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Man Shing Global Holdings Limited

萬成環球控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8309)

**FIRST QUARTERLY RESULTS ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 30 JUNE 2017
AND RESUMPTION OF TRADING**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE
STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors of Man Shing Global Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to Man Shing Global Holdings Limited. The directors of Man Shing Global Holdings Limited, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

FIRST QUARTERLY RESULTS (UNAUDITED)

The board (the “Board”) of directors (the “Directors”) of Man Shing Global Holdings Limited (the “Company”) presents the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months ended 30 June 2017 together with the comparative unaudited figures for the corresponding period in 2016. The first quarterly results are unaudited, but have been reviewed by the audit committee of the Company.

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

For the three months ended 30 June 2017

		For the three months end	
		30 June	
	Notes	2017	2016
		HK\$'000	HK\$'000
		Unaudited	Unaudited
Revenue	3	115,917	90,458
Cost of sales		<u>(106,530)</u>	<u>80,148</u>
Gross profit		9,387	10,310
Other income	4	242	98
Administrative expenses		(13,895)	(5,807)
Finance costs	5	<u>(774)</u>	<u>(711)</u>
Profit (Loss) before tax		(5,040)	3,890
Income tax expenses	6	<u>(592)</u>	<u>(864)</u>
Profit (Loss) and total comprehensive income for the year attributable to owners of the Company	7	<u><u>(5,632)</u></u>	<u><u>3,026</u></u>
Earnings (Loss) per share (HK cents)			
Basic and diluted	8	<u><u>(0.97)</u></u>	<u><u>0.82</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three months ended 30 June 2017

	<i>Notes</i>	Total equity attributable to equity holders of the Company				Total Equity <i>HK\$'000</i>
		Share Capital <i>HK\$'000</i>	Share Premium <i>HK\$'000</i>	Other Reserve <i>HK\$'000</i>	Retained Earnings <i>HK\$'000</i>	
Balance as at 1 April 2017		380	9,220	110	18,367	28,077
Profit (Loss) for the period		–	–	–	(5,632)	(5,632)
Issuance of ordinary shares pursuant to capitalisation issue		4,120	(4,120)	–	–	–
Issuance of ordinary shares pursuant to share offer		1,500	46,500	–	–	48,000
Expense incurred in connection with the issuance of ordinary shares		–	(9,137)	–	–	(9,137)
Balance as at 30 June 2017 (unaudited)		<u>6,000</u>	<u>42,463</u>	<u>110</u>	<u>12,735</u>	<u>61,308</u>

For the three months ended 30 June 2016

	<i>Notes</i>	Total equity attributable to equity holders of the Company				Total Equity <i>HK\$'000</i>
		Share Capital <i>HK\$'000</i>	Share Premium <i>HK\$'000</i>	Other Reserve <i>HK\$'000</i>	Retained Earnings <i>HK\$'000</i>	
Balance as at 1 April 2016		–	–	110	28,585	28,695
Profit (Loss) for the period		–	–	–	3,026	3,026
Balance as at 30 June 2016 (unaudited)		<u>–</u>	<u>–</u>	<u>110</u>	<u>31,611</u>	<u>31,721</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 30 June 2017

1. GENERAL

The Company was incorporated on 18 March 2016 in the Cayman Islands as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands and the shares of the Company are listed on the Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 13 April 2017.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are the provision of environmental cleaning solutions including street cleaning solutions, building cleaning solutions, bus and ferry cleaning solutions and other cleaning services which include, among others, refuse collection and waste disposal services, sewage management and pest control and fumigation services.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated first quarterly results of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and applicable disclosures by the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) and the Hong Kong Companies Ordinance.

The unaudited condensed consolidated first quarterly results have been prepared under the historical cost basis.

The unaudited condensed consolidated are presented in Hong Kong Dollars (“HK\$”) which is the functional currency of the Company and its subsidiaries, and all values are rounded to nearest thousand’s (“HK\$’000”) except when otherwise indicated.

