 January 2023
HKFRS 17 (Amendments)	Amendments to HKFRS 17	1 January 2023
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current	1 January 2023
HKAS 1 and HKFRS Practice Statement 2 (Amendments)	Disclosure of Accounting Policies	1 January 2023
HKAS 8 (Amendments)	Definition of Accounting Estimates	1 January 2023
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
HK Interpretation 5 (2020)	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023
HKFRS 10 and HKAS 28 (Amendment)	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group will apply the above new standard, revised framework and amendments to standards when they become effective. No new standard, revised framework and amendments to standards is expected to have a significant effect on the consolidated financial statements of the Group.

4. Revenue and segment information

The Company is an investment holding company and the Group is principally engaged in providing civil engineering services in Hong Kong as main contractor (“Civil Engineering Works”).

The chief operating decision-maker has been identified as the executive directors of the Company. The executive directors review the Group’s internal reporting in order to assess performance and allocate resources. The executive directors have determined the operating segment based on these reports.

The executive directors consider the Group’s operation from a business perspective and determine that the Group has one reportable operating segment being the Civil Engineering Works.

The executive directors assess the performance of the operating segment based on a measure of revenue and gross profit. During the six months ended 30 September 2021 and 2020, all the Group’s revenue were from contracts with customers and were recognised over time and derived from operations in Hong Kong.

As at 30 September 2021 and 31 March 2021, the Group’s non-current assets are all located in Hong Kong except for the investment in an associate. The Group’s associate is incorporated in Hong Kong and principally operating in Pakistan.

5. Other income

	Unaudited Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Management fee income	210	512
Dividend income from financial assets at FVTPL	197	151
Bank interest income	4	120
Others	1,266	205
	<u>1,677</u>	<u>988</u>

6. Other losses, net

	Unaudited Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Fair value changes of financial assets at FVTPL	(212)	(296)
Net exchange gain	23	85
Gain on disposal of property, plant and equipment	2	–
	<u>(187)</u>	<u>(211)</u>

7. Profit before income tax

	Unaudited Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Profit before income tax is arrived at after charging:		
Employee benefit expenses (<i>Note</i>)	31,670	30,119
Depreciation of property, plant and equipment	2,524	2,645
Depreciation of right-of-use assets	758	693
Write-off of property, plant and equipment	17	–
Loss on disposal of property, plant and equipment	–	313
Cost of construction materials	10,350	8,722
Subcontracting charges	104,376	72,341
	<u>150,085</u>	<u>113,633</u>

Note:

For the six months ended 30 September 2020, the government grants of HK\$4,136,000 from the employment support schemes had been offset in “employee benefit expenses”.

8. Income tax expense

	Unaudited Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Hong Kong profits tax	2,318	181
Deferred income tax	50	–
Income tax expense	<u>2,368</u>	<u>181</u>

Income tax expense is recognised based on management's best estimate of the projected annual effective income tax rate which is expected for the full financial year.

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2020: 16.5%) on the estimated assessable profit for the period.

9. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Unaudited Six months ended 30 September	
	2021	2020
Profit attributable to owners of the Company (HK\$'000)	24,647	3,783
Weighted average number of ordinary shares in issue (thousands)	419,818	419,818
Basic and diluted earnings per share (HK cents)	<u>5.87</u>	<u>0.90</u>

For the purpose of determining the diluted earnings per share amount, no adjustment has been made to the basic earnings per share amount for the six months ended 30 September 2021 and 2020 as the Group had no potentially dilutive ordinary shares in issue during these periods.

10. Contract assets

	Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
Current		
Unbilled revenue of civil engineering works		
— Ongoing project	9,950	—
— Completed project	33,594	33,594
Retention receivables of civil engineering works	<u>10,224</u>	<u>8,926</u>
	<u>53,768</u>	<u>42,520</u>
Retention receivables of civil engineering works		
Due within one year	2,825	2,536
Due after one year	<u>7,399</u>	<u>6,390</u>
	<u>10,224</u>	<u>8,926</u>

11. Trade and other receivables

	Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
Trade receivables	<u>35,542</u>	<u>15,505</u>
Current		
Other receivables, deposits and prepayments:		
— Deposits	7,747	4,833
— Other receivables	1,109	1,248
— Prepaid expenses	<u>3,830</u>	<u>3,823</u>
	<u>12,686</u>	<u>9,904</u>
Non-current		
— Deposits for the acquisition of property, plant and equipment	<u>2,133</u>	<u>—</u>
	<u>50,361</u>	<u>25,409</u>

Trade debtors are normally due within 30–60 days from customers' certification date.

