

**MAN WAH HOLDINGS LIMITED**

**First Quarter Financial Statement Announcement For The Period Ended 30 June 2008**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

For the first quarter ended 30 June 2008:

<u>The Group</u>	Three months ended 30 June 2008 HK\$'000	Three months ended 30 June 2007 HK\$'000	% change +/-
Revenue	474,906	337,453	40.7%
Costs of goods sold	<u>(309,312)</u>	<u>(250,388)</u>	23.5%
Gross profit	165,594	87,065	90.2%
Other income	2,997	4,479	(33.1)%
Selling and distribution expenses	<u>(77,462)</u>	<u>(39,780)</u>	94.7%
Administrative expenses	<u>(23,348)</u>	<u>(11,731)</u>	99.0%
Other expenses	(114)	(52)	119.2%
Share of gain of a jointly controlled entity	235	-	N.A
Finance costs	<u>(2,638)</u>	<u>(650)</u>	305.8%
Profit before income tax	65,264	39,331	65.9%
Income tax expense	<u>(2,680)</u>	<u>(1,459)</u>	83.7%
Profit for the period	<u>62,584</u>	<u>37,872</u>	65.3%

The Group's profit before tax is arrived at after charging (crediting) the following:

	First quarter ended 30 June 2008 HK\$'000	First quarter ended 30 June 2007 HK\$'000
Interest income	(37)	(126)
Finance costs	2,638	650
Depreciation and amortization	6,539	3,839
(Gain) Loss on disposal of property, plant and equipment	(133)	47
Foreign exchange gain	<u>(1,520)</u>	<u>(3,446)</u>

**1(b)(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

<b>The Group</b>	<u>30 June 2008</u> HK\$'000	<u>31 March 2008</u> HK\$'000
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and bank balances	45,084	29,580
Other investment	-	3,524
Trade receivables	171,291	161,344
Other receivables and prepayments	95,349	77,633
Derivative financial instruments	15,974	41,004
Lease premium for land	1,023	996
Inventories	<u>239,139</u>	<u>220,393</u>
Total current assets	<u>567,860</u>	<u>534,474</u>
<b>Non-current assets:</b>		
Other receivable and prepayments	22,445	23,777
Lease premium for land	46,529	45,511
Property, plant and equipment	422,952	392,736
Investment properties	19,950	19,579
Interests in a jointly controlled entity	3,978	3,616
Deferred tax assets	<u>220</u>	<u>220</u>
Total non-current assets	<u>516,074</u>	<u>485,439</u>
<b>Total assets</b>	<u>1,083,934</u>	<u>1,019,913</u>
<b><u>LIABILITIES AND EQUITY</u></b>		
<b>Current liabilities:</b>		
Bank and other borrowings	102,788	87,979
Trade payables	100,081	99,502
Other payables	118,079	127,258
Income tax payable	4,633	4,012
Derivative financial instruments	<u>10,077</u>	<u>31,013</u>
Total current liabilities	<u>335,658</u>	<u>349,764</u>
<b>Non-current liabilities:</b>		
Bank and other borrowings	73,551	67,167
Deferred tax liabilities	<u>525</u>	<u>525</u>
Total non-current liabilities	<u>74,076</u>	<u>67,692</u>
<b>Capital and reserves:</b>		
Share capital	266,480	266,480
Reserves	<u>407,720</u>	<u>335,977</u>
Total equity	<u>674,200</u>	<u>602,457</u>
<b>Total liabilities and shareholders' equity</b>	<u>1,083,934</u>	<u>1,019,913</u>

**The Company**

	<u>30 June 2008</u>	<u>31 March 2008</u>
	HK\$'000	HK\$'000
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and bank balances	145	184
Other receivables and prepayments	<u>19,349</u>	<u>20,359</u>
Total current assets	<u>19,494</u>	<u>20,543</u>
<b>Non-current asset:</b>		
Investment in subsidiaries	<u>252,478</u>	<u>252,478</u>
<b>Total assets</b>	<b><u>271,972</u></b>	<b><u>273,021</u></b>
<b><u>LIABILITIES AND EQUITY</u></b>		
<b>Current liability:</b>		
Other payables	<u>715</u>	<u>723</u>
<b>Capital and reserves:</b>		
Share capital	266,480	266,480
Reserves	<u>4,777</u>	<u>5,818</u>
Total equity	<u>271,257</u>	<u>272,298</u>
<b>Total liabilities and shareholders' equity</b>	<b><u>271,972</u></b>	<b><u>273,021</u></b>