The principal accounting policies used in the preparation of the unaudited condensed consolidated first quarterly results for the three months ended 30 June 2017 are consistent with those applied in the Company’s annual report for the year ended 31 March 2017, except for the adoption of new and amendments to HKFRSs that affect the Group and has adopted the first time for the current period’s unaudited condensed consolidated first quarterly results.

Adoption of Amendments to HKFRSs In the current period, the Group has applied a number of amendments to HKFRSs issued by the HKICPA that are mandatorily effective for an accounting period that begins on or after 1 January 2017:

Amendments to HKAS 7
Amendments to HKAS 12

Disclosure Initiative
Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of these amendments to HKFRSs has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these unaudited condensed consolidated first quarterly results.

The Group has not early adopted the new and amendments to HKFRSs that have been issued but are not yet effective.

The unaudited condensed consolidated financial statements have not been audited by the Company’s auditor, but have been reviewed by the Company’s audit committee.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the amount received and receivable for rendering of the cleaning and related services. An analysis of the Group's revenue is as follows:

	Three months ended 30 June	
	2017 HK\$'000 (unaudited)	2016 HK\$'000 (unaudited)
Street cleaning solutions	86,214	54,612
Building cleaning solutions	22,550	23,346
Bus and ferry cleaning solutions	2,312	7,879
Other cleaning services	4,841	4,621
	<u>115,917</u>	<u>90,458</u>

Segment revenues, results, assets and liabilities

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group currently operates in one operating and reportable segment which is the provision of cleaning services. A single management team reports to the directors of the Group (being the chief operating decision-maker) who allocates resources and assesses performance based on the unaudited consolidated results of the single business engaged in the provision of cleaning services for the three months ended 30 June 2017 and 2016 comprehensively. Accordingly, the Group does not present separately segment information.

4. OTHER INCOME

	Three months ended 30 June	
	2017 HK\$'000 (unaudited)	2016 HK\$'000 (unaudited)
Bank interest income	4	2
Sundry income	238	96
	<u>242</u>	<u>98</u>

5. FINANCE COSTS

	Three months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest on:		
Bank overdrafts and borrowings	578	500
Obligations under finance leases	196	211
	<u>774</u>	<u>711</u>

6. INCOME TAX EXPENSES

	Three months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax:		
Hong Kong Profits Tax	898	750
Deferred tax	(306)	114
	<u>592</u>	<u>864</u>

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profit arising in Hong Kong for the three months ended on 30 June 2017 and 2016.

7. PROFIT (LOSS) FOR THE PERIOD

Profit (Loss) for the period has been arrived at after charging:

	Three months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Staff costs (including directors' remuneration)		
Wages, salaries and other benefits	92,173	68,058
Retirement benefits scheme contributions	3,008	2,476
Provision for long service payments	376	694
	<u>95,557</u>	<u>71,228</u>
Total staff costs		
Auditors' remuneration	175	20
Listing expenses	7,509	1,308
Depreciation of plant and equipment:		
– owned by the Group	390	422
– held under finance leases obligation	1,585	1,509
Minimum lease payments under operating leases in respect of offices	78	76
	<u>78</u>	<u>76</u>

8. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Three months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
Profit (Loss) attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	<u>(5,632)</u>	<u>3,026</u>
	Number of shares	
	Three months ended 30 June	
	2017	2016
	'000	'000
<u>Shares</u> Weighted average number of ordinary shares in issue during the year used in the basic and diluted earnings per share calculation (<i>note</i>)	<u>580,220</u>	<u>369,000</u>

Note:

The weighted average number of ordinary shares in issue used in the basic earnings per share calculation is determined on the assumption that reorganisation and capitalisation issue as described in the prospectus of the Company dated 30 March 2017 had been effective on 1 April 2015.

On 13 April 2017, 150,000,000 shares of HK\$0.01 each of the Company were allocated and issued at a price of HK\$0.32 per share by way of share offer.

