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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)

DISCLOSEABLE TRANSACTION PURCHASE OF VEHICLES

THE SALE AND PURCHASE AGREEMENTS

The Board wishes to announce that, in order to facilitate the Groups' performance of the obligations under the government project contracts awarded to the Group recently, the Purchaser has entered into the Sale and Purchase Agreements with the Vendors, pursuant to which the Purchaser agrees to purchase and the Vendors agree to sell the Vehicles at an aggregate consideration of HK\$5,187,000. The Consideration will be financed by the Lender pursuant to the Proposed Hire Purchase Agreements.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for the Purchase exceed 5% but are less than 25% for the purpose of Rule 19.07 of the GEM Listing Rules, the Purchase constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Pursuant to Rule 19.22 and 19.23 of the GEM Listing Rules, given that Vendor A in the Purchase is the same party as Vendor A in the Previous Purchase of Vehicles, the Company has aggregated the amount of consideration (being HK\$2,800,000) for the purchase of vehicles from Vendor A in the Purchase with the amount of consideration (being HK\$7,582,900) for the purchase of vehicles from Vendor A in the Previous Purchase of Vehicles in its calculation of size test on an aggregate basis. Computation results show that the highest aggregate percentage ratios exceed 5% but are still less than 25%.

The Board wishes to announce that, in order to facilitate the Groups' performance of the obligations under the government project contracts awarded to the Group recently, the Purchaser has entered into the Sale and Purchase Agreements with the Vendors, pursuant to which the Purchaser agrees to purchase and the Vendors agree to sell the Vehicles at an aggregate consideration of HK\$5,187,000.

The principal terms of the Sale and Purchase Agreements are as follows:

SALE AND PURCHASE AGREEMENTS I

Dates

Four sale and purchase agreements were signed on 25 September 2019.

Parties

- (1) Purchaser as purchaser; and
- (2) Vendor A as vendor

Subject Matter

Four 14 tons fitted tipper lorries

Consideration

The aggregate consideration for the vehicles purchased from Vendor A is HK\$2,800,000 and which shall be satisfied in cash by the Purchaser to Vendor A through the Proposed Hire Purchase Arrangements with the Lender pursuant to the Proposed Hire Purchase Agreements. The consideration was determined after arm's length negotiations between the Purchaser and Vendor A with reference to the prevailing market prices of the relevant vehicles.

SALE AND PURCHASE AGREEMENTS II

Date

Five sale and purchase agreements were signed on 25 September 2019.

Parties

- (1) Purchaser as purchaser; and
- (2) Vendor D as vendor.

Subject Matter

Four 9 tons fitted tipper lorries and one 14 tons fitted tipper lorry

Consideration

The aggregate consideration for the vehicles purchased from Vendor D is HK\$2,387,000 and which shall be satisfied in cash by the Purchaser to Vendor D through the Proposed Hire Purchase Arrangements with the Lender pursuant to the Proposed Hire Purchase Agreements. The consideration was determined after arm's length negotiations between the Purchaser and Vendor D with reference to the prevailing market prices of the relevant vehicles.

VALUE OF THE VEHICLE

The aggregate book value of the Vehicles purchased under the Sale and Purchase Agreements is HK\$5,187,000, which is equivalent to their aggregate purchase price.

PROPOSED HIRE PURCHASE AGREEMENTS

In order to fulfil the payment obligations under the Sale and Purchase Agreements, the Purchaser will enter into the Proposed Hire Purchase Agreements with the Lender, pursuant to which the Lender will finance the Purchaser for the Purchase and the Purchaser will pay for the prices of the Vehicles by monthly instalments for a term of 48 months. The principal terms of the Proposed Hire Purchase Agreements will be substantially the same and such Proposed Hire Purchase Agreements will be entered into by the parties as soon as reasonably practicable. All the Proposed Hire Purchase Arrangements will be guaranteed by the Company.

The Group is in the course of sourcing an appropriate Lender that will enter into the Proposed Hire Purchase Agreements with the Purchaser in the best interests of the Company and its Shareholders as a whole.

INFORMATION ON THE GROUP AND THE PURCHASER

The Group is principally engaged in providing (i) street cleaning solutions which comprise street and public area cleaning, refuse collection point cleaning and pest control; (ii) building cleaning solution 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 Purchaser is an indirect wholly-owned subsidiary of the Company which is principally engaged in providing cleaning services in Hong Kong.

INFORMATION ON THE VENDORS

To the best of the knowledge, information and belief of the Directors, Vendor A is a company incorporated in Hong Kong with limited liability, which is principally engaged in vehicles trading business and provides car financing and vehicle licence renewal services in Hong Kong; and Vendor D is a company incorporated in Hong Kong with limited liability, which is principally engaged in vehicles trading business and provides car financing, car insurance, vehicle licence renewal and vehicle tax deduction services in Hong Kong.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, (i) the Vendors and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules); (ii) the Vendors are independent of and not related to one another; (iii) the Vendors are independent of and not related to Vendor B and Vendor C in the Previous Purchase of Vehicles; and (iv) Vendor B and Vendor C in the Previous Purchase of Vehicles are independent of and not related to one another.

