(Incorporated in Bermuda



Interim Report 2020/21

Corporate Information

M . W n M n Li *(Ch i m n M n i n Di)*
M . Pn G h (App in n 3 N m 2020)
M . H i Wi Hin
M . A n M n
M . Di Q n
M . W n in in
M . n H i n

M . On Ch W i
M . Ch Shin im, D i
M . K n Ch n Nin, n
M . Din n

M . Ch Shin im, D i *(Ch i m n)*
M . On Ch W i
M . K n Ch n Nin, n
M . Din n

M . W n M n Li *(Ch i m n)*
M . Ch Shin im, D i
M . K n Ch n Nin, n
M . Din n
M . n H i n

M . Din n *(Ch i m n)*
M . W n M n Li
M . Ch Shin im, D i
M . K n Ch n Nin, n
M . n H i n

Reed Smith Richards Butler
Eversheds Mourant Campbell (Bermuda) Limited

Hogan Lovells
Hong Kong Solicitors in Association with Conyers Dill & Pearman Limited
Citi Trust, N.A.
Chiyu Commercial Bank Company Limited
Australia and New Zealand Banking Group Limited
International Commercial Bank of China Limited
Bank of China Limited

1,111

Computershare Hong Kong Investor Services Limited

SW Financial Public Relations Limited
24/F, Admiralty Centre
18 Harcourt Road
Hong Kong

Chairman's Statement

On behalf of the Board (the Board) of Directors (the Directors) of Man Wah Holdings Limited (Man Wah or the Company), I hereby present the annual results of the Company and its subsidiaries (the Group) for the year ended 30 September 2020 (FY2021 or the Reporting Period).

During the Reporting Period, the Group faced unprecedented challenges in the international and Chinese economic environment. At the beginning of 2020, the outbreak of the novel coronavirus disease (COVID-19) epidemic had a significant impact on the global economy. We [illegible] in line with the [illegible] in the first [illegible] of 2020, [illegible] in the [illegible] in the [illegible] in the

[illegible]

[illegible]

On [illegible] the B[illegible] Di[illegible], I[illegible] h[illegible] [illegible] p[illegible] [illegible] [illegible] i[illegible] [illegible] ll [illegible] h[illegible]h l[illegible], [illegible]mpl[illegible], p[illegible] [illegible]n [illegible] [illegible] h[illegible]i[illegible] [illegible] pp[illegible] [illegible]i h h[illegible] G p in h[illegible] p[illegible]. W[illegible] [illegible]l[illegible] h[illegible] [illegible] pi[illegible] i [illegible] [illegible] [illegible] [illegible] i[illegible] [illegible] [illegible] [illegible]mp[illegible] [illegible] [illegible]n [illegible] [illegible]. W[illegible] ill [illegible] in [illegible] h[illegible] [illegible] [illegible] h[illegible], imp[illegible] h[illegible] C[illegible]mp[illegible] [illegible] in i[illegible] [illegible] [illegible] h[illegible]h l[illegible] i h [illegible] [illegible] p[illegible] [illegible]mb[illegible], [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] i[illegible] p [illegible] [illegible] [illegible].

Man Wah Holdings Limited
Wong Man Li
Ch[illegible] [illegible]
13 N[illegible] [illegible] 2020

Management Discussion and Analysis

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A in in e the N i n l B S i i Chin , the n i n l GDP h the pp im el 3.6% in the i h e q e 2020. D in the Re re Pe i , Chin' ell e n mi i n in in the hell en e n pp ni e . The pen emi the en e the il in e Chine e mili e , hi h eq i e m e m e n h mani e h eh l p . The G p' e i n in l e e the im p in

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During the Reporting Period, the Group continued to focus on the development of its core business and maintained a stable performance. As the COVID-19 pandemic continued to affect the global economy, the Group proactively implemented various measures to control costs and expenses, and optimised the operating efficiency of its production facilities.

Revenue

	Revenue (HK$'000)			As a percentage of revenue (%)		Gross profit margin (%)	
	1HFY2021	1HF 2020	Change (%)	**1HFY2021**	1HF 2020	**1HFY2021**	1HF 2020
Business of manufacturing and sales of yarn products	**4,640,663**	3,830,500	21.2%	**70.0%**	68.5%	**36.1%**	37.8%
Other products	**1,494,812**	1,122,617	33.2%	**22.5%**	20.1%	**30.4%**	27.0%
Home Group business	**333,197**	355,251	-6.2%	**5.0%**	6.4%	**35.3%**	26.4%
Other business	**168,220**	284,275	-40.8%	**2.5%**	5.0%	**43.1%**	32.0%
Total	**6,636,892**	5,592,673	18.7%	**100.0%**	100.0%	**35.0%**	35.0%

For the Reporting Period, revenue of the Group increased approximately 18.7% to approximately HK$6,636,892,000 (six months ended 30 September 2020 (1HF 2020): approximately HK$5,592,673,000), the gross profit margin remained at 35.0%, same as 1HF 2020.

[illegible]

[illegible]

D in the 1HF 2021, the in me the G p in e pp im el 15.8% m pp im el HK$1 ,535,000 in the pe i pp im el HK$231,0 5,000. The in e e m ain e n in e e n i e n the .

