

Listed Company Information

MAN SANG INT'L<0938> - Announcement

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MAN SANG INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability)

Placing of 40,000,000 New Shares

The board of directors (the "Board") of Man Sang International Limited (the "Company") is pleased to announce that the Company and Kingsway SW Securities Limited ("Kingsway") entered into a conditional placing agreement (the "Agreement") on 6 August 1999 whereby the Company has agreed to appoint Kingsway and Kingsway has agreed to accept the appointment as placing agent on a fully underwritten basis in respect of the placing (the "Placing") of 40,000,000 new ordinary shares (the "Placing Shares") of HK\$0.10 each (the "Shares") in the capital of the Company at a price of HK\$0.33 per Share (the "Placing Price").

The Placing Shares represent approximately 8.26% of the Company's total issued share capital at the date of this announcement and approximately 7.63% of the issued share capital as enlarged by the issue of the Placing Shares.

It is intended that the net proceeds from the Placing of approximately HK\$12.75 million will be used as to approximately HK\$8 million for retail market development in pearls and pearl products in the People's Republic of China (the "PRC") and the remaining balance for general working capital.

Completion of the Agreement is conditional upon, amongst other things, the Listing Committee of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting approval for the listing of, and permission to deal in, the Placing Shares.

Agreement dated 6 August 1999

Issuer
Man Sang International Limited

Placing agent
Kingsway, an independent third party, independent of the directors, chief executives, substantial shareholders of the Company or any of its subsidiaries, or an associate of any of them (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")).

Number of Shares to be placed
40,000,000 new Shares

The Placing Shares represent approximately 8.26% of the Company's total

issued share capital at the date of this announcement and approximately 7.63% of the issued share capital as enlarged by the issue of the Placing Shares. The Placing Shares will be issued under the general mandate granted to the directors of the Company at the special general meeting of the Company held on 2 August 1999.

The Placing Shares, when fully paid, allotted and issued, will rank pari passu in all respects with the existing Shares in issue, including the right to receive all dividends and distributions which may be declared, made or paid after the date of completion of the Placing.

Placees

Kingsway undertakes to place the Placing Shares to more than six placees who are independent institutional, professional and/or other investors, independent of the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or an associate of any of them (as defined in the Listing Rules).

Placing Price

The Placing Price of HK\$0.33 per Share represents a discount of approximately 13.16% to the closing price of HK\$0.38 per Share as quoted on the Stock Exchange on 6 August 1999 and a discount of approximately 10.81% to the average closing price of HK\$0.37 per Share as quoted on the Stock Exchange on the last ten trading days up to and including 6 August 1999.

The Placing Price was negotiated on an arm's length basis between the Company and Kingsway. The Board considers that the Placing is fair and reasonable to the Company and its shareholders as a whole.

Conditions of the Agreement

Completion of the Agreement is conditional upon (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares; and (ii) filing of relevant documents or obtaining the necessary waiver relating to the Placing as required by law in Bermuda and is expected to take place on or about 21 August 1999 or such other date as both parties mutually agree.

Shareholding of the substantial shareholder before and after Placing
The shareholding of the substantial shareholder in the Company before and after the Placing is summarised as follows :

Name	Shares	% held before Placing	% held after Placing
Man Sang International (B.V.I.) Limited	355,000,000	73.28	67.69
Mr. Cheng Tai Po (Note)	5,422,000	1.12	1.03

Note: Mr. Cheng Tai Po, deputy chairman of the Company together with Mr. Cheng Chung Hing, chairman of the Company indirectly control Man Sang International (B.V.I.) Limited.

Use of net proceeds

Net proceeds of the Placing is estimated to be approximately HK\$12.75 million and will be used as to approximately HK\$8 million for retail market development in pearls and pearl products in the PRC and the remaining balance for general working capital.

Adjustments to subscription price of warrants

The subscription price of the warrants of the Company may, as a result of the Placing, be adjusted in accordance with the terms of the instrument constituting the warrants. Further notice will be given to the warrant holders of the Company should any such adjustment be confirmed by the auditors of the Company.

General

An application will be made to the Stock Exchange for the listing of,
and permission to deal in, the Placing Shares.

On Behalf of the Board of
Man Sang International Limited
Cheng Chung Hing
Chairman

Hong Kong SAR, 6 August 1999