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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 FINAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2016**

FINANCIAL PERFORMANCE HIGHLIGHTS

| | |
|--|-------------------|
| Revenue | HK\$183.3 million |
| Profit attributable to owners of the Company | HK\$27.2 million |
| Basic and diluted earnings per share | HK7.05 cents |
| Equity attributable to owners of the Company per share | HK\$0.62 |

RESULTS

The board of directors (the “Board”) of Man King Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2016 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

| | <i>Notes</i> | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| Revenue | 3 | 183,279 | 260,845 |
| Cost of services | | (104,666) | (188,064) |
| Gross profit | | 78,613 | 72,781 |
| Other income | 4 | 2,213 | 782 |
| Other gains and losses | 5 | (4,151) | 208 |
| Administrative expenses | | (36,615) | (25,111) |
| Listing expenses | | (5,873) | (7,089) |
| Finance costs | | (85) | (203) |
| Profit before tax | 6 | 34,102 | 41,368 |
| Income tax expense | 7 | (6,900) | (6,383) |
| Profit for the year | | 27,202 | 34,985 |
| Other comprehensive income | | | |
| <i>Item that will not be reclassified to profit or loss:</i> | | | |
| Fair value gain on transfer of owner-occupied property to investment property, net of deferred taxation | | 1,193 | – |
| Total comprehensive income for the year attributable to owners of the Company | | 28,395 | 34,985 |
| | | <i>HK cents</i> | <i>HK cents</i> |
| Earnings per share | 9 | | |
| Basic and diluted | | 7.05 | 12.66 |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2016**

| | <i>Notes</i> | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| Non-current assets | | | |
| Investment property | | 2,200 | – |
| Property, plant and equipment | | 5,033 | 1,775 |
| | | <u>7,233</u> | <u>1,775</u> |
| Current assets | | | |
| Amounts due from customers for contract works | | 60,471 | 39,140 |
| Debtors, deposits and prepayments | <i>10</i> | 48,547 | 58,402 |
| Amounts due from joint operations/other partners of joint operations | | 11,926 | 10,768 |
| Tax recoverable | | 783 | – |
| Held-for-trading investments | | 11,961 | – |
| Short-term bank deposits | | 2,011 | – |
| Pledged bank deposits | | 4,733 | 15,985 |
| Bank balances and cash | | 167,001 | 89,386 |
| | | <u>307,433</u> | <u>213,681</u> |
| Current liabilities | | | |
| Amounts due to customers for contract works | | 19,371 | 29,546 |
| Creditors and accrued charges | <i>11</i> | 28,742 | 26,943 |
| Amounts due to other partners of joint operations | | 7,160 | 6,973 |
| Amount due to a fellow subsidiary of a joint operation partner | | – | 657 |
| Tax liabilities | | 2,319 | 4,648 |
| Bank borrowings | | – | 4,846 |
| | | <u>57,592</u> | <u>73,613</u> |
| Net current assets | | <u>249,841</u> | 140,068 |
| Total assets less current liabilities | | 257,074 | 141,843 |
| Non-current liability | | | |
| Deferred tax liabilities | | 452 | – |
| Net assets | | <u>256,622</u> | <u>141,843</u> |
| Capital and reserves | | | |
| Share capital | | 4,150 | – |
| Share premium and reserves | | 252,472 | 141,843 |
| Total equity | | <u>256,622</u> | <u>141,843</u> |

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements included applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance (“CO”).

The disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the provisions of the new Hong Kong Companies Ordinance (Cap. 622) regarding preparation of accounts and directors’ reports and to streamline with HKFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 March 2016 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 March 2015 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules are not disclosed in these consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment property, which are measured at fair values at the end of the reporting period.