	1HFY2021 HK$'000	1HF 2020 HK$'000	Chan e (%)
In me m ne in el e*	**59,423**	60,334	–1.5%
G e nmen i e **	**102,477**	82, 61	23.5%
In me n e ep i n in e e in me***	**31,793**	30,055	5.8%
O he	**37,402**	26,185	42.8%
T el	**231,095**	1 , ,535	15.8%

N e :

* In me m ne in el e i e en e m he ne he p, n, e en e in he n me l p in p e he C mpan ' n e in p . D in he 1HF 2021, h in me e n pp im el 0. % el e en e (in me m ne in el e n pp im el 1.1% el e en e in he pe i).

** G e nmen i e me ain n i in n el i e m l el e nmen i e hi h e e p i e he ne p n p i in e i e in Chin me e .

*** In me m e ep i i in e m he e n ili e n he G p in e in h me n e en p me m me el n in me in n Chin .

[illegible]

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[illegible]

Se lin n i i in e pen e in e pp im el 21.3% m pp im el HK$ 58,463,000 in the 1HF 2020 pp im el HK$1,162,7 1,000 in the 1HF 2021. Se lin n i i in e pen e e pe en e e en e in e m pp im el 17.1% in the 1HF 2020 pp im el 17.5% in the 1HF 2021, in l in :

(a) D me i n p in e pen e in e pp im el 80.5% m pp im el HK$107,473,000 pp im el HK$1 3, 83,000. D me i n p in e pen e e pe en e e en e in e m pp im el 1. % in the 1HF 2020 pp im el 2. % in the 1HF 2021; O h e n p in n p he e in e pp im el 1.3% m pp im el HK$275,45 ,000 pp im el HK$27 ,056,000. O h e n p in n p he e e pe en e e en e e e m pp im el 4. % pp im el 4.2%;

( ) A e i in , p m i n n il in e pen e in e e pp im e l 51.7% m pp im e l HK$135,253,000 pp im e l HK$205,403,000. A e i in , p m i n n il in e pen e

Financial Resources, Liquidity and Capital Structure

As at 30 September 2020, the Group had cash and bank balances of approximately HK$4,067,850,000 (31 March 2020: approximately HK$145,428,000. The Group's cash and bank balances are mainly denominated in HKD, RMB, and US dollars. The effective interest rate on bank deposits was 2.70% (3.72% (for the six months ended 31 March 2020: 3.60% - 4.35%). The effective interest rate on bank borrowings was (i) the Hong Kong Interbank Offered Rate plus a margin of 1.35% - 2.33% (for the six months ended 31 March 2020: 2.58% - 3.56%), and (ii) the Shanghai Interbank Offered Rate plus a margin of 1.62% - 2.80% (for the six months ended 31 March 2020: 2.10% - 3.15%). The gearing ratio of the Group, calculated as total debt-to-equity ratio, was 1.72% (3.25%, respectively) (for the six months ended 31 March 2020: 3.01% (4.07%, respectively) as mentioned above.

The Group's operations are principally financed by its internally generated cash flows. As at 30 September 2020, the Group's current ratio was 1.0 (31 March 2020: approximately 1.1). As at 30 September 2020, the Group's net debt to equity ratio was 57.7% (31 March 2020: approximately 57.4%), which is the ratio of net debt (total borrowings less cash and bank balances) to total equity.

Pledge of Assets

As at 30 September 2020, the Group had pledged approximately HK$20,116,000 of its assets to secure banking facilities. As at 30 September 2020, the Group had pledged certain of its investment properties, property, plant and equipment with carrying amount of approximately HK$31,070,000 (and certain of its right-of-use assets with carrying amount of approximately HK$15,657,000.

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed in Note 22 to the condensed consolidated financial statements, the Group did not hold any significant investments, nor did it make any material acquisitions or disposals of subsidiaries, associates and joint ventures.

As at 30 September 2020, the Group did not have any plans for material investments or capital assets.

Foreign Exchange Exposure

The Group's exposure to foreign exchange risk arises from transactions denominated in currencies other than the functional currency of the entity, which mainly comprise sales, purchases and borrowings that are denominated in a currency other than the functional currency of the entity to which they relate. The Group's transactions are mainly denominated in Hong Kong dollars, US dollars, Renminbi and Hong Kong dollars ("HKD"). The exchange rate of HKD against US dollars is relatively stable. The Group's exposure to foreign exchange risk arises from its operations in the PRC, which are denominated in RMB, the functional currency of the PRC subsidiaries. The Group's foreign exchange risk arises primarily from cash and cash equivalents denominated in RMB, US dollars and HKD. The exchange rate of HKD against US dollars is pegged within a narrow band. The Group's exposure to foreign exchange risk is mainly in relation to RMB, while the Group's purchases are mainly denominated in US dollars, RMB and HKD. The exchange rate of RMB against US dollars fluctuated within a narrow band, while the exchange rate of RMB against Hong Kong dollars fluctuated more significantly. The Group monitors the impact of the fluctuation of RMB against US dollars and Hong Kong dollars on the Group's operating results and will consider hedging significant foreign currency exposure should the need arise.

Contingent Liabilities, Guarantees and Pledge of Assets

Save as disclosed herein, the Group did not have any material contingent liabilities, guarantees or any pledge of assets as at 30 September 2020, except for the pledge of assets as mentioned above in the 1HF 2021. The Group monitors the exposure to credit risk on an ongoing basis.

Human Resources

As at 30 September 2020, the Group had 27,[illegible]2 employees (31 March 2020: 22,041 employees).

The Group implements its human resources policies, plans and practices in accordance with the relevant laws and regulations in the countries in which it operates. Moreover, the Group provides competitive remuneration packages to its employees, including basic salaries, bonuses and other benefits. In addition, the Group provides training programs to its employees to enhance their skills and knowledge.

