



MANSION INTERNATIONAL HOLDINGS LIMITED

民 信 國 際 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8456

**YOUR BABY
OUR VISION**

以愛編織 快樂未來



FIRST QUARTERLY REPORT **2020/21**

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE” AND “GEM”, RESPECTIVELY)

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, 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 report.

*This report, for which the directors of Mansion International Holdings Limited (the “**Company**” and the “**Director(s)**”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (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 report 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 report misleading.*



FIRST QUARTERLY RESULTS

The board of Directors (the “**Board**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 30 June 2020 (the “**Period**”), together with the comparative figures for the corresponding period in 2019, as follows:

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

For the three months ended 30 June 2020

	Notes	Three months ended 30 June	
		2020 HK\$'000	2019 HK\$'000
Revenue	3	19,261	60,191
Cost of sales		(16,931)	(37,969)
Gross profit		2,330	22,222
Other income, gains and losses	4	3,105	(539)
Selling and distribution costs		(4,650)	(7,494)
Administrative and other expenses		(11,003)	(17,721)
Finance costs	5	(706)	(1,747)
Loss before tax		(10,924)	(5,279)
Income tax expense	6	(1)	(105)
Loss for the period		(10,925)	(5,384)
Other comprehensive income (expense) for the period that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign operations		8	(634)
Other comprehensive income (expense) for the period		8	(634)
Total comprehensive expense attributable to owners of the Company		(10,917)	(6,018)
Loss per share:			
Basic and diluted (HK cents)	8	2.37	1.35

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2020

	Attributable to owners of the Company							Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Statutory reserve HK\$'000	Other reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	
As at 1 April 2019 (Audited)	4,000	57,015	5,987	288	8	1,608	(3,926)	64,980
Loss for the period	-	-	-	-	-	-	(5,384)	(5,384)
Other comprehensive expense:								
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	(634)	-	(634)
Total comprehensive expense for the period	-	-	-	-	-	(634)	(5,384)	(6,018)
As at 30 June 2019 (Unaudited)	4,000	57,015	5,987	288	8	974	(9,310)	58,962
As at 1 April 2020 (Audited)	4,615	62,131	5,987	288	8	1,026	(64,274)	9,781
Loss for the period	-	-	-	-	-	-	(10,925)	(10,925)
Other comprehensive income:								
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	8	-	8
Total comprehensive income (expense) for the period	-	-	-	-	-	8	(10,925)	(10,917)
As at 30 June 2020 (Unaudited)	4,615	62,131	5,987	288	8	1,034	(75,199)	(1,136)

NOTES TO THE UNAUDITED FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 17 May 2017. Its shares (the “**Shares**”) in issue are listed on GEM. The address of the Company’s registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands, and its principal place of business in Hong Kong is located at 7/F., 822 Lai Chi Kok Road, Kowloon, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in the sale of baby and children garments.

In the opinion of the Directors, the immediate and ultimate holding company is Joyful Cat Limited (“**Joyful Cat**”), a company incorporated in the British Virgin Islands (the “**BVI**”).

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements of the Group for the three months ended 30 June 2020 (the “**First Quarterly Financial Statements**”) have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (collectively the “**HKFRSs**”) and the provisions of the Hong Kong Companies Ordinance, which concern the preparation of the First Quarterly Financial Statements. In addition, the First Quarterly Financial Statements include applicable disclosures required by the GEM Listing Rules.

The First Quarterly Financial Statements are presented in Hong Kong dollars (“**HK\$**”) which is the functional currency of the Company’s major operating subsidiaries and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

The principal accounting policies applied in the preparation of the First Quarterly Financial Statements were consistent with those applied for the consolidated financial statements of the Group for the year ended 31 March 2020 (the “**Annual Financial Statements 2018/19**”), except for the adoption of new or revised standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants mandatory for annual periods beginning 1 April 2020.

The First Quarterly Financial Statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

The preparation of the First Quarterly Financial Statements in conformity with HKFRSs requires the use of certain critical accounting estimates. The significant judgments, estimates and assumptions applied in the preparation of the First Quarterly Financial Statements are consistent with those used in the Annual Financial Statements 2019/20.