In the current year, the Group has applied, for the first time, certain amendments to HKFRSs issued by the HKICPA that are relevant for the preparation of the Group’s consolidated financial statements.

| | |
|-----------------------|---|
| Amendments to HKAS 19 | Defined Benefit Plans: Employee Contributions |
| Amendments to HKFRSs | Annual Improvements to HKFRSs 2010–2012 Cycle |
| Amendments to HKFRSs | Annual Improvements to HKFRSs 2011–2013 Cycle |

The application of these amendments to HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

| | 2016 <i>HK\$’000</i> | 2015 <i>HK\$’000</i> |
|-------------------------|-------------------------|-------------------------|
| Civil engineering works | 183,251 | 260,825 |
| Consultancy fee income | 28 | 20 |
| | <u>183,279</u> | <u>260,845</u> |

Information reported to the management of the Group, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance is on a project by project basis. Each individual project constitutes an operating segment. For operating segments that have similar economic characteristics, they are produced using similar production process, distributed and sold to similar classes of customers and under similar regulatory environment, and their segment information is aggregated into civil engineering works as single reportable segment. The management of the Group assesses the performance of the reportable segment based on the revenue and gross profit for the year of the Group as presented in the consolidated statement of profit or loss and other comprehensive income.

No analysis of the Group’s assets and liabilities is regularly provided to the management of Group for review.

4. OTHER INCOME

| | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Bank interest income | 1,406 | 583 |
| Rental income from investment property | 46 | – |
| Others | 761 | 199 |
| | <u>2,213</u> | <u>782</u> |

5. OTHER GAINS AND LOSSES

| | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Net gain (loss) on disposal of property, plant and equipment | 131 | (23) |
| Change in fair value of held-for-trading investments, net | (2,664) | – |
| Net exchange (losses) gains | (1,618) | 231 |
| | <u>(4,151)</u> | <u>208</u> |

6. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

| | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Directors' emoluments | 9,290 | 4,368 |
| Other staff salaries and other allowances | 43,698 | 50,317 |
| Other staff share-based compensation | 1,205 | – |
| Other staff retirement benefit scheme contributions | 1,582 | 1,782 |
| | <u>55,775</u> | <u>56,467</u> |
| Total staff costs | 55,775 | 56,467 |
| Less: amounts included in cost of services | (35,097) | (44,716) |
| | <u>20,678</u> | <u>11,751</u> |
| Auditor's remuneration | 1,100 | 524 |
| Depreciation of property, plant and equipment | 912 | 565 |
| Less: amounts included in cost of services | – | (72) |
| | <u>912</u> | <u>493</u> |
| Operating lease rentals in respect of land and buildings | <u>1,907</u> | <u>1,248</u> |

7. INCOME TAX EXPENSE

| | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|--------------------------------------|--------------------------------|-------------------------|
| Current tax: | | |
| Hong Kong | 6,426 | 7,743 |
| Under (over)provision in prior years | 258 | (1,360) |
| | <hr/> 6,684 | <hr/> 6,383 |
| Deferred taxation | 216 | – |
| | <hr/> 6,900 <hr/> | <hr/> 6,383 <hr/> |

8. DIVIDEND

No interim or final dividend was proposed during the year ended 31 March 2016.

9. EARNINGS PER SHARE

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

| | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|---|--------------------------------|-------------------------|
| Earnings | | |
| Earnings for the purpose of basic and diluted earnings per share | 27,202 | 34,985 |
| | <hr/> '000 | <hr/> '000 |
| Number of shares | | |
| Weighted average number of ordinary shares in issue for the purpose of basic and diluted earnings per share | 385,779 | 276,370 |
| | <hr/> 385,779 <hr/> | <hr/> 276,370 <hr/> |

The weighted average number of ordinary shares in issue of 385,779,000 (2015: 276,370,000 shares) is calculated on the assumption that the group reorganisation and the capitalisation issue are deemed to have become effective on 1 April 2014.

The diluted earnings per share does not assume the effect from the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares from the grant date to 31 March 2016. There is no potential dilutive ordinary share in issue or outstanding as at 31 March 2015.