REASONS FOR AND BENEFITS OF THE PURCHASE

As disclosed above, the Group is principally engaged in, among others, the environmental protection and the provision of cleaning services. Regarding the Purchase, the Vehicles will be utilized in the ordinary and usual course of business of the Group for newly awarded government projects contracts in providing street cleaning solutions, in particular street and public area cleaning and refuse collection point cleaning. While these newly awarded government projects contracts have a duration of 2 years, the Group has to ensure that new specialized vehicles will be provided as required to fulfil the Group's tendering obligations under such newly awarded government projects contracts. In case there are not sufficient specialized vehicles for the Group to perform such tendering obligations, the Group has to make good such deficiency as quickly as possible. The Directors expect that the Vehicles will still be useful to the Group for its other cleaning projects after the expiry of the aforesaid newly awarded government projects contracts.

The Directors consider that the Sale and Purchase Agreements (including the Consideration) and the Proposed Hire Purchase Agreements are/will be on normal commercial terms and are/will be fair and reasonable and the entering into of the Sale and Purchase Agreements and the Proposed Hire Purchase Agreements is/will be in the interests of the Company and its Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for the Purchase exceed 5% but are less than 25% for the purpose of Rule 19.07 of the GEM Listing Rules, the Purchase constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Aggregation of the purchase of vehicles from Vendor A in the Purchase and the Previous Purchase of Vehicles

Vendor A in both the Purchase and the Previous Purchase of Vehicles is the same party; hence, the sales of vehicles to the Purchaser by Vendor A in both the Purchase and the Previous Purchase of Vehicles may be aggregated pursuant to Rules 19.22 and 19.23 of the GEM Listing Rules.

Rule 19.22 of the GEM Listing Rules states that: "...the Exchange may require listed issuers to aggregate a series of transactions and treat them as if they were one transaction if they are all completed within a 12 month period or are otherwise related...". According to Rule 19.23 of the GEM Listing Rules, factors which the Stock Exchange will take into account in determining whether transactions will be aggregated include, among other things, whether the transactions are entered into by the listed issuer with the same party or with parties connected or otherwise associated with one another. Accordingly, given, as aforesaid, that Vendor A in both the Purchase and the Previous Purchase of Vehicles is the same party, the Company has considered the requirement for aggregation under Rules 19.22 and 19.23 of the GEM Listing Rules and has calculated the size test for the Purchase on an aggregate basis with the consideration (being HK\$2,800,000) of the purchase of vehicles from Vendor A in the Purchase being aggregated to the consideration (being HK\$7,582,900) of the purchase of vehicles from Vendor A in the Previous Purchase of Vehicles. The computation results show that even on such aggregate basis in terms of the respective amounts of consideration for the sale of vehicles by Vendor A to the Group in the Purchase (being HK\$2,800,000) and the Previous Purchase of Vehicles (being HK\$7,582,900), respectively, the highest aggregate percentage ratios for the Purchase exceed 5% but are still less than 25%.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Man Shing Global Holdings Limited (stock code: 8309), a company incorporated with limited liability in the Cayman Islands) and the issued Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	an aggregate consideration of HK\$5,187,000 payable by the Purchaser to the Vendors pursuant to the Sale and Purchase Agreements
“Directors”	the director(s) of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“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
“Lender”	a company which provides hire purchase service in Hong Kong that will enter into the Proposed Hire Purchase Agreements with the Purchaser

“Previous Lenders”	the two Lenders in the Previous Purchase of Vehicles, namely, (i) Mitsubishi UFJ Lease & Finance (Hong Kong) Limited, a company incorporated with limited liability in Hong Kong, which is engaged in providing services and optimal solutions to its corporate and individual customers including, among other things, finance lease, hire purchase and lease of vehicles and equipment; and (ii) ORIX Asia Limited, a company incorporated with limited liability in Hong Kong, which provides, among other things, equipment finance and vehicle finance services to both corporate and individual customers
“Previous Purchase of Vehicles”	the purchase of vehicles from the Previous Vendors by the Previous Purchasers as announced in the announcement of the Company dated 6 May 2019
“Previous Purchasers”	Man Shing Cleaning Service Company Limited and Man Shing Environmental Company Limited, both being companies incorporated in Hong Kong with limited liabilities and indirect wholly-owned subsidiaries of the Company
“Previous Vendors”	Vendor A, Vendor B and Vendor C
“Proposed Hire Purchase Agreements”	the hire purchase agreements to be entered into between the Purchaser and the Lender
“Proposed Hire Purchase Arrangements”	the hire purchase arrangements pursuant to the Proposed Hire Purchase Agreements
“Purchase”	the purchase of the Vehicles from the Vendors by the Purchaser pursuant to the Sale and Purchase Agreements
“Purchaser”	Man Shing Environmental Company Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly owned subsidiary of the Company
“Sale and Purchase Agreements”	Sale and Purchase Agreements I and Sale and Purchase Agreements II
“Sale and Purchase Agreements I”	the sale and purchase of vehicles agreements entered into between Purchaser and Vendor A on 25 September 2019

“Sale and Purchase Agreements II”	the sale and purchase of vehicles agreements entered into between Purchaser and Vendor D on 25 September 2019
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vehicle(s)”	vehicle(s) purchased pursuant to the Sale and Purchase Agreements
“Vendor A”	Wo Shing Motor Company Limited, a company incorporated in Hong Kong with limited liability, which is the same party as Vendor A in the Previous Purchase of Vehicles
“Vendor B”	Ascent Up Motor Limited, a company incorporated in Hong Kong with limited liability
“Vendor C”	Topwell Motors Company, a company incorporated in Hong Kong with limited liability
“Vendor D”	Wang Chun Motors Limited, a company incorporated in Hong Kong with limited liability
“Vendors”	Vendor A and Vendor D

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

Hong Kong, 25 September 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 remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.manshing.com.hk.