3. REVENUE AND SEGMENT INFORMATION (UNAUDITED)

The Group determines its operating segments based on the internal reports reviewed by the executive Directors, who are the chief operating decision-maker, that are used to allocate resources and assess performance, which are analysed based on business as follows:

Original Equipment Manufacturing (“**OEM**”) OEM business directly to the overseas brand companies or designated sourcing companies mainly located in Hong Kong, the United Kingdom (the “**UK**”) and the United States (the “**US**”); and

Original Brand Manufacturing (“**OBM**”) OBM business under our own brand “Mides” and complementary third party brand products through our self-operated retail stores and department store counters in Hong Kong, and wholesale in Hong Kong, the People’s Republic of China (the “**PRC**”) and Macau.

Segment results represents profit or loss before tax by each segment and excludes bank interest income, change in fair value of financial assets at fair value through profit or loss (“**FVTPL**”), directors’ remuneration and finance costs. Unallocated expenses mainly included staff costs, legal and professional fees, repair and maintenance, telephone expenses, travelling expenses, advertising and promotion and motor vehicle expenses. This is the measure reported to the executive Directors for the purpose of resource allocation and assessment of segment performance.

Segment revenue and results

The following is an analysis of the Group's revenue and results by business.

Three months ended 30 June 2020	OEM HK\$'000	OBM HK\$'000	Total HK\$'000
REVENUE, recognised at a point in time			
External sales	<u>9,280</u>	<u>9,981</u>	<u>19,261</u>
RESULTS			
Segment results	<u>(4,854)</u>	<u>(826)</u>	<u>(5,680)</u>
Bank interest income			3
Directors' remuneration			(655)
Change in fair value of financial assets at FVTPL			15
Finance costs			(706)
Unallocated expenses			<u>(3,901)</u>
Loss before tax			<u>(10,924)</u>
Three months ended 30 June 2019			
	OEM HK\$'000	OBM HK\$'000	Total HK\$'000
REVENUE, recognised at a point in time			
External sales	<u>43,928</u>	<u>16,263</u>	<u>60,191</u>
RESULTS			
Segment results	<u>4,093</u>	<u>6,555</u>	10,648
Bank interest income			1
Change in fair value of financial assets at FVTPL			290
Directors' remuneration			(1,685)
Finance costs			(1,747)
Unallocated expenses			<u>(12,786)</u>
Loss before tax			<u>(5,279)</u>

Geographical information

The Group's revenue from external customers are divided into the following geographical location of customers:

	Three months ended 30 June	
	2020 HK\$'000	2019 HK\$'000
PRC, Macau and Taiwan	798	2,973
Hong Kong	9,424	19,070
UK	9,039	28,933
US	–	9,112
Others	–	103
	19,261	60,191

Information about major customers

OEM revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	Three months ended 30 June	
	2020 HK\$'000	2019 HK\$'000
Customer A	566	17,926
Customer B	–	7,087
Customer C	2,956	6,539
Customer D	2,256	313

Customers A, C and D are located in the UK and Customer B is located in the US. The revenue generated from Customer C was less than 10% of the Group's revenue for the three months ended 30 June 2018. No OBM customer has contributed more than 10% of the Group's revenue.

4. OTHER INCOME, GAINS AND LOSSES (UNAUDITED)

	Three months ended 30 June	
	2020 HK\$'000	2019 HK\$'000
Government subsidy	1,804	–
Bank interest income	18	1
Change in fair value of financial assets at FVTPL	–	290
Reversal of expected credit loss on trade receivables	–	346
Sundry income (expenses)	1,283	(1,176)
	3,105	(539)

5. FINANCE COSTS (UNAUDITED)

	Three months ended 30 June	
	2020 HK\$'000	2019 HK\$'000
Interest on bank and other borrowings	448	1,066
Interest on amount due to a director	–	90
Interest on lease liabilities	258	591
	706	1,747

6. INCOME TAX EXPENSE (UNAUDITED)

	Three months ended 30 June	
	2020 HK\$'000	2019 HK\$'000
Current – Hong Kong profits tax – tax for the Period	<u>1</u>	<u>105</u>

For the Period, the applicable tax rates for Hong Kong Profits Tax was calculated at 16.5% of estimated assessable profits (2019: 8.25% of the first HK\$2,000,000 of estimated assessable profits of the qualifying corporation and 16.5% of the remaining estimated assessable profits).