The dilutive earnings per share is equal to the basic earnings per share as there are no dilutive potential ordinary shares outstanding during the three months ended 30 June 2016 and 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

With more than 29 years of experience in environmental cleaning solution industry in Hong Kong, we have steadily grown our business since our inception and now our wide range of services extend to cover all 18 districts throughout Hong Kong. Our comprehensive portfolio of environmental cleaning solutions are mainly divided into (i) street cleaning solutions which comprise street and public area cleaning, refuse collection point cleaning and pest control; (ii) building cleaning solutions which comprise general building cleaning, refuse collection and waste disposal, toilet cleaning and janitorial services; (iii) bus and ferry cleaning solutions which comprise general depot and pier cleaning, vehicle and vessel cleaning, refuse collection and waste disposal, and toilet cleaning; and (iv) other cleaning services which include various one-off cleaning services such as external wall and window cleaning, confined space cleaning, as well as pest control and fumigation.

The Company's shares were successfully listed on the GEM board on 13 April 2017 by way of share offer. A total of 150,000,000 new shares offered by the Company were issued at HK\$0.32 per share pursuant to the public offer and placing. The net proceeds raised allow for the expansion of the Group through acquisition of new specialised vehicles, and new automated cleaning machinery and equipment and the strengthening of our manpower.

OUTLOOK

During the three months ended 30 June 2017 (the "Reporting Period"), we entered into tender contracts and quotations for our street cleaning solutions. As at the date of this announcement, we had in place 9 subsisting tender contracts for our street cleaning solutions and more than two awarded contracts for our bus and ferry cleaning solutions.

The Directors consider that the demand for environmental cleaning services is expected to surge in the future due to various infrastructure development plans announced by the government of Hong Kong and this will continue to create additional opportunities for our offering of services. With our long standing relationship with our key customers, such as government departments of Hong Kong, property management companies, chain hotel operators and public transport companies, we are brimming with confidence about the outlook and the prospect of the environmental cleaning services market. By investing heavily on our equipment and manpower in the coming years, we hope to become more competitive and be able to obtain more sizable contracts.

FINANCIAL REVIEW

Revenue

During the Reporting Period, all of our Group's revenue was generated from the provision of environmental cleaning solutions which amounted to approximately HK\$115,917,000 (30 June 2016: approximately HK\$90,458,000), representing an increase of approximately HK\$25,459,000 or 28.1% from the three months ended 30 June 2016. Such increase was mainly brought about by the commencement of five major projects including the provision of street cleaning services in Yuen Long district, Mongkok district and other districts in Hong Kong. The increase in revenue from these projects was partially set off by the reduced revenue resulting from the completion of some contracts on hand during the Reporting Period.

Gross profit and gross profit margin

Our Group's gross profit decreased by approximately HK\$923,000 or 9.0% from approximately HK\$10,310,000 for the three months ended 30 June 2016 to approximately HK\$9,387,000 for the Reporting Period. Our Group's gross profit margin decreased from 11.4% for the three months ended 30 June 2016 to 8.1% for the Reporting Period, representing a decrease of approximately 3.3%. The decrease in gross profit was due to the overall increase in labour wages and other initiatives which were spent to comply with safety, quality and environmental requirements of the environmental cleaning services industry developed through the first quarter of 2017.

Shortage of manpower in the market also contributed to the cost escalation during the Reporting Period given that the overall environmental cleaning services industry is facing the problem of ageing workforce and inadequate supply of labour.

However, we continue to enhance our competitive power so as to secure more service contracts.

Other income

Other income of our Group increased by approximately HK\$144,000 from approximately HK\$98,000 for the three months ended 30 June 2016 to approximately 242,000 for the Reporting Period. The increase in other income was mainly due to the upsurge of workman compensation collected from insurance company in the Reporting Period.