During the 1HF 2021, the total staff costs of the Group amounted to approximately HK$[illegible]55,[illegible]56,000 (1HF 2020: approximately HK$767,373,000), which approximately HK$7,57[illegible],000 (1HF 2020: approximately HK$7,605,000) was capitalised as part of inventories. The Group ensures that the remuneration packages offered to its employees are commensurate with their duties and responsibilities, and are competitive with reference to the prevailing market practice. As part of the Group's remuneration policy, employees may be entitled to discretionary bonuses, which are determined by the Group's performance and the individual employee's performance.

Prospects

In the foreseeable future, the Group will continue to focus on its core business in China and the Asia Pacific region. For the Asia Pacific region, the Group's property development project in Vietnam, with an approximate gross floor area of 130,000m² to 528,000m². Moreover, the project in Qianhai, Shenzhen, the construction of which commenced in the third quarter of 201[illegible] and the project will be completed and commence pre-sale activities in the second half of 2021. The investment property of the Group's project in Qianhai, Shenzhen in the PRC will be completed and be available for lease in the second half of 2021.

For the long term, in addition to property development, the Group will continue to explore other investment opportunities to diversify its income stream.

Other Information

The Board has declared an interim dividend of HK10.0 cents per share (six months ended 30 September 2019: an interim dividend of HK7.0 cents per share) payable to shareholders whose names appear on the Company's register of members on Wednesday, 2 December 2020.

The register, the register of members of the Company, and its branch, and list of the Company in the Register.

As at 30 September 2020, the interests and short positions 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 (the SFO)), which are required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which are required to be entered in the Company's register maintained by the Stock Exchange pursuant to Model Code for Securities Transactions by Directors of Listed Issuers (the Model Code) as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the Listing Rules), were as follows:

(a)

Name of director	Capacity	Number of issued ordinary shares held	Approximate percentage of the issued share a

Notes:

1. The options granted by the Company's Pre-IPO Share Option Scheme are in respect of 3,802,463,600 Shares of the Company (the "Shares") as at 30 September 2020.

2. The 2,362,336,800 Shares held by Man Wah International Limited, which, in turn, is owned as to 80% by Mr. Wong Man Li and 20% by Mr. Hui Wai Him. Mr. Wong is the sole director of Man Wah International Limited. Mr. Wong is deemed to be interested in the 2,362,336,800 Shares held by Man Wah International Limited. Mr. Wong is also interested in 2,427,200 Shares and 53,600 underlying Shares in his capacity as beneficial owner. Upon exercise of the underlying Shares, Mr. Wong will be interested in 3,020,800 Shares. Mr. Wong is also deemed, under the SFO, to be interested in the 2,481,600 Shares in which Mr. Hui Wai Him, the spouse of Mr. Wong, has a personal interest.

3. The 2,481,600 Shares represent the 1,956,000 Shares and the 525,600 Shares Option granted to Mr. Hui under the Share Option Scheme 2010 which were exercised on 1 October 2020. Upon exercise of the underlying Shares, Mr. Hui will be interested in 2,481,600 Shares. Mr. Hui is also deemed, under the SFO, to be interested in the 2,365,357,600 Shares in which Mr. Wong Man Li, the spouse of Mr. Hui is interested (i.e. 3,020,800 Shares to be allotted and issued upon the exercise of the 2,362,336,800 Shares interested by Mr. Wong).

4. This is represented by the 800,000 Shares held by Mr. Au Man Chung.

5. This is represented by the 340,800 Shares held by Mr. Dai Yan and 58,200 underlying Shares in Mr. Dai's capacity as the Share Option Scheme 2010 which were exercised on 1 October. Upon exercise of the underlying Shares, Mr. Dai will be interested in 130,000 Shares.

6. This is represented by the 1,821,600 Shares held by Mr. Wong and 354,400 underlying Shares in Mr. Wong's capacity as the Share Option Scheme 2010 which were exercised on 1 October. Upon exercise of the underlying Shares, Mr. Wong will be interested in 2,176,000 Shares.

(b) Interests in associated corporations of the Company

Name of Director	Name of associated corporation	Capacity	Number of issued shares held	Approximate percentage in the associated corporation
Mr. Wong Man Li	Man Wah International Limited	Beneficial owner	800	80%
Mr. Hui Wai Him	Man Wah International Limited	Beneficial owner	200	20%

Save as disclosed above, as at 30 September 2020, none of the Company's Directors, chief executive or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register required to be kept by the Company under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Other than as disclosed in this section, none of the directors or chief executive of the Company, nor their respective associates had been granted any rights to subscribe for the equity or debt securities of the Company or any of its associated corporations, nor had any of them exercised any such rights during the six months ended 30 September 2020.

[illegible]

Note:

1. Number of Shares in the Company which may be issued upon exercise of the Share Option Scheme 2010 [illegible].

2. Share Option period in which Shares must be taken up under the Share Option Scheme 2010 will be from 50% to 100% of the total option granted which will be exercisable in the period of 18 months to 60 months from the date of grant of the Share Options.

3. The closing price of the Company's Shares immediately before the date on which the options were granted is HK$8.24.

4. Share Option Scheme 2010 [illegible] on 4 March 2020. No Option Scheme has been adopted by the Company on 3 July 2020.

