

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**DISCLOSEABLE TRANSACTION IN RELATION TO
ACQUISITION OF ALL THE ISSUED SHARES
IN CURTAMAN PROPERTY MANAGEMENT LIMITED**

ACQUISITION

Reference is made to the announcement of the Company dated 30 May 2019 in relation to the Company entering into a memorandum of understanding with Mr. Lo and LCH Group in relation to a proposed acquisition of such amount of issued shares in the share capital of Curtaman as agreed with Mr. Lo and LCH Group.

The Board is pleased to announce that on 23 July 2019 (after trading hours), Matrix and LCH Group entered into the Sale and Purchase Agreement, pursuant to which Matrix has agreed to acquire, and LCH Group has agreed to sell, all of the Curtaman Shares at a consideration of HK\$4,800,000.

Immediately after the Completion, Matrix will own all the Curtaman Shares representing 100% of the issued share capital of Curtaman.

The Company and the Board are of the view that, given the principal business of Curtaman, a property management company, of managing various residential and industrial buildings, car parks and commercial centers in Hong Kong, the Group will be able to expand and develop the provision of its cleaning services, through the customer network of Curtaman, to more potential customers, thus enhancing the scale and profitability of the Group's business operation to the commercial benefit and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As the relevant applicable percentage ratios (as defined under the GEM Listing Rules) in relation to the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

As the Completion is subject to a number of conditions as set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed. Shareholders and public investors should exercise caution when dealing in the shares of the Company.

INTRODUCTION

Reference is made to the announcement of the Company dated 30 May 2019 in relation to the Company entering into a memorandum of understanding with Mr. Lo and LCH Group with regard to a proposed acquisition of such amount of issued shares in the share capital of Curtaman as agreed with Mr. Lo and LCH Group.

The Board is pleased to announce that on 23 July 2019 (after trading hours), Matrix and LCH Group entered into the Sale and Purchase Agreement, pursuant to which Matrix has agreed to acquire from LCH Group, and LCH Group has agreed to sell to Matrix, all of the Curtaman Shares at a consideration of HK\$4,800,000.

THE SALE AND PURCHASE AGREEMENT

The principle terms of the Sale and Purchase Agreement are summarised below:

Date

23 July 2019

Parties

- Matrix, as purchaser
- LCH Group, as vendor
- Curtaman, as the subject company

As at the date of the Sale and Purchase Agreement, LCH Group is the legal and beneficial owner of all of the Curtaman Shares. The following table illustrates the total number of issued shares in the share capital of Curtaman (that is, the Curtaman Shares), the ownership of the Curtaman Shares and the percentage of the Curtaman Shares held by LCH Group and Matrix before and after the Completion:

Owner of Curtaman Shares	The total number of issued shares in the share capital of Curtaman (i.e. the Curtaman Shares) immediately before Completion		The total number of issued shares in the share capital of Curtaman (i.e. the Curtaman Shares) immediately after Completion	
		% of Curtaman Shares in the issued share capital of Curtaman		% of Curtaman Shares in the issued share capital of Curtaman
LCH Group	500,000	100%	–	–
Matrix	–	–	500,000	100%
Total:	<u>500,000</u>	<u>100%</u>	<u>500,000</u>	<u>100%</u>

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, as at the date of this announcement, Mr. Lo, LCH Group and Curtaman are Independent Third Parties.

Subject matter

Matrix has agreed to purchase, and LCH Group has agreed to sell, all of the Curtaman Shares as at the date of the Sale and Purchase Agreement.

Sale Consideration

The Sale Consideration is HK\$4,800,000, which was determined after arm's length negotiation between Matrix and LCH Group with reference to the valuation of the business value of the entire equity interest in Curtaman as at 31 March 2019 based on the business valuation report dated 19 July 2019 by the Valuer with the market value of Curtaman amounting to HK\$5,400,000. According to the valuation report, the valuation adopted the market approach which is basically a comparison method to value a business enterprise such as Curtaman by comparison to the prices at which other similar business nature companies or interests changed hands in arm's length transactions.

The Sale Consideration shall be payable by Matrix, of which an amount of HK\$500,000 will become payable in cash as the earnest money to LCH Group upon signing of the Sale and Purchase Agreement by the Parties and the balance of the Sale Consideration in the amount of HK\$4,300,000 will be payable to LCH Group in cash upon Completion, when all of the Curtaman Shares representing 100% of the issued share capital of the Company shall be transferred by LCH Group to Matrix in accordance with the terms and conditions of the Sale and Purchase Agreement on the Completion Date. The Sale Consideration will be funded by internal resources of the Company.

Conditions in relation to the Acquisition

Matrix and LCH Group agree that, among other things:

- (1) for the period of 12 months commencing from the Completion Date:
 - (a) the gross profit of Curtaman shall not be less than a certain amount as specified in the Sale and Purchase Agreement; and
 - (b) the total salary (including subsidies and allowances) of certain personnel of Curtaman as specified in the Sale and Purchase Agreement shall not be less than a specified sum as stated in the Sale and Purchase Agreement.
- (2) In the event that any incumbent personnel left Curtaman on or before the Completion Date, LCH Group will be responsible for paying such personnel the entire amount of long service payment to which such personnel are entitled.
- (3) Matrix shall conduct and complete the due diligence review within ninety (90) Business Days (the “**90-Days Period**”) from the date of the Parties entering into the Sale and Purchase Agreement. In the event that the due diligence review cannot be completed within the 90-Days Period or Matrix considers the results of the due diligence review do not satisfy its requirements, LCH Group must refund the whole amount of the earnest money (being the total sum of HK\$500,000) (without interest) to Matrix.