Administrative expenses

Administrative expenses of our Group increased by approximately HK\$8,088,000 from approximately HK\$5,807,000 for the three months ended 30 June 2016 to approximately HK\$13,895,000 for the Reporting Period. Administrative expenses consist primarily of staff costs and Directors' remuneration, insurance expenses, depreciation, maintenance, office supplies, transportation expense, legal and professional fee and listing expenses. The increase was primarily due to the nonrecurring legal costs of HK\$7,509,000 incurred for the listing of the Company's shares on GEM of the Stock Exchange in the Reporting Period. The accumulated listing expenses previously recorded in our annual report for the year ended 31 March 2017 amounted to approximately HK\$13,943,000.

Finance costs

Finance costs for our Group increased by approximately HK\$63,000 or 8.9% from approximately HK\$711,000 for the three months ended 30 June 2016 to approximately HK\$774,000 for the Reporting Period.

Finance cost remained relatively constant as compared to the three months ended 30 June 2016. The increase was primarily due to increase in business volume.

DIVIDEND

The Board does not recommend the payment of a dividend for the three months ended 30 June 2017 (the corresponding period in 2016: Nil).

DISCLOSURE OF INTERESTS

A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 June 2017, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong ("SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interest or short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange were as follows:

Long Position

Name of Director	Capacity/Nature	Number of ordinary shares (Note 1)	Percentage of interest
Mr. Wong Chong Shing ("Mr. C.S. Wong") (Note 2, 6)	Interest in a controlled corporation;	369,000,000 (L)	61.5%
	Interest in persons acting in concert		
Mr. Wong Man Sing ("Mr. M.S. Wong") (Note 3, 6)	Interest in a controlled corporation;	369,000,000 (L)	61.5%
	Interest in persons acting in concert		
Mr. Wong Chi Ho ("Mr. C.H. Wong") (Note 4, 6)	Interest in a controlled corporation;	369,000,000 (L)	61.5%
	Interest in persons acting in concert		
Mr. Chan Shing Yi, Jacky (Note 5)	Interest in a controlled corporation	81,000,000 (L)	13.5%

Notes:

1. The letter “L” denotes the person’s long position in such shares.
2. Man Shing Global Limited is a company wholly owned by Mr. C.S. Wong, our executive Director. Accordingly, Mr. C.S. Wong is deemed to be interested in all shares in which Man Shing Global Limited is interested for the purpose of the SFO.
3. Lik Hang Investment Company Limited is a company wholly owned by Mr. M.S. Wong, our executive Director. Accordingly, Mr. M.S. Wong is deemed to be interested in all shares in which Lik Hang Investment Company Limited is interested for the purpose of the SFO.
4. Chun Shing Investment Limited is a company wholly owned by Mr. C.H. Wong, our executive Director. Accordingly, Mr. C.H. Wong is deemed to be interested in all shares in which Chun Shing Investment Limited is interested for the purpose of the SFO.
5. Pro-Integration Limited is a company wholly owned by Mr. Chan Shing Yi, Jacky. Accordingly, Mr. Chan Shing Yi, Jacky is deemed to be interested in all shares in which Pro-Integration Limited is interested for the purpose of the SFO.
6. On 30 March 2016, a deed of acting in concert was entered into between Mr. C.S. Wong, Mr. M.S. Wong and Mr. C.H. Wong in which it was confirmed that in respect of Man Shing Cleaning Service Company Limited, Man Shing Environmental Company Limited and Jasen Services Limited (collectively, the “Relevant Companies”) during the two financial years ended 31 March 2015 and 31 March 2016 and the six months ended 30 September 2016 and thereafter from the date of the deed, the parties have been acting in concert (as defined under the Codes on Takeovers and Mergers and Share Buy-backs) to jointly reach a consensus in relation to all matters in respect of the management and business operations of each of the Relevant Companies including but not limited to voting unanimously in respect of matters that require shareholders’ or directors’ approval and the execution of documents for the purpose of furthering and expanding the business operations of the Relevant Companies. By virtue of the SFO, Mr. C.S. Wong, Mr. M.S. Wong and Mr. C.H. Wong are deemed to be interested in our shares which are interested by each other.