[illegible]

The Company has adopted the Share Option Scheme (the "Share Option Scheme") on 27 June 2011 (the "Approval Date") which will remain in force for 10 years from the Approval Date. The purpose of the Share Option Scheme is to provide the Directors with the discretion to grant options to the Eligible Participants as incentives or rewards for their contribution or potential contribution to the Group. Pursuant to the Company's annual general meeting held on 31 March 2011 the Scheme Mandate limit under the Share Option Scheme.

As at 30 September 2020, the Share Option Scheme remained in force. The total number of Shares available for issue upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme is [illegible].

Given that the Board will not grant any further Share Options under the Share Option Scheme, the total number of Shares available for issue upon the exercise of the Share Options as at 30 September 2020.

[illegible]

During the Reporting Period, the Company has not granted any options, under which no options were granted on 18 March 2010 (as Note 23 the annual general meeting of shareholders approved the Share Option Scheme. Such Share Option Scheme [illegible] Application Form to the Listing Rules. Such Share Option Scheme [illegible] with the Listing Rules.

[illegible]

As [illegible], the Company has [illegible], as at which the [illegible], [illegible] 30 September 2020 [illegible] the Reporting Period.

[illegible]

Each Man Wah Investment Limited (the "Company") in accordance with the non-competition deed dated 5 March 2010 with the Company, the [illegible] with [illegible], [illegible],

[illegible]

[illegible]

During the six months ended 30 September 2020, the Company has applied the principles, and complied with, the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules, except for the deviation from code provision A.2.1 of the CG Code.

Under code provision A.2.1, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. During the Reporting Period, the Company has not appointed any individual to the position of chief executive officer. Mr. Wong Man Li, who is the Chairman, has been overseeing the Company's overall management and business development since the Company's listing on the Main Board of the Stock Exchange. The Board considers that vesting the roles of chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board believes that the current structure will not impair the balance of power between the Board and the management of the Company. The Board will review the structure of the Company from time to time to consider whether a separation of the roles of chairman and chief executive officer is necessary.

Subsequent to the Reporting Period, the Company appointed Mr. Pang Ho Cheung Vincent as the Chief Executive Officer of the Company on 3 November 2020. Please refer to the announcement of the Company dated 3 November 2020 for details of the appointment of Mr. Pang.

[illegible]

The Company has adopted the Model Code as the code of conduct regarding Directors' securities transactions. Having made specific enquiry with all Directors, the Directors have confirmed that they complied with the required standard set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions during the six months ended 30 September 2020.

By the order of the Board
Man Wah Holdings Limited
Wong Man Li
Chairman

Hong Kong, 13 November 2020

Report on Review of Interim Financial Information



Condensed Consolidated Interim Statement of Comprehensive Income

F h i m n h n 30 S p m 2020

	N	Six months ended 30 September 2020 HK$'000 (Unaudited)	201 HK$'000 (Un i)
R n	6	**6,636,892**	5,5 2,673
C l		**(4,314,630)**	(3,636,353)
Gross profit		**2,322,262**	1, 56,320
O h in m	7	**231,095**	1 ,535
O h (l)/ in , n	8	**(76,552)**	76,7 5
S llin n i i i n p n		**(1,162,791)**	(58,463)
A mini i n h p n		**(339,969)**	(283,173)
Operating profit		**974,045**	1,014
Fin n	10	**(55,186)**	(83,052)
Sh l in n		**1,659**	228
Profit before income tax		**920,518**	08,1 0
In m n p n	11	**(132,169)**	(174,036)
Profit for the period		**788,349**	734,154
Profit for the period attributable to:			
O n h C mp n		**749,303**	705,67
N n- n llin in		**39,046**	28,475
		788,349	734,154

	N	Six months ended 30 September 2020 HK$'000 (Unaudited)	201 HK$'000 (Un i)
Profit for the period		**788,349**	734,154
Other comprehensive income/(loss):			
C n		**262,384**	(481,312)
Other comprehensive income/(loss) for the period, net of tax		**262,384**	(481,312)
Total comprehensive income for the period		**1,050,733**	252,842
Total comprehensive income for the period attributable to:			
O n		**1,020,623**	236,708
N n- n		**30,110**	16,134
		1,050,733	252,842
Earnings per share attributable to owners of the Company			
– B i (HK n p	12	**19.73**	18.46
– Dil (HK n p	12	**19.68**	18.46

h n n i n i h

Condensed Consolidated Interim Statement of Financial Position

A 30 Sep 2020

	N	30 September 2020 HK$'000 (Unaudited)	31 M h 2020 HK$'000 (A i)
ASSETS			
Non-current assets			
P pe , p n q ip n	14	**4,240,467**	3,741,787
In me n p pe e		**464,175**	455,215
Ri h - - e e		**2,276,252**	2,228,518
G ill	15	**536,265**	524,048
O he in n i e e	15	**182,007**	188,440
In e in in n e		**32,565**	21,673
Fin n l e i l e h hp i l		**1,817**	–
De e e e		**35,200**	12,031
Dep i pi n e		**3,841**	3,672
Pep me n n ep i pi q i i i n p pe , p n n q ip n		**219,525**	156,023
		7,992,114	7,547,627
Current assets			
In n e		**1,686,609**	1,532,773
P pe e he l e		**20,002**	48,227
P pe e n e e l p me n		**155,666**	141,410
T e n ill e i e	16	**1,511,310**	1,210,754
O he e i e n pep me n		**683,417**	470,341
Fin n l e i l e h hp i l		**17,136**	204,682
T e e e		**8,702**	1,741
S e ep i		**–**	3,746
Re i e n n e		**20,116**	23,636
C h n h eq i n		**2,707,222**	2,020,245
T l n e			