The ageing analysis of the Group's trade receivables based on customers' certification date at the end of each reporting period is as follows:

	Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
0–30 days	35,542	14,945
31–60 days	—	418
Over 60 days	<u>—</u>	<u>142</u>
	<u>35,542</u>	<u>15,505</u>

12. Trade and other payables

	Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
Trade payables	25,331	13,029
Retention payables	20,090	16,517
Other payables and accruals:		
— Accrued wages and other staff benefits	6,257	1,766
— Accrued operating expenses	154	116
— Other payables	4,027	4,920
	<u>55,859</u>	<u>36,348</u>

The credit period on trade purchases is 30 to 60 days.

The ageing analysis of the trade payables based on invoice date is as follows:

	Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
0–30 days	23,857	6,891
31–60 days	1,190	4,751
61–90 days	2	492
Over 90 days	282	895
	<u>25,331</u>	<u>13,029</u>

In the condensed consolidated interim statement of financial position, retention payables were classified as current liabilities. The ageing of the retention payables based on invoice date is as follows:

	Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
Due within one year	2,636	2,792
Due after one year	17,454	13,725
	<u>20,090</u>	<u>16,517</u>

13. Dividends

In the current period, a final dividend of HK\$12,595,000 in relation to the year ended 31 March 2021 was declared and paid.

The Board of Directors does not recommend the distribution of an interim dividend for the six months ended 30 September 2021 (six months ended 30 September 2020: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

The Group is principally engaged in providing civil engineering services in Hong Kong as main contractor.

The engineering works undertaken by the Group are mainly related to (i) roads and drainage (including associated building works and electrical and mechanical works); (ii) site formation (including associated infrastructure works); and (iii) port works (including barging facilities for marine logistics of construction materials). The Group undertakes engineering projects in both public and private sectors and, being a main contractor, participates in the procurement of materials, machineries and equipment, selection of subcontractors, carrying out on-site supervision, monitoring work progress and overall co-ordination of day-to-day work of the projects.

As at 30 September 2021, the Group had ten projects in progress, and several completed projects yet to receive the final contract sum, with a total estimated outstanding contract sum and work order value of approximately HK\$1,283 million.

The diversified coal transshipment business of the Group through its 20.3% owned One Belt One Road project in Pakistan continued to bring positive return to the Group. During the six months ended 30 September 2021, the Company received cash dividend from this One Belt One Road project totaling US\$1,218,000 (equivalent to approximately HK\$9,470,000).

FINANCIAL REVIEW

Revenue

The Group's revenue for the six months ended 30 September 2021 was approximately HK\$182.3 million, representing an increase of approximately 52.0% from approximately HK\$119.9 million in the same period of the last financial year. This substantial increase was mainly due to the combined effect of:

- (i) higher revenue of approximately HK\$80.3 million for ten projects in progress during the six months ended 30 September 2021, including revenue of approximately HK\$11.6 million contributed from two new public sector projects; and
- (ii) lower revenue of approximately HK\$17.9 million for projects completed before 2021.

Gross profit and gross profit margin

The Group's gross profit for the six months ended 30 September 2021 was approximately HK\$30.9 million, representing an increase of approximately 139.7% from approximately HK\$12.9 million in the same period of the last financial year.

The gross profit margin increased from approximately 10.7% for the six months ended 30 September 2020 to approximately 16.9% for the six months ended 30 September 2021.

The substantial increase in gross profit and gross profit margin was primarily due to some projects were in several main phases which allowed the Group to recognise higher profit during the six months ended 30 September 2021.

Other income

Other income was approximately HK\$1,677,000 and HK\$988,000 for the six months ended 30 September in 2021 and 2020, respectively. The increase was mainly due to the government subsidy granted from the Construction Innovation & Technology Fund.

Other losses, net

Other losses decreased from approximately HK\$211,000 for the six months ended 30 September 2020 to approximately HK\$187,000 for the six months ended 30 September 2021, primarily due to decrease in net change in fair value of financial assets at fair value through profit or loss of approximately HK\$84,000, which was offset by the decrease in net exchange gain of approximately HK\$62,000.

Administrative expenses

Administrative expenses for the six months ended 30 September 2021 were approximately HK\$11.0 million, representing a decrease of 10.5% from approximately HK\$12.3 million in same period of the last financial year. This was mainly attributable to the decrease in administrative staff costs.