**1(b)(ii) Aggregate amount of the Group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

<u>30 June 2008</u>		<u>31 March 2008</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
HK\$'000	HK\$'000	HK\$'000	HK\$'000
41,790	60,998	47,646	40,333

**Amount repayable after one year**

<u>30 June 2008</u>		<u>31 March 2008</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
HK\$'000	HK\$'000	HK\$'000	HK\$'000
32,667	40,884	8,354	58,813

**Details of any collateral**

The Group's banking and credit facilities were secured against an US\$ deposit of US\$452,700 and investment property of HK\$8,700,000 (March 31, 2008: HK\$8,700,000), and corporate guarantee by the Company and certain subsidiaries for HK\$402,000,000 (March 31, 2008: HK\$402,000,000).

**1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**The Group**

	<u>30 June 2008</u> HK\$'000	<u>30 June 2007</u> HK\$'000
<b>Operating activities</b>		
Profit before income tax	65,264	39,331
Adjustments for:		
Amortisation of lease premium for land	252	219
Depreciation expense	6,287	3,620
Loss (gain) on disposal of property, plant and equipment	(133)	47
Interest income	(37)	(126)
Share of gain of a jointly controlled entity	(235)	-
Interest expense	<u>2,680</u>	<u>650</u>
Operating profit before working capital changes	74,078	43,741
Trade receivables	(9,947)	(19,895)
Other receivables and prepayments	(17,716)	(19,382)
Inventories	(18,746)	33,372
Derivative financial instruments	4,094	-
Trade payables	579	13,064
Other payables	<u>(9,179)</u>	<u>(22,648)</u>
Cash generated from operations	23,163	28,252
Interest received	37	126
Interest expense	<u>(2,680)</u>	<u>(650)</u>
Net cash from operating activities	<u>20,520</u>	<u>27,728</u>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(25,775)	(34,898)
Proceeds from redemption of investment	3,194	-
Proceeds from disposal of property, plant and equipment	<u>133</u>	<u>251</u>
Net cash used in investing activities	<u>(22,448)</u>	<u>(34,647)</u>

**The Group**

	<u>30 June 2008</u> HK\$'000	<u>30 June 2007</u> HK\$'000
<b>Financing activities</b>		
Increase (decrease) in trust receipt loans	361	(3,227)
New bank loan raised	35,000	30,000
Repayment of bank loans	<u>(14,168)</u>	<u>(5,000)</u>
Net cash from financing activities	<u>21,193</u>	<u>21,773</u>
Net increase in cash and cash equivalents	19,265	14,854
Cash and cash equivalents at beginning of period	25,695	48,620
Effect of foreign exchange rate changes	<u>124</u>	<u>472</u>
Cash and cash equivalents at end of period	<u>45,084</u>	<u>63,946</u>

1(d)(i) A statement (for the issuer and the Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<b>The Group</b>	<u>Share capital</u> HK\$'000	<u>Share premium</u> HK\$'000	<u>Statutory reserve</u> HK\$'000	<u>Revaluation reserve</u> HK\$'000	<u>Currency translation reserve</u> HK\$'000	<u>Accumulated profits</u> HK\$'000	<u>Total</u> HK\$'000
<b>Previous Period</b>							
Balance at 1 April 2007	133,240	133,218	8,705	144	3,276	153,603	432,186
Currency translation	-	-	-	-	1,680	-	1,680
Net income recognized directly in equity	-	-	-	-	1,680	-	1,680
Profit for the period	-	-	-	-	-	37,872	37,872
Total recognized income and expense for the period	-	-	-	-	1,680	37,872	39,552
Balance at 30 June 2007	133,240	133,218	8,705	144	4,956	191,475	471,738
<b>Current Period</b>							
Balance at 1 April 2008	266,480	-	15,150	330	17,878	302,619	602,457
Currency translation	-	-	-	-	9,489	-	9,489
Realisation of reserve on redemption of investments	-	-	-	(330)	-	-	(330)
Net income recognized directly in equity	-	-	-	(330)	9,489	-	9,159
Profit for the period	-	-	-	-	-	62,584	62,584
Total recognized income and expense for the period	-	-	-	(330)	9,489	62,584	71,743
Balance at 30 June 2008	266,480	-	15,150	-	27,367	365,203	674,200

<b>The Company</b>	<u>Share capital</u> HK\$'000	<u>Share premium</u> HK\$'000	<u>Accumulated profits</u> HK\$'000	<u>Total</u> HK\$'000
<b>Previous Period</b>				
Balance at 1 April 2007	133,240	133,218	2,572	269,030
Net loss for the period	-	-	(855)	(855)
Balance at 30 June 2007	133,240	133,218	1,717	268,175
<b>Current Period</b>				
Balance at 1 April 2008	266,480	-	5,818	272,298
Net loss for the period	-	-	(1,041)	(1,041)
Balance at 30 June 2008	266,480	-	4,777	271,257