10. DEBTORS, DEPOSITS AND PREPAYMENTS

| | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|-------------------------------|-------------------------|-------------------------|
| Trade receivables | 17,097 | 28,801 |
| Retention receivables | 21,193 | 18,287 |
| Deposits and prepaid expenses | 9,385 | 10,556 |
| Others | 872 | 758 |
| | <u>48,547</u> | <u>58,402</u> |

The Group allows credit period up to 60 days to certain customers. The aged analysis of the Group's trade receivables based on certification/invoice dates at the end of each reporting period are as follows:

| | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|------------------------|-------------------------|-------------------------|
| Trade receivables: | | |
| 0 to 30 days | 7,628 | 24,699 |
| 31 to 60 days | 6,770 | 3,781 |
| 61 to 90 days | 1,586 | – |
| Over 90 days | 1,113 | 321 |
| | <u>17,097</u> | <u>28,801</u> |
| Retention receivables: | | |
| Due within one year | 3,440 | 1,757 |
| Due after one year | 17,753 | 16,530 |
| | <u>21,193</u> | <u>18,287</u> |

11. CREDITORS AND ACCRUED CHARGES

| | 2016 <i>HK\$'000</i> | 2015 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Trade payables (aged analysis based on invoice dates): | | |
| 0 to 30 days | 10,084 | 7,982 |
| 31 to 60 days | 7,000 | 6,891 |
| 61 to 90 days | 157 | 147 |
| Over 90 days | 15 | 1,141 |
| | <u>17,256</u> | <u>16,161</u> |
| Retention payables | 8,967 | 8,590 |
| Other payables and accruals | 2,519 | 2,192 |
| | <u>28,742</u> | <u>26,943</u> |
| Retention payables: | | |
| Due within one year | 2,935 | 675 |
| Due after one year | 6,032 | 7,915 |
| | <u>8,967</u> | <u>8,590</u> |

DIVIDEND

No interim or final dividend was proposed by the Board during the year ended 31 March 2016.

CLOSURES OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting to be held on Monday, 22 August 2016, the register of members of the Company will be closed from Thursday, 18 August 2016 to Monday, 22 August 2016, both days inclusive, during which period no transfer of the shares of the Company (the “Shares”) will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 17 August 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL RESULTS AND INDUSTRY OVERVIEW

The Group recorded revenue decrease of 29.7%, from approximately HK\$260.8 million for the year ended 31 March 2015 to approximately HK\$183.3 million for the year ended 31 March 2016. Major projects awarded in the past four years have reached a mature stage which contributed to the growth of gross profit of 8.0%, from approximately HK\$72.8 million for the year ended 31 March 2015 to approximately HK\$78.6 million for the year ended 31 March 2016. Net profit decreased by approximately HK\$7.8 million or 22.2% from approximately HK\$35.0 million for the year ended 31 March 2015 to approximately HK\$27.2 million for the year ended 31 March 2016.

As at 31 March 2016, the Group maintained a healthy financial position with total assets of approximately HK\$314.7 million. Current assets were approximately HK\$307.4 million, or approximately 5.3 times the current liabilities. The equity attributable to owners of the Company increased significantly to approximately HK\$256.6 million or 80.9%.

During the year ended 31 March 2016, the Group completed two projects including infrastructure works for residential development and government facilities in Kai Tak and Advance works for bus terminus and office in Tsing Yi, and secured two new contracts with total value of approximately HK\$70.3 million. As at 31 March 2016, the Group had six major projects in progress, with a total estimated outstanding contract sum and work order value of approximately HK\$190.3 million.

Tender works on public sector became very competitive. Filibustering in the Legislative Council disrupted the orderly flow of funds from the Government, which harmed the construction industry badly by launching significantly lesser public contracts. Although the Government is seeking HK\$67.5 billion for 72 new projects this year, only two have been approved as of March 2016.

In early 2016, the funding approval progress in the Legislative Council has been improved and the Group secured a new contract with total value of approximately HK\$73 million after 31 March 2016 up to the date of this announcement. The new contract awarded will provide stable revenue and cash flow to the Group in the coming financial years. Looking forward, infrastructure improvement is still central to the Government policy, as a means of stimulating economic growth and creating job opportunities. The public expenditure on infrastructure increased from approximately HK\$49 billion in 2010 to approximately HK\$76.1 billion in 2015. In addition, the Government has confirmed spending over HK\$140 billion for the third runway and associated infrastructure development of the Chek Lap Kok International Airport. Other developments in West Kowloon Cultural District and strategic highways connecting Tseung Kwan O to Kowloon are also in progress. All these are anticipated to drive the demand of civil engineering works.