Completion

Completion shall take place within the 90-Days Period on the Completion Date.

Upon Completion, among other things, (i) LCH Group shall transfer all the Curtaman Shares representing 100% of the issued share capital of Curtaman to Matrix, and provide to Matrix resolutions of the shareholder and directors of Curtaman accepting the resignation of all the existing directors of Curtaman and approving the appointment of all the directors nominated by Matrix; and (ii) Matrix shall pay the balance of the Sale Consideration in the amount of HK\$4,300,000 to LCH Group.

Immediately after Completion, Matrix will own all the Curtaman Shares representing the entire issued share capital of Curtaman.

Principal business activities of the Company

The Company was incorporated in the Cayman Islands with limited liability and its principal business activity is investment holding. Matrix is an indirect wholly-owned subsidiary of the Company.

Principal business activities of Matrix

Matrix is a company established with limited liability in Hong Kong and its principal business activity is investment holding. Matrix is an indirect wholly-owned subsidiary of the Company.

Principal business activities of LCH Group

LCH Group is a company established with limited liability in Hong Kong and its principal business activity is investment holding. LCH Group holds all the issued shares in Curtaman and also a facility management company which provides a variety of property and facility management services including but not limited to cleaning, security and maintenance services.

Principal business activities of Curtaman

Curtaman is a company established with limited liability in Hong Kong and is engaged in the principal business of providing property management services for various residential and industrial buildings, car parks and commercial centers in Hong Kong.

REASONS FOR AND BENEFIT OF THE ACQUISITION

The Group is a provider of environmental cleaning solutions in Hong Kong. The Group is desirous of furthering its business development by expanding its customer network in Hong Kong. The Board is of the view that, given its property management business, Curtaman's customer network would enable the Group to augment, diversify and reinforce its own customer base by gaining access through Curtaman's customer network to more potential customers for the Group's cleaning services, thus enhancing the scale and profitability of the Group's business operation to the commercial benefit and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Board has reason to believe that the Acquisition can strengthen the Group's overall competitiveness, enhance its revenue sources and accelerate its business growth and development in the near future, which will be beneficial to and in the interests of the Company and the Shareholders as a whole.

Having considered the factors as set out above, the Directors (including the independent non-executive Directors) are of the opinion that the terms of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATION

As the relevant applicable percentage ratios (as defined under the GEM Listing Rules) in relation to the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

As the Completion is subject to a number of conditions as set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed. Shareholders and public investors should exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acquisition of the Curtaman Shares from LCH Group by Matrix pursuant to the Sale and Purchase Agreement
“Board”	the board of Directors of the Company
“Business Day”	a day on which the banks in Hong Kong are generally open for business, except Saturday, Sunday and public holidays
“Company”	Man Shing Global Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on GEM of the Stock Exchange (Stock Code: 8309)
“Completion”	completion of the Acquisition pursuant to the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the date on which Completion takes place pursuant to the terms and conditions of the Sale and Purchase Agreement
“Curtaman”	Curtaman Property Management Limited, a company established in Hong Kong with limited liability and which is owned as to 100% by LCH Group before Completion

“Curtaman Shares”	all the issued shares in the share capital of Curtaman
“Director(s)”	the director(s) of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which is/are not a connected person/connected persons (as defined in the GEM Listing Rules) of the Company and/or any of its subsidiaries and is/are independent of the Company and/or its subsidiaries or any of their respective connected persons (as defined in the GEM Listing Rules)
“LCH Group”	LCH Group Limited, a company established in Hong Kong with limited liability, which is engaged in the business of investment holding and holds all the Curtaman Shares representing 100% of the issued share capital of Curtaman before Completion
“Matrix”	Matrix International Investments Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability
“Mr. Lo”	Mr. Lo Wing Keung, who is the sole shareholder and sole director of LCH Group
“Party(ies)”	Party(ies) to the Sale and Purchase Agreement
“Sale and Purchase Agreement”	the sale and purchase agreement dated 23 July 2019 and entered into by the Parties including LCH Group as vendor, Matrix as purchaser and Curtaman as subject company in relation to the Acquisition

“Sale Consideration”	the total amount of HK\$4,800,000, being the consideration for the sale and purchase of all the Curtaman Shares representing 100% of the issued share capital of Curtaman pursuant to the Sale and Purchase Agreement
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Valuer”	LCH (Asia-Pacific) Surveyors Limited, a valuation company which is an Independent Third Party appointed by the Company
“%”	Per cent

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

Hong Kong, 23 July 2019

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, 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.

If there is any inconsistency in this announcement between the English and Chinese versions, the English version shall prevail.

This announcement will be published on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.manshing.com.hk.