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no changes to the Company's share capital for the three months ended 30 June 2008.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Numbers of Shares

Issued and paid-up share capital as at 31.03.08	666,200,000
Issued and paid-up share capital as at 30.06.08	666,200,000.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

None.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The same accounting policies and methods of computation have been adopted for the current reporting period as compared with the audited financial statements for the year ended 31 March 2008.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

<u>The Group</u>	Three months ended 30 June 2008	Three months ended 30 June 2007
Profit attributable to shareholders (HK\$'000)	<u>62,584</u>	<u>37,872</u>
Weighted average number of ordinary shares ('000)	<u>666,200</u>	<u>666,200</u>
Earnings per share (HK cents):		
- Basic	<u>9.39</u>	<u>5.68</u>

The weighted average number of ordinary shares is adjusted for the bonus issue as if the issue had occurred at the beginning of the earliest period presented.

As at 30 June 2008, there were no share options issued under the "Man Wah Share Option Scheme" and hence, there were no potential dilutive ordinary shares.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
- (a) **current financial period reported on; and**
  - (b) **immediately preceding financial year.**

**Net Asset Value**

	<u>Group</u>		<u>Company</u>	
	<u>30 June 2008</u>	<u>31 March 2008</u>	<u>30 June 2008</u>	<u>31 March 2008</u>
Net asset value per ordinary share (HK cents)	<u>101.20</u>	<u>90.43</u>	<u>40.72</u>	<u>40.87</u>
Outstanding ordinary shares ('000)	<u>666,200</u>	<u>666,200</u>	<u>666,200</u>	<u>666,200</u>

Net asset value per ordinary share is calculated based on the issued share capital of 666,200,000 ordinary shares of HK\$0.40 each as at 30 June 2008 (31 March 2008: 666,200,000 ordinary shares of HK\$0.40 each).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

We are a home furnishing group primarily engaged in the design, manufacture and sale of broad range of mid to high-end motion sofas. Motion sofas are specialty sofas with added functions such as recline and footrests. Our products are exported to major furniture retailers in the North American and European markets. We also have an extensive retail presence in the PRC via our fast-growing chain of “Cheers” specialty stores. We currently have 230 specialty stores in all major PRC cities that exclusively retail our “Cheers” sofas.

### Revenue

For the 3 months ended 30 June 2008 (1QFY09), revenue rose 40.7% to HK\$474.9 million as compared to HK\$337.5 million. This is mainly attributed to the following factors:

- Continued success in expanding market share in North America;
- Rise in domestic sales in the PRC due to higher number of “Cheers” specialty stores and extensive marketing activities.

### Revenue by Geographical Segment

Revenue	1QFY2009		1QFY2008		Change
	HK\$m	%	HK\$m	%	
North America	261.7	55.1	127.9	37.9	+104.6
Europe	77.5	16.3	101.5	30.1	-23.6
PRC	74.5	15.7	50.4	14.9	+47.8
Hong Kong	28.1	5.9	24.3	7.2	+15.6
Others	33.1	7.0	33.4	9.9	-0.9
Total	474.9	100.0	337.5	100	+40.7

Sales in the North America segment spearheaded growth in both absolute and percentage terms, with sales surging by 104.6% to HK\$261.7 million. This was due to higher sales orders from the top 100 largest US furniture retailers (as ranked by leading trade publication Furniture Today).

The Group had aggressively increased its “Cheers” specialty stores in the PRC to 230 as at the end of 1QFY2009 as compared to just 160 stores at the end of 1QFY08, leading to a 47.8% surge in PRC sales to HK\$74.5 million. The Group’s specialty stores can be found in Beijing, Shanghai, Guangdong, Shenzhen as well as other major PRC cities.

Sales to the European market however were down by 23.6% to HK\$77.5 million during the first quarter of FY09. This could be attributed to the general slowdown in the European market particularly in the United Kingdom. Going forward, the Group is currently spending more effort to secure orders from other potential customers in this market segment.

The positive economic environment in the Hong Kong market continued with sales registering a 15.6% increase to HK\$28.1 million.

Sales to countries other than the Group's three main geographical segments were down marginally at 0.9% to HK\$33.1 million.