FINANCIAL REVIEW

Revenue

The Group's revenue for the year ended 31 March 2016 was approximately HK\$183.3 million representing a decrease of approximately 29.7% from approximately HK\$260.8 million in the same period of the last financial year. This decrease was mainly due to the combined effect of:

- (i) lower revenue of approximately HK\$17.5 million recognised for three civil engineering projects which were at final completion stage during the year ended 31 March 2016;
- (ii) lower revenue of approximately HK\$46.7 million recognised for two civil engineering projects located in Kai Tak and Tsing Yi, which were completed during the year ended 31 March 2016;
- (iii) lower revenue of approximately HK\$35.1 million recognised for two civil engineering projects located in Kai Tak and Cross Harbour Tunnel for the year ended 31 March 2016 as compared to the revenue of approximately HK\$51.3 million recognised for the same projects which had been completed in late 2014;
- (iv) lower revenue of approximately HK\$8.5 million recognised for projects which were completed before 2015; and
- (v) higher revenue of approximately HK\$33.5 million recognised for the three projects commenced during the year ended 31 March 2016.

Gross profit margin

Gross profit margin increased from approximately 27.9% for the year ended 31 March 2015 to approximately 42.9% for the year ended 31 March 2016, primarily due to the higher contribution from the matured projects which contributed the additional contract sums agreed and granted to the Group.

Other income

Other income was approximately HK\$2,213,000 and HK\$782,000 for the years ended 31 March in 2016 and 2015 respectively. The increase was mainly due to increased bank interest income received as a result of the increase in average bank balances after listing of the Shares on the Stock Exchange (the “Listing”) in July 2015.

Other gains and losses

Other gains and losses decreased from a gain of approximately HK\$208,000 for the year ended 31 March 2015 to a loss of approximately HK\$4,151,000 for the year ended 31 March 2016, primarily due to net change in fair value of held-for-trading investments of approximately HK\$2,664,000, and net exchange loss of approximately HK\$1,618,000 mainly due to the re-translation of monetary assets in foreign currency.

Administrative expenses

Administrative expenses for the year ended 31 March 2016 were approximately HK\$36.6 million, representing an increase of 45.8% from approximately HK\$25.1 million in the last financial year. This was mainly attributable to the increase in directors’ emolument from approximately HK\$4.4 million to HK\$9.3 million, the share-based compensation expenses as a result of the grant of share options to employees and the incentive payments to our staff who had outstanding performance during the year ended 31 March 2016, and the increase in other necessary legal and professional fees as well as the auditor’s remuneration after Listing.

Listing expenses

Expenses in relation to the Listing consist of fees paid to professional parties.

Finance costs

Finance costs decreased by 58.1% from approximately HK\$203,000 for the year ended 31 March 2015 to approximately HK\$85,000 for the year ended 31 March 2016, mainly due to the continuous repayments of bank borrowings and no new loan raised for the year ended 31 March 2016.

Income tax expense

The effective tax rates for the years ended 31 March 2015 and 2016 were approximately 15.4% and 20.2% respectively. The effective tax rate for the year ended 31 March 2016 was higher than the statutory profit tax rate of 16.5% which was mainly due to the increase in tax effect of tax losses not recognised by the Company during the year.

Profit for the year

For the year ended 31 March 2016, the Group recorded net profit of approximately HK\$27.2 million, a decrease of 22.2% as compared to the net profit of approximately HK\$35.0 million for the corresponding period in the last financial year. This was mainly due to the increase in administrative expenses and other gains and losses which offset with the increase in gross profit.

Liquidity and Financial Resources

As at 31 March 2016, the Group had bank balances and cash of approximately HK\$167.0 million (2015: HK\$89.4 million), which were mainly denominated in Hong Kong dollars, Renminbi and British Pound. The Group is exposed to the currency risks for fluctuation in exchange rates of Renminbi and British Pound. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates and has not adopted any currency hedging policy or other hedging instruments. The Group will continue to monitor its exposure to the currency risks closely.

The Group adopts a prudent approach in cash management and there was no interest bearing borrowings as at 31 March 2016 (2015: HK\$4.8 million).

The Group has available unutilised bank borrowings facilities of HK\$15.0 million as at 31 March 2016 (2015: nil).

Capital Structure and Gearing Ratio

As at 31 March 2016, total equity was approximately HK\$256.6 million (2015: HK\$141.8 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, decreased from 3.4% at 31 March 2015 to nil at 31 March 2016 as a result of full repayments of bank borrowings in September 2015.