Finance costs

During the six months ended 30 September 2021, bank loan interest expenses were approximately HK\$28,000 (2020: HK\$41,000) and interest expenses on the lease liabilities were approximately HK\$21,000 (2020: HK\$11,000). Therefore, total finance costs was approximately HK\$49,000 (2020: HK\$52,000).

Share of profit of an associate

Share of profit of an associate relates to the Group's 20.3% interest in an associate for the provision of bareboat charter and coal transshipment services in Pakistan. The Group's share of profit of an associate for the six months ended 30 September 2021 was approximately HK\$5,720,000 (2020: HK\$2,665,000).

Income tax expense

The Group recorded income tax expense of approximately HK\$2,368,000 for the six months ended 30 September 2021 (2020: HK\$181,000) and the effective tax rate was approximately 8.8% (2020: 4.6%).

Profit for the period

For the six months ended 30 September 2021, the Group recorded net profit of approximately HK\$24.6 million, as compared to a net profit of approximately HK\$3.8 million for the corresponding period in the last financial year. The increase was mainly due to an increase in gross profit on construction projects and an increase in share of profit of an associate during the six months ended 30 September 2021.

Liquidity and Financial Resources

As at 30 September 2021, the Group had cash and cash equivalents of approximately HK\$111.4 million (31 March 2021: HK\$107.1 million), which were mainly denominated in Hong Kong dollars and United States dollars. Therefore, the management of the Group believes that the Company does not have significant foreign exchange risk. The Group has not adopted any currency hedging policy or other hedging instruments. The Group will continue to monitor its exposure to currency risks closely.

As at 30 September 2021, the Group had interest bearing borrowings of approximately HK\$5.7 million (31 March 2021: HK\$1.6 million) with a repayable on demand clause. Such borrowing were denominated in Hong Kong dollars, carried at variable interest rate and had no financial instrument for hedging purpose.

The Group had available unutilised bank borrowings facilities of approximately HK\$20.7 million as at 30 September 2021 (31 March 2021: HK\$20.7 million).

Capital Structure and Gearing Ratio

As at 30 September 2021, the Group's total equity was approximately HK\$266.2 million (31 March 2021: HK\$253.6 million) comprising ordinary share capital, share premium and reserves.

The gearing ratio of the Group, defined as a percentage of interest bearing liabilities divided by the total equity, is approximately 2.1% as at 30 September 2021 (31 March 2021: 0.6%).

Pledge of Assets

As at 30 September 2021, bank deposits of the Group in the amount of approximately HK\$5.2 million (31 March 2021: HK\$5.2 million) were pledged to a bank for securing the performance bonds issued by a bank to the Group's customer on behalf of the Group as guarantee. Deposits of approximately HK\$3.3 million (31 March 2021: HK\$3.3 million) have been placed and pledged to an insurance institution to secure obligations under the performance bonds issued by an institution to a customer of the Group.

Capital Commitments

As at 30 September 2021, the Group had capital commitments in respect of acquisition of property, plant and equipment contracted for but not provided in the Group's condensed consolidated interim financial information amounting to approximately HK\$1.7 million (31 March 2021: Nil). As at 30 September 2021, the Group had no authorised but not contracted for committed capital expenditure (31 March 2021: Nil).

Performance Bonds and Contingent Liabilities

Certain customers of the construction contracts undertaken by the Group require the group entities to issue guarantees for the performance of contract works in the form of performance bonds and secured either by other deposits or pledged bank deposits. The performance bonds are released when the construction contracts are completed or substantially completed.

As at 30 September 2021, the Group had outstanding performance bonds issued by a bank of approximately HK\$5.2 million (31 March 2021: HK\$5.2 million) and issued by an insurance institution of approximately HK\$3.3 million (31 March 2021: HK\$3.3 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2021, the Group had an aggregate of 147 full-time employees (31 March 2021: 123 full-time employees). Employee costs excluding directors' emoluments totalled approximately HK\$27.8 million for the six months ended 30 September 2021 (2020: HK\$26.3 million). The Group recruited and promoted individual persons according to their strength and development potential. The Group determined the remuneration packages of all employees including the directors with reference to individual performance and current market salary scale.

FUTURE OUTLOOK

The Group has secured two new public work contracts in June and August 2021 with contract sums of approximately HK\$306.6 million and HK\$467.7 million respectively. In addition to another three public contracts awarded in the last quarter of 2020, the Group is running at full capacity with an aim to help the local growth and competitiveness to bolster its expanding operation scale in the next few years.