In accordance with the Enterprise Income Tax ("EIT") Law of the PRC, the applicable EIT rates for domestic and foreign enterprises are unified at 25%.

7. DIVIDEND

The Board has resolved not to declare the payment of any dividend for the Period (2019: Nil).

8. LOSS PER SHARE (UNAUDITED)

The calculation of the basic and diluted (loss)/earnings per share is based on the following data:

	Three months ended 30 June	
	2020	2019
Loss		
Loss attributable to owners of the Company for the purposes of basic and diluted loss per share (HK\$'000)	<u>(10,925)</u>	<u>(5,384)</u>
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share ('000)	<u>461,476</u>	<u>400,000</u>

Diluted loss per share is same as the basic loss per share as there are no dilutive potential ordinary shares in existence during the three months ended 30 June 2020 and 2019.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the sale of baby and children garments by OEM and OBM. Since the beginning of 2020, the threat of the COVID-19 seriously disrupted a wide range of local economic activities and supply chains in the Asian region. The epidemic even evolved into a pandemic during the three months ended 30 June 2020, sending a severe shock to the global economy.

For our OEM business, the Group exports its OEM goods to overseas mainly the United Kingdom (the "UK") and the United States of America (the "US"). The OEM revenue decline significantly in the Period caused by the threat of the COVID-19.

For our OBM business, the Group sells its OBM goods through the self-operated retail stores and department store counters in Hong Kong and the PRC. During the Period, due to the threat of the COVID-19, OBM revenue in Hong Kong and the PRC have declined significantly.

FINANCIAL REVIEW

Revenue

The Group's revenue declined by approximately 68% to approximately HK\$19.2 million for the Period as compared to that of approximately HK\$60.1 million for 2019. The revenue of OEM business decreased by approximately 78.9% to approximately HK\$9.3 million for the Period as compared to that of approximately HK\$43.9 million for 2019. The revenue of the OBM business decreased by approximately 38.6% to approximately HK\$9.9 million for the Period as compared to that of approximately HK\$16.3 million for 2019.

Cost of sales, gross profit and gross profit margin

The Group's cost of sales decreased by approximately 55.4% to approximately HK\$16.9 million for the Period as compared to that of approximately HK\$38 million for 2019. The gross profit for the Period amounted to approximately HK\$2.3 million (2019: approximately HK\$22.2 million), representing a decrease of approximately HK\$19.9 million or 89.5% as compared to 2019. The gross profit margin of the Group decreased from approximately 36.9% for 2019 to approximately 12% for the Period. Decrease in sales orders of OEM caused a negative impact on the Group's gross profit margin as the fixed costs are difficult to relatively reduce.

Expenses

The Group's selling and distribution costs decreased by approximately 38% or HK\$2.8 million to approximately HK\$4.6 million for the Period (2019: approximately HK\$7.5 million), which was in line with the decline in the Group's revenue. The Group's administrative expenses decreased by approximately 37.9% or HK\$6.7 million to approximately HK\$11 million for the Period (2019: approximately HK\$17.7 million). Such decrease was mainly due to the Group's cost controls on operating costs in order to improve the Group's operating performance.

Finance costs

The Group's finance costs decreased by approximately 60% or HK\$1 million to approximately HK\$0.7 million for the Period (2019: approximately HK\$1.7 million). It is mainly due to the Group repaid the bank borrowing during the Period.

Loss before tax

The Group recorded a loss before tax of approximately HK\$10.9 million for the Period (2019: approximately HK\$5.3 million), representing a further deterioration of approximately HK\$5.6 million.

DIVIDEND

The Board has resolved not to declare the payment of any dividend for the Period (2019: Nil).

SHARE OPTION SCHEME

As no share option has been granted since the adoption of the share option scheme of the Company, there was no share option outstanding as at 30 June 2020 and no share option was exercised, cancelled or lapsed during the Period.