Pledge of Assets

At 31 March 2016, bank deposits of the Group of approximately HK\$4.7 million (2015: HK\$16.0 million) are pledged to banks for securing the performance bonds issued by the banks to the Group's customers on behalf of the Group as guarantee. Deposits and prepaid expenses of approximately HK\$3.4 million (2015: HK\$2.4 million) has been placed and pledged to an insurance institution to secure obligations under the performance bonds issued by the institution to customers of the Group.

Capital Commitments

The Group had no capital commitments as at 31 March 2016 (2015: nil).

Performance Bonds and Contingent Liabilities

Certain customers of 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 by other deposits and pledged bank deposits. The performance bonds are released when the construction contracts are completed or substantially completed.

At 31 March 2016, the Group had outstanding performance bonds issued by banks of approximately HK\$14.9 million (2015: HK\$16.0 million) and issued by an insurance institution of approximately HK\$3.4 million (2015: HK\$2.4 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2016, the Group had an aggregate of 116 full-time employees (2015: 169 full-time employees). Employee costs excluding directors' emoluments totalled approximately HK\$46.5 million for the year ended 31 March 2016 (2015: HK\$52.1 million). The Group recruited and promoted the employees 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

Following the Listing on 3 July 2015, the Group's strategy is to continuously develop the business significantly in its chosen markets in the coming years and to deliver a safe, robust, sustainable and optimised performance from efficient business processes. Our business will focus in public civil and environmental engineering in the Hong Kong construction industry and we will expand our client base to include more quasi-government and institutional organisations.

Looking ahead, the prospects for the Group's construction sector will be benefited from continued greater public expenditure in construction to be maintained in the coming few years. We see that the Group's proven capabilities in the construction industry will further develop good reputation and market share.

SIGNIFICANT INVESTMENTS

Apart from the reorganisation in relation to the Listing, there were no significant investments held for the year ended 31 March 2016. Save for the business plan as disclosed in the prospectus of the Company relating to the Listing dated 19 June 2015 (the "Prospectus"), there was no other plan for material investments or capital assets as at 31 March 2016.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the year ended 31 March 2016, 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 period from 3 July 2015, being the date of Listing (the "Listing Date") to 31 March 2016.

CORPORATE GOVERNANCE

The Company has adopted, applied and complied with the code provisions of Corporate Governance Code set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange since the Listing Date to 31 March 2016, 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 Code, the roles of chairman and chief executive officer should be separate 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 in Mr. Lo Yuen Cheong 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.

Details of corporate governance code will be set out in Annual Report 2015/2016.

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 all the Directors, all Directors have confirmed that they have complied with the required standards set out in the Model Code since the Listing Date to 31 March 2016.

USE OF NET PROCEEDS FROM INITIAL PUBLIC OFFERING

Based on the offer price of HK\$0.8 per Share, the net proceeds from the Listing received by the Company, net of underwriting commissions and other estimated listing expenses, was approximately HK\$71.1 million.

The net proceeds from the Listing will be utilised subsequent to the Listing in accordance with the proposed applications set out in the section “Future Plans and Use of Proceeds” of the Prospectus. The below table sets out the proposed applications of the net proceeds and usage up to the date of this announcement:

| | Proposed application <i>HK\$' million</i> | Actual usage up to the date of announcement <i>HK\$' million</i> |
|---|---|--|
| Acquisition of additional machinery and equipment | 42.7 | 1.8 |
| Hiring of additional staff | 17.8 | – |
| Upgrade of information technology system and software | 3.5 | 0.7 |
| General working capital | 7.1 | 7.1 |
| | <u>71.1</u> | <u>9.6</u> |

As at the date of this announcement, the Group does not anticipate any change to the above use of proceeds.

REVIEW OF FINAL RESULTS

The Audit Committee and the Company’s external auditor have reviewed the accounting policies adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 March 2016.

ANNUAL GENERAL MEETING

The notice of the 2016 annual general meeting will be published and despatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the Company’s website (www.manking.com.hk) and the Stock Exchange’s website (www.hkexnews.hk). The Annual Report 2015/2016 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, 17 June 2016

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.