	Note	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities		**27,931**	21,533
Bank loans – non-current portion	17	**145,428**	701,786
Deferred tax liabilities		**130,491**	128,876
Other non-current liabilities		**1,419**	1,333
		305,269	861,548
Current liabilities			
Trade and bills payables	17	**1,005,739**	1,167,070
Other payables and accruals		**691,999**	452,160
Lease liabilities		**27,586**	28,755
Contract liabilities	18	**634,438**	260,856
Bank loans – current portion	17	**4,069,859**	3,277,477
Tax payable		**193,112**	133,178
		6,622,733	5,111,558
Total liabilities		**6,928,002**	5,981,106
Total equity and liabilities		**14,802,294**	13,213,802

The [illegible] notes on pages [illegible] are an integral part of this condensed consolidated financial statements.

Condensed Consolidated Interim Statement of Changes in Equity

F th i m nth n 30 Sp m 2020

	Attributable to owners of the Company												
	Share Capital HK$'000	Share Premium HK$'000	Special reserve HK$'000 (Note ii)	Other reserve HK$'000 (Note iii)	Statutory reserve HK$'000 (Note iv)	Translation reserve HK$'000	Revaluation surplus HK$'000	Shares held under share award scheme HK$'000	Share option reserve HK$'000	Retained earnings HK$'000	Sub-total HK$'000	Non-controlling interests HK$'000	Total HK$'000
Balance at 1 April 2020	1,518,376	–	(16,132)	(11,811)	641,044	(852,485)	37,099	(448)	26,906	5,361,598	6,704,147	528,549	7,232,696
Comprehensive income													
P i th p i	–	–	–	–	–	–	–	–	–	749,303	749,303	39,046	788,349
Other comprehensive income													
C n n i n i n	–	–	–	–	–	271,320	–	–	–	–	271,320	(8,936)	262,384
Total comprehensive income	–	–	–	–	–	271,320	–	–	–	749,303	1,020,623	30,110	1,050,733
Transactions with owners													
Capital n i in n-n lli in	–	–	–	–	–	–	–	–	–	–	–	10,420	10,420
R n iii n q i -	–	–	–	–	–	–	–	–	4,865	–	4,865	–	4,865
I th p n i th p i	2,609	34,180	–	–	–	–	–	–	(5,275)	–	31,514	–	31,514
Di n i (N 13)	–	–	–	–	–	–	–	–	–	(455,936)	(455,936)	–	(455,936)
Total transactions with owners	2,609	34,180	–	–	–	–	–	–	(410)	(455,936)	(419,557)	10,420	(409,137)
448114 0 53052,609													

A i e nt the C mpan

Sha e Sha e Spe ial
Capi al he e Pe mi m e e e

N e :

(i) T e h e ep e en 10,450,800 in h e he C mpan HK$0.4 e h hi h e e ep h e e pi e en in m HK$3.73 HK$4.80 pe h e in he i m nth en e 30 Sep em e 201 . T e h e e en e ine O e 201 .

(ii) Spe ial e e e e m he e q i i n e q i in e e e in i ie h h p e e ni ion. I ep e en he i e en e e en he n min al e h e pi al h e i ie e he e q i i n en he n min al e he h e i e he C mpan n i e ion in he q i i n.

(iii) O he e e e m he e q i i n he ii n l q i in e e i ie . I ep e en he i e en e e en he in m n he ne e e he i ie e i e he ii n l in e e e he e q i i n en he i al e n i e e in p i he C mpan .

(i) The e e e ep e en he m n en e e m p i e e in he i ie e e li he in he Main Pe ple' Rep li Chin (he PRC) in en e ih he e e en PRC n il he PRC e e e e he 50% he e i e e pi al he e pe i e i ie . The e e e en e ppli e i he in e in he m e e l e in e in pi al.

The e e n en e n li e in e im e en he en e in q i h l e e in n n i n ih he mpan in n e .

Condensed Consolidated Interim Statement of Cash Flows

F h i m n h n 30 S p m 2020

	N	Six months ended 30 September 2020 HK$'000 (Unaudited)	201 HK$'000 (Un i)
Cash flows from operating activities			
C h n m p i n		**1,378,226**	1,664,11
In p i		**(54,074)**	(81,738)
In n i		**4,139**	28,535
In m p i , n		**(98,150)**	(133,744)
Net cash generated from operating activities		**1,230,141**	1,477,172
Cash flows from investing activities			
In m n in n p i		**(8,962,411)**	(3,16 ,641)
P m n q i i i n p p , p n n q ipm n		**(479,897)**	(536,726)
Wi h l i n n n		**6,848**	23 ,57
P m n i n n n		**(5,147)**	(167,004)
P h h in n i l n		**(180)**	(5,226)
P m i p l n p i		**8,971,027**	3,171,283
P m i p l p p , p n n q ipm n		**3,819**	–
P m i p l in n l n i l h h p i !		**128,684**	–
P m n q i i i n in n l n i l h h p i !		**(1,817)**	–
Net cash used in investing activities		**(339,074)**	(467,735)
Cash flows from financing activities			
Di i n p i	13	**(455,936)**	(22 ,3 8)
Rep h h		**–**	(47, 68)
Rep m n in		**(731,854)**	(53,35)
P m n n n- n llin in p n i n i t		**–**	

Notes to the Condensed Consolidated Interim Financial Information

1 [illegible]

Man Wah Holdings Limited (the Company) is an investment holding company. The Company and its subsidiaries (collectively the Group) are principally engaged in the manufacture and sale of sofas in the People's Republic of China (the PRC).