Save as disclosed above, as at 30 June 2017, none of the Directors nor chief executive of the Company has registered an interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

B. Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 June 2017, the register of substantial shareholders maintained by the Company, pursuant to section 336 of the SFO, showed that the following shareholders (other than the Directors and the chief executive of the Company) had notified the Company at relevant interests and short positions in the issued share capital of the Company:

Long Position

Name of Shareholder	Capacity/Nature	Number of ordinary shares (Note 1)	Percentage of interest
Man Shing Global Limited (Note 2)	Beneficial Owner	175,500,000 (L)	29.25%
Ms. Tang Duc Ngan (Note 2)	Interest of spouse	369,000,000 (L)	61.5%
Lik Hang Investment Company Limited (Note 3)	Beneficial Owner	175,500,000 (L)	29.25%
Ms. Wong Lai Man (Note 3)	Interest of spouse	369,000,000 (L)	61.5%

Name of Shareholder	Capacity/Nature	Number of ordinary shares (Note 1)	Percentage of interest
Chun Shing Investment Limited (Note 4)	Beneficial Owner	18,000,000 (L)	3%
Ms. Wan Wing Ting (Note 4)	Interest of spouse	369,000,000 (L)	61.5%
Pro-Integration Limited (Note 5)	Beneficial Owner	81,000,000 (L)	13.5%
Ms. Wong Wai Sze, Sony (Note 5)	Interest of spouse	81,000,000 (L)	13.5%

Notes:

1. The letter “L” denotes the person’s long position in such shares.
2. Man Shing Global Limited is a company wholly owned by Mr. C.S. Wong, our executive Director. Accordingly, Mr. C.S. Wong is deemed to be interested in all shares in which Man Shing Global Limited is interested for the purpose of the SFO. Ms. Tang Duc Ngan, who is the spouse of Mr. C.S. Wong, is deemed to be interested in all shares in which Mr. C.S. Wong is interested.
3. Lik Hang Investment Company Limited is a company wholly owned by Mr. M.S. Wong, our executive Director. Accordingly, Mr. M.S. Wong is deemed to be interested in all shares in which Lik Hang Investment Company Limited is interested for the purpose of the SFO. Ms. Wong Lai Man, who is the spouse of Mr. M.S. Wong, is deemed to be interested in all shares in which Mr. M.S. Wong is interested.
4. Chun Shing Investment Limited is a company wholly owned by Mr. C.H. Wong, our executive Director. Accordingly, Mr. C.H. Wong is deemed to be interested in all shares in which Chun Shing Investment Limited is interested for the purpose of the SFO. Ms. Wan Wing Ting, who is the spouse of Mr. C.H. Wong, is deemed to be interested in all shares in which Mr. C.H. Wong is interested.
5. Pro-Integration Limited is a company wholly owned by Mr. Chan Shing Yi, Jacky. Accordingly, Mr. Chan Shing Yi, Jacky is deemed to be interested in all shares in which Pro-Integration Limited is interested for the purpose of the SFO. Ms. Wong Wai Sze, Sony, who is the spouse of Mr. Chan Shing Yi, Jacky, is deemed to be interested in all shares in which Mr. Chan Shing Yi, Jacky is interested.

Save as disclosed above, as at 30 June 2017, there was no person or corporation (other than the Directors and the chief executive of the Company) who had any interest or short positions in the shares or underlying shares of the Company as recorded in the register of interests required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Scheme”) on 20 March 2017 for the purpose of attracting and retaining the best available personnel, providing additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of our Group and promoting the success of the business of our Group. Under the Scheme, the Board may grant options to any employee, director, consultant, adviser or substantial shareholder of our Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of our Group to subscribe for shares in the Company.

As at the date of this announcement, the total number of shares available for issue under the Scheme is 60,000,000 shares, representing 10% of the total issued share capital of the Company. The Scheme will be valid and effective for a period of ten years commencing from the date of adoption of the Scheme subject to the provisions of early termination thereof.