The 20.3% owned One Belt One Road project in Pakistan has commenced its third coal transshipment operation season as planned. Over 640,000 tons of coal were transshipped from early October up to the date of this announcement, representing an increase of approximately 6.7% as compared to the last period of approximately 600,000 tons.

Coal demand is expected to remain upbeat in Pakistan amid the global trend on green energy production and halt in construction of new coal power plants. The local government estimated one-fifth of electricity generated last year was from coal, which was not easily substituted by other energy sources in the near future.

During the six months ended 30 September 2021, the Group received dividends from River King Management Holdings Limited (“River King” and together with its subsidiaries, the “River King Group”) totaling US\$1.2 million (equivalent to approximately HK\$9.5 million). The accumulated dividends in the past two years reach approximately HK\$28.4 million, representing approximately 29.3% of total investment costs of this project. The Group will continuously monitor the operation of River King Group and recommend cash distribution as appropriate when profit earning is in line with our expectation.

The global pandemic environment brings us challenge, but also opportunity. Other than the Belt & Road project, the Group continues to seek other investment opportunity aiming to earn reasonable constant return as well as the diversification. The Group’s gearing ratio remains low. Following effective working capital management, the Group has sound cashflow and liquidity which make it ready for any new investment in the future. The Group is endeavour to broaden the source of income, bring better return on investments for the shareholders and promote the Group’s long-term business growth.

SIGNIFICANT INVESTMENTS

The Group holds a 20.3% equity interest (comprising 2,030 ordinary shares) in River King Group through Rich Partner Global Limited, a direct wholly-owned subsidiary of the Company. The River King Group is principally engaged in a One Belt One Road project involving the bareboat charter hiring and transshipment of coal by vessels owned or built by the River King Group to a coal fired power station located in Pakistan. The Group’s total investment in River King up to 30 September 2021 was approximately HK\$96.7 million. No market fair value was available for this private investment as at 30 September 2021. The Group invested in River King with a view to maintaining a sustainable growth and maximizing shareholder return through business diversification. To that end, the Group has been actively involved in the development and operation of the coal transshipment project since its participation. In particular, executive Directors Mr. Lo Yick Cheong and Mr. Lo Yuen Cheong were integral to the successful implementation of the coal transshipment project in early October 2019, following which the financial performance of River King Group has improved substantially. During the six months ended 30 September 2021, the Group’s share of profit of River King Group was approximately HK\$5.7 million, and received cash dividends of approximately HK\$9.5 million.

Save as aforesaid, the Company did not hold any other significant investment during the six months ended 30 September 2021.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the six months ended 30 September 2021, there was no material acquisition or disposal of subsidiaries and associated companies by the Company.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 September 2021.

CORPORATE GOVERNANCE

The Company has adopted, applied and complied with the code provisions of Corporate Governance Code ("CG Code") set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange for the six months ended 30 September 2021 except for provision A.2.1 in respect of the separate roles of the chairman and chief executive officer.

According to provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Lo Yuen Cheong is the Chairman and Chief Executive Officer of the Company, responsible for the financial and operational aspects of the Group, and is jointly responsible for the formulation of business development strategies of the Group. The Board believes that vesting the roles of both Chairman and Chief Executive Officer has the benefit of managing the Group's business and overall operation in an efficient manner. The Board considers that the balance of power and authority under the present arrangement will not be impaired in light of the operations of the Board with half of them being independent non-executive Directors. The Company will review the structure from time to time and shall adjust the situation when suitable circumstance arises.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors.

Upon specific enquiry with each of the Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code for the six months ended 30 September 2021.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 September 2021.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited condensed consolidated interim financial information for the six months ended 30 September 2021 and discussed the financial related matters with the management. PricewaterhouseCoopers, the Company's auditor, have reviewed the unaudited condensed consolidated interim financial information for the six months ended 30 September 2021 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the Company's website (www.manking.com.hk) and the Stock Exchange's website (www.hkexnews.hk). The Interim Report 2021/2022 containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange, and despatched to the shareholders of the Company in due course.

By order of the Board
Man King Holdings Limited
Lo Yuen Cheong
Chairman and Executive Director

Hong Kong, 30 November 2021

As at the date of this announcement, the Board comprises Mr. Lo Yuen Cheong, Mr. Lo Yick Cheong, as executive Directors; Ms. Chan Wai Ying as non-executive Director; and Mr. Leung Wai Tat Henry, Prof. Lo Man Chi, Ms. Chau Wai Yung as independent non-executive Directors.