Results by Business Segment

Revenue	1QFY09		1QFY07		Change
	HK\$	%	HK\$	%	
Sofa	449.7	94.7	323.3	95.8	+39.1
Other Furniture	25.2	5.3	14.2	4.2	+77.5
Total	474.9	100	337.5	100	+40.7

The broad demand for the Group's motion sofas led to a strong 39.1% increase in revenue to HK\$449.7 million for the Sofa segment. Revenue from the Other Furniture segment also recorded a 77.5% growth to HK\$25.2 million, supplementing the Group's mainstay sofa products.

Cost of goods sold and Gross profit

Due to higher level of sales, cost of goods sold increased by 23.5% to HK\$309.3 million. As a result of better pricing and general savings from economies of scale, the Group's gross profit for 1QFY09 rose 90.2% to HK\$165.6 million, representing a higher gross profit margin of 34.9% (1QFY08: 25.8%).

Other income

Other operating income was down from HK\$4.5 million to HK\$3.0 million primarily due to a lower foreign exchange gains.

Selling and distribution expenses

Selling and distribution expenses rose 94.7% to HK\$77.5 million in 1QFY09. The increase was mainly attributed to:

- (a) Transportation, port charges and freight costs increased by HK\$28.1 million to HK\$48.0 million in 1QFY09. This increase was mainly due to the higher level of export sales and higher costs associated in transporting sofas direct to customers' warehouses.
- (b) To promote our "Cheers" brand in the domestic and international markets, the Group's spending on exhibition and advertising expenses rose marginally from HK\$3.3 million in 1QFY08 to HK\$3.5 million in 1QFY09.
- (c) Rent and rates and related building fees for the year saw a further increase of HK\$3 million to HK\$11.0 million as rental rates were generally trending up.
- (d) As a result of higher sales, overall sales commission and salaries in 1QFY09 rose by HK\$2.9 million to HK\$7.3 million.
- (e) Depreciation expenses for the year rose from HK\$0.6 million to HK\$1.2 million.

### **Administrative expenses**

Administrative expenses increased 99.0% or HK\$11.6 million, to HK\$23.3 million in 1QFY09. The increase was mainly attributed to: –

- a) Salaries, allowances and related costs rose from HK\$4.8 million to HK\$10.0 million as the Group increased its staff strength to cater for higher level of operating activities;
- b) Overall office administrative expenses rose by HK\$1.0 million to HK\$2.0 million due to additional administrative support to cope with overall sales increases;
- c) Depreciation for the period was higher at HK\$2.1 million as compared to HK\$0.9 million in the preceding period. The increase was due to the Group's higher level of fixed assets associated with the Huizhou Daya Bay plant.; and
- d) Professional fees for the period was higher at HK\$1.5 million as compared to HK\$0.9 million;

### **Share of gain of a jointly controlled entity**

The Group's joint venture company with its Xiamen partner has resulted in a profit of HK\$0.2 million.

### **Finance costs**

Finance costs increased from HK\$0.7 million to HK\$2.6 million in line with the Group's higher borrowings to support the expansion of the Group's Daya Bay production facility.

### **Profit before income tax**

Profit before income tax recorded a 65.9% increase to HK\$65.3 million in 1QFY09. The increase was mainly attributed to higher revenue and gross profit for the period.

### **Income tax expense**

Pursuant to the relevant laws and regulations in the PRC, certain of the Group's PRC subsidiaries are exempted from PRC income tax for two years starting from their first profit making year, followed by a 50% reduction for the next three years. In addition, the Group's wholly owned subsidiary Man Wah (Macao Commercial Offshore) Ltd in Macau is fully exempted from corporate income tax.

Income tax expense for the period rose from HK\$1.5 million to HK\$2.7 million, representing an effective income tax rate of 4.1% (1QFY08: 3.8%).

### **Profit for the period**

As a result of the improved sales, gross profit margins and controlled increases in operating expenses, profit for the period was 65.3% higher at HK\$62.6 million.

### **Our Financial Position**

#### **Non-Current Assets**

As at 30 June 2008, non-current assets increased by 6.3% to HK\$516.1 million largely due to the expansion program in our new plant at Huizhou Daya Bay. Investment in property, plant and equipment contributed largely to the increase. It increased by 13.4% to HK\$445.4 million.

#### **Current Assets**

Current assets increased by 6.2% to HK\$567.9 million due to overall increases in inventories, trade receivables, other receivables and prepayments by HK\$18.7 million, HK\$9.9 million and HK\$17.7 million respectively.

Cash and bank balances were up from HK\$29.6 million to HK\$45.1 million.