OUTLOOK

OEM exports to the US and the UK are expected to continue to decline in the next financial quarter as the COVID-19 situation remains serious in these markets. The global economy will remain sluggish until the COVID-19 pandemic is well contained. Besides, persistently tense economic, trade and political relations between the PRC and the US, geopolitical tensions, and global financial market volatility continue to warrant attention. OEM performance is thus expected to remain under pressure in the next financial year.

OBM sales continued to drop in April 2020, as the COVID 19 pandemic and resulting anti-epidemic measures brought inbound tourism to a standstill and seriously disrupted consumption-related activities. The business environment for OBM will remain very difficult in the near term amid the deep economic recession.

The potential impact of the COVID-19 on the global economy is tremendous but still uncertain. Concerns about the impact from the COVID-19 heighten and these weigh on the corporate earnings and the global economic outlook. The negative effect resulting from the COVID-19 is largely dependent on the situation and duration of the epidemic development. Future adverse changes in economic conditions would negatively affect the Group's financial position and performance. The Group will continue to monitor the development and the volatile market conditions.

In the current abnormal business conditions, the Group is conscious about the importance of liquidity of the Group's on-going operations. Managing cash flow is very critical during a period of crisis. The Group is considering actions to reduce inventories with a view to maintaining more cash and will increase the outsource of its production procedures to different sub-contractors in order to minimize the fixed costs incurred by our factory.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 June 2020, 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 and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong (the "SFO")), which were required (a) 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 they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

LONG POSITION IN THE SHARES

Name of Director	Capacity	Nature of interests	Number of Shares interested	Percentage of the Company's issued Shares*
Ms. Luk Sau Kuen ("Ms. Luk")	Executrix	Other interests	300,000,000 <i>(Note)</i>	65.01%

Note: These Shares are held by Joyful Cat. Joyful Cat was legally and beneficially owned as to 100% by the late Ms. Fung Sau Ying ("Ms. Fung") before her death. Ms. Luk has been appointed the executrix of the estate of the late Ms. Fung in respect of the shares of Joyful Cat in the BVI under the Grant of Probate issued by the High Court of Justice of the BVI. Ms. Luk resigned as the chairlady and executive Director on 24 April 2020.

* The percentage represents the total number of the Shares interested divided by the number of issued Shares as at 30 June 2020 (i.e. 461,476,000 Shares).

Save as disclosed above, as at 30 June 2020, none of the Directors nor the chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) 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 they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, so far as is known to the Directors, the following entity or person other than the Directors and the chief executive of the Company had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

LONG POSITION IN THE SHARES

Name of shareholders of the Company (the "Shareholders")	Capacity	Nature of interests	Number of Shares held or interested	Approximate percentage of the Company's issued Shares*
Joyful Cat <i>(Note)</i>	Beneficial owner	Personal interests	300,000,000	65.01%
Ms. Fung <i>(Note)</i>	Interest of a controlled corporation	Corporate interests	300,000,000	65.01%

Note: Joyful Cat is the direct Shareholder and was legally and beneficially owned as to 100% by the late Ms. Fung before her death. Ms. Luk has been appointed as the executrix of the estate of the late Ms. Fung in respect of the shares of Joyful Cat in the BVI under the Grant of Probate issued by the High Court of Justice of the BVI.

* The percentage represents the total number of the Shares held or interested divided by the number of issued Shares as at 30 June 2020 (i.e. 461,476,000 Shares).

Save as disclosed above, as at 30 June 2020, so far as is known by or otherwise notified to the Directors, no other entity or person (other than a Director or the chief executive of the Company) had interests and short positions in the Shares and the underlying Shares as required to be recorded in the register to be kept by the Company pursuant to Section 336 of the SFO.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles of and complied with the applicable code provisions of the Corporate Governance Code as contained in Appendix 15 to the GEM Listing Rules (the "**CG Code**") during the Period. The Company periodically reviews its corporate governance practices to ensure that it continues to meet the requirements of the CG Code. To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the Period.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors (the "**Required Standard of Dealings**"). Following specific enquiries made by the Company on all the Directors, each of them has confirmed he/she had complied with the Required Standard of Dealings throughout the Period. No incident of non-compliance was noted by the Company during the Period.