As at the date of this announcement and since the adoption of the Scheme, no share option has been granted by the Company.

RIGHT TO ACQUIRE COMPANY’S SECURITIES

At no time during the Reporting Period was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company or their respective associates (as defined in the GEM Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of share in, or debentures of, the Company or any other body corporate.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the Reporting Period.

COMPLIANCE WITH CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms not less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry with all Directors, the Company confirmed that all Directors have complied with the required standard of dealings and its code of conduct concerning securities transactions by the Directors during the Reporting Period.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board believes that corporate governance is essential to the success of the Company. The Board is committed to maintaining corporate governance with high standard and ensuring compliance with the legal and regulatory requirements. The Company has put in place governance practices with emphasis on the integrity, quality of disclosures, transparency and accountability for the shareholders of the Company.

Throughout the Reporting Period, the Company has complied with the code provisions in the corporate governance code as set out in Appendix 15 to the GEM Listing Rules.

COMPETING AND CONFLICT OF INTEREST

None of the Directors or the controlling shareholders (the “Controlling Shareholders”) of the Company or their respective close associates (as defined in the GEM Listing Rules) had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group nor any conflict of interest which has or may have with the Group during the Reporting Period.

DEED OF NON-COMPETITION

For the purpose of the Listing, each of our Controlling Shareholders has entered into the deed of non-competition undertakings (the “Deed”) in favor of our company on 27 March 2017.

Pursuant to the Deed, the Controlling Shareholders have undertaken, jointly and severally, to the Company that they would not, and their close associates and/or companies controlled by the Controlling Shareholders would not, directly or indirectly, either on their own account or in conjunction with or on behalf of any person, firm or company, among other things, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as a shareholder, partner, agent or otherwise) any business which is or may be in competition with the existing business activity and any business activities which may be undertaken by our Group from time to time. Details of the Deed are set out in the paragraph headed “Non-Competition Undertakings” in the section headed “Relationship with Controlling Shareholders” of the Prospectus.

INTEREST OF COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, our Group has appointed Changjiang Corporate Finance (HK) Limited as our compliance adviser, which will provide advice and guidance to our Group in respect of compliance with the applicable laws and the GEM Listing Rules including various requirements relating to directors’ duties and internal controls. Except for the compliance adviser agreement entered into between the Company and our compliance adviser dated 19 October 2016, neither our compliance adviser nor its Directors, employees or close associates had any interests in relation to the Company which is required to be notified to our Group pursuant to Rule 6A.32 of the GEM Listing Rules.

AUDIT COMMITTEE

An audit committee has been established with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and paragraphs C.3.3 and C.3.7 of the CG Code. The audit committee consists of three members, namely Mr. Au-Yeung Tin Wah, Mr. Lee Pak Chung and Mr. Chiu Ka Wai, all being independent non-executive Directors. Mr. Au-Yeung Tin Wah currently serves as the chairman of the audit committee.

The committee is to assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, by satisfying themselves as to the effectiveness of the internal controls of our Group, and as to the adequacy of the external and internal audits.

The audit committee has reviewed the unaudited consolidated financial statements of the Group for the three months ended 30 June 2017 and is of the view that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and adequate disclosures have been made.

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE

This announcement will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.manshing.com.hk). The first quarterly report for the Reporting Period containing all the information required by the GEM Listing Rules will be published on the websites of the Company and the Stock Exchange and despatched to the Company's shareholders in due course.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 14 August 2017 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 15 August 2017.

By order of the Board
Man Shing Global Holdings Limited
Wong Chong Shing
Chairman and Executive Director

Hong Kong, 14 August 2017

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Wong Chong Shing, Mr. Wong Man Sing, Mr. Wong Chi Ho and Mr. Chan Shing Yi Jacky, and three independent non-executive Directors, namely Mr. Lee Pak Chung, Mr. Au-Yeung Tin Wah and Mr. Chiu Ka Wai.