

[For Immediate Release]

MAN SANG INTERNATIONAL ANNOUNCES 2005/06 ANNUAL RESULTS

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(Hong Kong, June 28, 2006) – **Man Sang International Limited** (“Man Sang” or the “Group”; stock code: 938) today announced its annual results for the year ended March 31, 2006.

During the year under review, the Group recorded a turnover of HK\$378.3 million, representing a drop of 8.2% compared with the previous year, which was primarily due to a decline in demand for South Sea pearls from US customers and decrease of sales order for assembled jewelry products. Net profit grew 2.3% to HK\$43.0 million in 2006 from the restated net profit of HK\$42.0 million in 2005. The increase in net profit was mainly due to lower administrative expenses and increased interest income contribution during the year.

South Sea pearls as well as assembled pearl jewelry and jewelry products are the major business streams of the Group, accounting for 39.9% and 45.6% of the Group’s total turnover respectively. Sales of freshwater pearls increased, indicating that freshwater pearls have strong potential attraction to customers looking for more affordable products. Geographically, the European market grew at a healthy pace while the US market has dropped during the year.

Mr. Cheng Chung Hing, Chairman of Man Sang, believed that although the Group’s sales performance during the year has decreased, its team of professional designers has been capable of offering a wide range of innovative and trendy product designs to the customers. The Group’s skilful labour has also been able to ensure the superb quality of its pearls and jewelry products. Aiming to boost sales performance, the Group will mount active marketing campaigns to expand its customer network, and also invest in back-end production equipment and improve production techniques. In addition, it will continue to adopt effective cost-control measures on spending.

As for property investment, the Company has committed to investing in a project in Zhuji, Zhejiang, the PRC. The Zhuji Municipal is currently one of the largest freshwater pearls cultivation and trading centres in the PRC and the world. It offers a comprehensive range of freshwater pearls and other pearl products. The project entails the building of a new international trading platform and supporting facilities, which will allow it not only to maintain the existing customer base but also to capture a world-wide customer base. The initial registered capital of the project is US\$20 million and the total investment is estimated at US\$40 million. Phase one of the project will involve usable land of more than 400,000 sq. m. The Group owns 49% interest in the project and is the largest shareholder.

Mr. Cheng said, “Zhuji is a city of strategic importance to the pearl industry. This project is expected to help us build a global brand name and enlarge our customer base, thereby strengthening our position as one of industry leaders. Besides, the project will enable us to further diversify and expand our property investment business. Looking forward, the Group is optimistic about its future prospects and expects the Zhuji project to take our Group to a new level.”

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About Man Sang International Limited

Man Sang was listed on the Hong Kong Stock Exchange in 1997. It is the first pearl company listed in Hong Kong. Its principal activities include purchasing, processing, assembling, design, export, merchandising and wholesale distribution of pearls and jewelry products, including Chinese cultured pearls, Chinese freshwater pearls, Japanese cultured pearls, Tahitian and South Sea pearls, as well as pearls and jewelry products. The Group operates its own pearl processing facilities in Shenzhen, the PRC.

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