The Company is a limited liability company incorporated in Bermuda and its shares are listed on the Stock Exchange of Hong Kong Limited (the Hong Kong Stock Exchange) (Stock Code: 01999). The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Group is principally engaged in the Man Wah Living Room Furniture business. The Directors consider the Group's immediate holding company to be Man Lian Holdings Limited, which is incorporated in the British Virgin Islands.

The condensed consolidated interim financial information is presented in United States Dollars ("USD"). The condensed consolidated interim financial information is presented in thousands of Hong Kong Dollars ("HK$'000"), unless otherwise stated, as the directors of the Company consider Hong Kong dollars is more relevant to the users of the condensed consolidated interim financial information.

The condensed consolidated interim financial information was approved for issue by the Board of Directors on 13 November 2020.

The condensed consolidated interim financial information is unaudited.

2 [illegible]

The condensed consolidated interim financial information for the six months ended 30 September 2020 has been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

3 [illegible]

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2020, as described in those annual financial statements.

Amendments to IFRS effective for the current period have been applied for the preparation of:

Amendments to IFRS 3	Definition of a Business
Amendments to IAS 1 and IAS 8	Definition of Material
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting 2018
IFRS 7, IFRS 9 and IAS 39	Interest Rate Benchmark Reform – Amendments to IFRS 7, IFRS 9 and IAS 39

The Group has not applied any new standard that is not yet effective for the current period.

3

N [illegible] Ap il 2020 [illegible]

Amendments	IFRS 16, COVID-19-Related Rent Concessions	1 June 2020
Amendments	IAS 1, Classification of Liabilities as Current or Non-current	1 January 2022
Amendments	IAS 16, Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments	IAS 37, Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments	IFRS 3, Update a Reference to the Conceptual Framework	1 January 2022
Amendments	Annual Improvements to IFRS 2018–2020	1 January 2022
IFRS 17, Insurance Contracts		1 January 2023
Amendments	IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not yet determined

Note: The Group intends to adopt these standards, if applicable, when they become effective.

4

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5.1

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5.2

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The information regarding operating segments is as follows:

For the six months ended 30 September 2020 (Unaudited)

	Sofa and ancillary products HK$'000	Other products HK$'000	Other business HK$'000	Home Group business HK$'000	Total HK$'000
Revenue					
External sales	4,640,663	1,494,812	168,220	333,197	6,636,892
Results					
Segment results	750,463	301,715	33,657	36,383	1,122,218
Interest income					22,977
Income from investment in joint venture					8,604
Rental income					8,879
Share of results of investments in associates					1,659
Exchange gain, net					(11,342)
Gain on disposal of investment properties					102,477
Loss on changes in fair value of investments at FVPL					(58,862)
Finance costs					(53,826)
Unallocated corporate expenses					(222,266)
Profit before income tax					920,518

6

For the six months ended 30 September 2019 (Unaudited)

	S [illegible] p HK$'000	O[illegible] p HK$'000	O[illegible] in[illegible] HK$'000	H[illegible] G p in[illegible] HK$'000	[illegible] HK$'000
Revenue					
E[illegible]	3,830,500	1,122,61[illegible]	284,2[illegible]5	355,25[illegible]	5,5[illegible]2,673
Results					
S[illegible]	643,[illegible]78	217,802	66,360	1[illegible],280	[illegible]47,420
In[illegible] in[illegible]					28,474
In[illegible]					1,642
R[illegible] in[illegible]					6,276
Sh[illegible]					228
E[illegible]					76,776
G[illegible]					82,[illegible]61
G[illegible]					1,058
Fin[illegible]					(81,163)
Un[illegible]					(155,482)
P[illegible] in[illegible]					[illegible]08,1[illegible]0

6

Revenue and segment information

	Six months ended 30 September	
	2020	2019
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
PRC (including Hong Kong Special Administrative Region)	**4,360,842**	3,171,252
North America	**1,596,241**	1,626,167
Europe	**450,463**	538,667
Others	**229,346**	248,587
	6,636,892	5,512,673

Note: Others mainly include Australia, United Arab Emirates, Israel and Japan. None of the segments has

6

6

For the six months ended 30 September 2021

7

	Six months ended 30 September	
	2020	201
	HK$'000	HK$'000
	(Unaudited)	(Un i)
S & p	59,423	60,334
n e p i	8,604	1,642
in	23,189	28,413
i	102,477	82,761
	37,402	26,185
	231,095	1 ,535

( )/

	Six months ended 30 September	
	2020	201
	HK$'000	HK$'000
	(Unaudited)	(Un i)
( )/ in	(12,395)	77,16
p p , p n q ip	(4,974)	(1,161)
i n p 1 7 1 7 1 1 1	1 p0 1 8. .30.500	

9 [illegible]

The following items have been charged/(credited) to the profit for the period:

	Six months ended 30 September	
	2020	2019
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	**4,225,304**	3,561,056
Amortisation of intangible assets	**16,385**	16,187
Depreciation of property, plant and equipment	**172,084**	127,766
Depreciation of right-of-use assets	**45,160**	46,146
Employee benefit expense (including directors' emoluments)	**955,956**	767,373
(Reversal of)/provision for impairment of inventories	**(13,900)**	746