Financial derivative instruments namely foreign currency forward contracts decreased from HK\$41.0 million to HK\$15.9 million as some of the contracts matured during the period and the Group has lesser contracts outstanding as at the end of the period.

The Group does not engage in speculative foreign exchange trading. Rather, the Group, through its PRC and Hong Kong subsidiaries, takes advantage of the foreign exchange rate differential for US dollar and Chinese yuan prevailing in Hong Kong and PRC to earn a net foreign exchange gain at the Group level. On a Group basis, as the open positions recorded at both the Hong Kong and PRC entities are netted off, there is no significant open foreign exchange position at the Group level. As such, the Group will not be affected by foreign exchange fluctuations.

The increase in trade receivables and other receivables and prepayments were in line with the increase in the overall turnover. The Group's account receivable turnover for 1QFY09 averaged around 33 days as compared to 39 days in the preceding period. Other receivables were also higher due mainly to increased government rebates from the Huizhou local government.

Inventory turnover improved marginally in 1QFY09 to an average of 71 days as compared to 72 days in the preceding period due to higher turnover relative to inventory stockpiling.

#### **Current Liabilities**

As at 30 June 2008, current liabilities were down by 4.0% to HK\$335.7 million. Other payables reduced from HK\$127.3 million to HK\$118.1 million.

Other financial liabilities being foreign currency forward contracts reduced from HK\$31.0 million to HK\$10.0 million as some contracts matured during the period and the Group has lesser contracts outstanding as at end of the period.

Trade payables during the period rose marginally from HK\$99.5 million to HK\$100.0 million, and short term bank and other borrowings rose from HK\$87.9 million to HK\$102.8 million.

#### **Non-Current Liabilities**

Non-current liabilities increased by 9.5% to HK\$74.1 million as a result of an increase in long term bank loan for the expansion of the Huizhou plant.

#### **Cash Flow**

The Group registered positive net cash in operating activities of HK\$20.5 million during the period as compared to HK\$27.7 million in the corresponding period.

Net cash used in investing activities for the current period amounted to HK\$22.4 million as compared to HK\$34.65 million in 1QFY08 largely due to the completion of Phase II of the Group's Huizhou Daya Bay.

To partly finance the requirement in the investment in Huizhou Daya Bay, the Group recorded net cash from financing activities of HK\$21.2 million as a result of higher bank borrowings.

Overall, cash and cash equivalents increased by HK\$19.3 million.

#### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The current announced results are in line with the prospect statement previously disclosed to shareholders in the results announcement for the financial year ended 31 March 2008.

#### **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

While competitive market conditions, volatility in raw material costs and foreign exchange fluctuation will remain as ongoing challenges, the Group is familiar with these factors, and are well-prepared to mitigate their impact to the Group's performance.

For the export market: Man Wah's US clientele are mainly from the top 100 largest US furniture retailers (as ranked by leading trade publication Furniture Today) which are relatively able to weather through the current slowdown, compared to smaller scale furniture retailers and distributors. Relative to Man Wah's production capacity, the demand from Man Wah's US customers are extremely sufficient, with the Group yet to see any slowdown in their orders during the first quarter.

For the domestic market: The Group continue to expand its retail network of Cheers specialty stores with 230 specialty stores at the end of 1QFY2009

(FY2008: 213 stores), The Group is targeting to have 300 “Cheers” specialty stores by the end of FY2009.

To support its sales growth, the Group has successfully integrated Phase II of its Daya Bay plant, which is a 5 storey facility, together with Phase I, comprising of 8 individual flatted factories. This arrangement has enabled the Group to better streamline its operations and also achieve greater economies of scale. There is less time wasted on goods transportation between different production processes, and this arrangement has enhanced annual production capacity significantly by 65%, from the initial projection of 303,000 sofa sets to 500,000 sofa sets.

The Group maintains a cautiously optimistic outlook for its business for FY2009.

## **11. Dividend**

### **(a) Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on?

Nil.

### **(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

Nil.

### **(c) Date payable**

Not applicable.

### **(d) Books closure date**

Not applicable.

## **12. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared.

## **PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

## **13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

BY ORDER OF THE BOARD

Wong Man Li  
Managing Director  
8 August 2008

**CONFIRMATION BY THE BOARD  
PURSUANT TO RULE 705(4) OF THE LISTING MANUAL OF SGX-ST**

On behalf of the Board of Directors of Man Wah Holdings Limited (the “Company”), we, Wong Man Li and Francis Lee Fook Wah, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the first quarter ended 30 June 2008 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Wong Man Li  
Francis Lee Fook Wah

8 August 2008