COMPETING INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDER AND THEIR RESPECTIVE CLOSE ASSOCIATES

None of the Directors or the controlling Shareholder(s) or their respective close associates (as defined in the GEM Listing Rules) has interests in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group and any other conflicts of interest which any such person has or may have with the Group during the Period and up to the date of this report.

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

During the Period, the Company did not redeem its listed securities, nor did the Company or any of its subsidiaries purchase or sell such securities.

MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS, AND PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

On 29 May 2020, Mei Li Hua Children Garment Company Limited ("**MLH**"), a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Zhongshan Anpin Electrical Appliance Company Limited (the "**Transferee**"). The Group proposed to reorganise its assets and set up a wholly-owned subsidiary (the "**Target Company**"), and transfer its factory and land to the Target Company. MLH has conditionally agreed to sell the entire equity interests in the Target Company to the Transferee by two tranches (the "**Possible Transaction**"). The Transferor shall firstly sell 5% equity interests in the Target Company for the first consideration of RMB550,000 (equivalent to HK\$596,695), and the Transferor shall then sell 95% equity interests in the Target Company for the second consideration of RMB10,450,000 (equivalent to HK\$11,337,205) after the first completion. The aggregation of the first consideration and the second consideration of RMB11,000,000 (equivalent to HK\$11,933,900) shall be settled by cash after deducting the earnest money. Details of the Possible Transaction were disclosed in the Company's announcements dated 15 May 2020, 29 May 2020 and 11 June 2020.

EVENTS AFTER THE REPORTING PERIOD

On 7 August 2020, the Company and CNI Securities Group Limited (the "**Placing Agent**") entered into the placing agreement in relation to placing of up to 460,000,000 placing shares at a price of HK\$0.08 per placing share under specific mandate (the "**Placing**"). Assuming the maximum number of the placing shares is placed by the Placing Agent, the gross proceeds from the Placing will be HK\$36,800,000, and the net proceeds from the Placing, after deducting the placing commission and other expenses incurred in the Placing, are estimated to be approximately HK\$35,200,000. Such net proceeds are intended to be used as to (i) approximately HK\$17,000,000 will be used for general working capital of the Group; and (ii) approximately HK\$18,200,000 will be used for repayment of outstanding liabilities of the Group, among which approximately HK\$10.2 million for trade payables and approximately HK\$8 million for overhead expenses. As at the date of this report, the Placing is still in progress.

Mr. Chin Wai Keung Richard, one of our executive directors, retired at the annual general meeting and decided not to offer himself for re-election with effect from 30 July 2020. On the same day, BDO Limited has retired as the auditors of the Company with effect from 30 July 2020. The Company will make further announcement relating to the appointment of new auditor as soon as practicable. Further details can be found in the announcements of the Company dated 30 July 2020 and 3 August 2020.

REVIEW OF FINANCIAL STATEMENTS

The Company established the audit committee of the Board (the “**Audit Committee**”) on 26 January 2018 with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment, re-appointment and removal of external auditors, review the financial statements and material advice in respect of financial reporting, and oversee internal control and risk management procedures of the Group.

The Audit Committee currently comprises three independent non-executive Directors (the “**INEDs**”), namely Mr. Tan Yik Chung Wilson, Mr. Choi Wing San Wilson and Mr. Cho Chi Kong. Mr. Tan Yik Chung Wilson is the chairman of the Audit Committee. The Audit Committee has reviewed this report, including the unaudited condensed consolidated results of the Group for the Period and discussed with the management of the Company the accounting principles and practices adopted by the Group as well as internal controls and other financial reporting matters. The Audit Committee is of the opinion that the preparation of such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

By order of the Board
Mansion International Holdings Limited
Cheung Desmond Lap Wai
*Chairman, Executive Director and
Acting Chief Executive Officer*

Hong Kong, 7 August 2020

As at the date of this report, the executive Directors are Mr. Cheung Desmond Lap Wai (chairman and acting chief executive officer) and Mr. Kwan Kar Man; and the INEDs are Mr. Cho Chi Kong, Mr. Choi Wing San Wilson and Mr. Tan Yik Chung Wilson.

This report will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication. This report will also be published on the Company’s website at www.mansionintl.com.