10 [illegible]

	Six months ended 30 September	
	2020	2019
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Interest income from bank	**53,838**	71,473
Interest income from a related party	**1,259**	1,314
Others	**89**	2,265
	55,186	83,052

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	Six months ended 30 September	
	2020	201
	HK$'000	HK$'000
	(Unaudited)	(Un i)
C en in me :		
PRC C p e In me (PRC Ch)	**122,163**	136,580
PRC Wi hh l in In me	**11,422**	7,560
PRC Lan App e ion (PRC LA)	**16,754**	16,574
U.S. Fe e lan S e C en In me e (U.S. Ch)	**606**	716
O he	**3,299**	6,477
De e e	**(24,182)**	4,781
Un e -p i in inp i	**2,107**	1,348
	132,169	174,036

Un e he LA he PRC n En e p i e In me (he E LA) an Implemen ion Re in he E LA , he e he PRC i ie i 25% h pe i , e ep PRC i ie he C mpan , in in e in he e e n e in he PRC, i pp e en he p e e en al e e 15%.

The E LA imp e ihh l in p n he i i in he p i e ne he C mpan ' PRC i ie n e 1 an 2008 hei in n-e i en he h l e .

The U.S. Ch he e mp i e e e in me e al e e 21% (i m n h en e 30 Sep em e 201 : 21%) an e in me e al e e m 0% % (i m n h en e 30 Sep em e 201 : 0.75% .5%) n he e im e e e fe p i he i ie C mpan hi h in p e in he U.S..

A e n De e LA N . 58/ /M, Ch p e 2, A i e 12, e 18 O e 1 , he G p' M e i ie i e mp e m M e C mpen a ion Sch e .

12

	Six months ended 30 September	
	2020 (Unaudited)	201 (Un i)
Basic		
P i i f e n e C mp n e p e i (HK$'000)	**749,303**	705,67
Wei h e e n in in e , in h n	**3,798,745**	3,822,776
B i e nin pe h e e pe i in HK en	**19.73**	18.46
Diluted		
P i i f e n e C mp n e p e i (HK$'000)	**749,303**	705,67
Wei h e e n in in e , in h n	**3,798,745**	3,822,776
E e il i e p en i in e n e e i e p i n	**9,088**	155
Wei h e e n in in e min il i n, in h n	**3,822,9707,83/T1 1 Tf8.819 0 Td(705,6,9763,131Tq 1 0 0 1 385.5118 369.1030.09.370 m68.032 0 SQBT/T1 1 Tf**	

14

	Property, plant and equipment HK$'000
As at 31 March 2020 (Audited)	
C	5,221,863
A m [illegible]	(1,271,876)
N [illegible]	3,949,987
For the period ended 30 September 2020	
Op[illegible]	3,949,987
E h[illegible]	149,032
A i i n	417,636
Di p l	(47,553)
[illegible]	(56,551)
D[illegible]	(172,084)
Cl in [illegible]	4,240,467
As at 30 September 2020 (Unaudited)	
C	5,705,444
A m [illegible]	(1,464,977)
N [illegible]	4,240,467
As at 31 March 2019 (Audited)	
C	4,857,437
A m [illegible]	(1,078,689)
N [illegible]	3,778,748
For the period ended 30 September 2019	
Op[illegible]	3,778,748
E h[illegible]	(186,621)
A i i n	483,781
Di p l	(3,703)
[illegible]	(11,643)
D[illegible]	(121,766)
Cl in [illegible]	3,950,576
As at 30 September 2019 (Unaudited)	
C	5,101,601
A m [illegible]	(1,151,005)
N [illegible]	3,950,576

15

	Goodwill HK$'000	Other intangible assets HK$'000	Total HK$'000
As at 31 March 2020 (Audited)			
C	524,048	278,168	803,016
A m W E m i n	–	(70,528)	(70,528)
N m n	524,048	188,440	712,488
For the period ended 30 September 2020			
Op n n m n	524,048	188,440	712,488
E h n m	12,217	7,772	21,989
A i n	–	180	180
Am i n	–	(16,385)	(16,385)
Cl in n m n	536,265	182,007	718,272
As at September 2020 (Unaudited)			
C	536,265	274,651	830,916
A m W E m i n	–	(112,644)	(112,644)
N m n	536,265	182,007	718,272
As at 31 March 2019 (Audited)			
C	525,504	283,174	808,678
A m W E m i n	–	(61,141)	(61,141)
N m n	525,504	222,033	747,537
For the period ended 30 September 2019			
Op n n m n	525,504	222,033	747,537
E h n m	(17,443)	(6,435)	(23,878)
A i n	–	5,225	5,225
Am i n	–	(16,187)	(16,187)
Cl in n m n	508,461	204,636	713,097
As at 30 September 2019 (Unaudited)			
C	508,461	278,618	787,079
A m W E m i n	–	(74,182)	(74,182)
N m n	508,461	204,636	713,097

16 [illegible]

	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
Trade receivables	**1,516,209**	1,215,294
Less: provision for impairment of trade receivables	**(4,899)**	(4,540)
Trade receivables, net	**1,511,310**	1,210,754

As at 30 September 2020, trade receivables from [illegible] amounted to HK$128,701,000 (As at 31 March 2020: HK$51,372,000). All trade receivables [illegible] the Group [illegible] within credit terms.

The Group [illegible] 30 days [illegible]. The ageing analysis of the Group's trade receivables (net of provision for impairment loss) presented based on the invoice dates at the end of the reporting period is as follows:

	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
0 – 30 days	**1,369,792**	1,054,410
31 – 180 days	**95,311**	123,737
Over 180 days	**46,207**	32,607
	1,511,310	1,210,754

Before accepting any new [illegible], the Group [illegible] the potential [illegible]'s credit quality and defines credit limits [illegible] on an individual basis. [illegible].

17 [illegible]

	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
[illegible]	**1,005,739**	467,070

[illegible] 30 60 [illegible].

[illegible] G [illegible] [illegible] [illegible]:

	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
0 – 90 [illegible]	**1,004,297**	466,854
91 – 180 [illegible]	**1,294**	175
Over 180 [illegible]	**148**	61
	1,005,739	467,070

18 [illegible]

	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
[illegible]	**631,956**	234,702
[illegible]	**2,482**	26,154
	634,438	260,856

1.

	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
Secured (Note)	9,716	10,712
Unsecured	4,205,571	3,168,473
	4,215,287	3,171,285

The bank loans are principally repayable on demand (or within one year from the balance sheet date) and the Group's bank borrowings are analysed as follows:

	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
The bank loans are repayable as follows:		
Within one year	4,069,859	3,277,477
Within more than one year but not exceeding two years	145,346	701,581
Within more than two years but not exceeding five years	82	205
	4,215,287	3,171,285
Non-current	145,428	701,786
Current	4,069,859	3,277,477
	4,215,287	3,171,285

The Group's borrowings are denominated in HKD and RMB, and bear interest at floating rates. The effective interest rates range from 2.70% to 3.72% (for the six months ended 31 March 2020: 3.60% to 4.35%). The bank loans as at 31 March 202

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	Number of Shares	Amounts HK$'000
Authorised:		
Ordinary shares:		
At 1 April 2019, 31 March 2020 and 30 September 2020 – HK$0.40 each	5,000,000,000	2,000,000
		HK$'000
Issued and fully paid:		
At 1 April 2019	3,823,123,000	1,529,249
Repurchase of shares (Note)	(33,003,000)	(13,201)
Exercise of share options	5,820,000	2,328
At 31 March 2020	3,795,940,000	1,518,376
At 1 April 2020	3,795,940,000	1,518,376
Exercise of share options	6,524,000	2,609
At 30 September 2020	3,802,464,000	1,520,985

Note:

During the year ended 31 March 2020, 33,003,000 ordinary shares of the Company with HK$0.40 each were repurchased on the Stock Exchange at prices ranging from HK$3.73 to HK$6.53 per share.

21

21 [illegible]

The [illegible] in the Company's share option scheme during the period are as follows:

	Number of share options	
	2020 '000	2019 '000
Outstanding at 1 April	**31,449**	37,446
Cancelled/Lapsed in the period	**(2,298)**	(3,228)
Exercised in the period	**(6,524)**	(182)
Outstanding at 30 September	**22,627**	34,036

During the six months ended 30 September 2020, HK$31,514,000 was received by the Company (Six months ended 30 September 2019: HK$613,000).

Details of share options outstanding are as follows:

Options	Date of grant	Number of share options outstanding as at 30 September 2020	Vesting period	Exercise period	Original exercise price	Adjusted exercise price
Tranche 2016	26.1.2016	361,600	26.1.2016–25.1.2019	26.1.2019–25.1.2021	8.72	4.46
Tranche 2016	27.1.2016	252,000	27.1.2016–26.1.2019	27.1.2019–26.1.2021	8.72	4.46
Tranche 2017	13.1.2017	267,600	13.1.2017–12.1.2019	13.1.2019–12.1.2021	5.17	N/A
		537,200	13.1.2017–12.1.2020	13.1.2020–12.1.2022	5.17	N/A
		1,544,000	13.1.2017–12.1.2021	13.1.2021–12.1.2023	5.17	N/A
Tranche 2018	12.2.2018	167,600	12.2.2018–11.2.2020	12.2.2020–11.2.2022	7.18	N/A
		1,271,600	12.2.2018–11.2.2021	12.2.2021–11.2.2023	7.18	N/A
		1,151,600	12.2.2018–11.1.2022	12.2.2022–11.1.2024	7.18	N/A
Tranche 2019	28.1.2019	3,541,600	28.1.2019–27.1.2021	28.1.2021–27.1.2023	3.71	N/A
		3,535,200	28.1.2019–27.1.2022	28.1.2022–27.1.2024	3.71	N/A
		3,370,800	28.1.2019–27.1.2023	28.1.2023–27.1.2025	3.71	N/A
Tranche 2020	17.1.2020	2,060,800	17.1.2020-16.1.2022	17.1.2022-16.1.2024	6.53	N/A
		2,001,600	17.1.2020-16.1.2023	17.1.2023-16.1.2025	6.53	N/A
		1,746,000	17.1.2020-16.1.2024	17.1.2024-16.1.2026	6.53	N/A
		22,627,200				

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	30 September 2020 HK$'000 (Unaudited)	31 March 2020 HK$'000 (Audited)
Capital expenditure in respect of acquisition of property, plant and equipment		

23 [illegible]

(a) [illegible]

The emoluments of each of the directors and the chief executive of the Company for the period are set out below:

	Six months ended 30 September	
	2020	2019
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Short-term employee benefits	**7,210**	7,115
Post-employment benefits	**25**	30
Equity-settled share-based payment expense	**344**	460
	7,579	7,605