



MAN SANG HOLDINGS, INC.

FOR IMMEDIATE RELEASE

**MAN SANG HOLDINGS, INC.
First Quarter Announcement**

NEW YORK--(MARKETWIRE) — August 14, 2009 -- Man Sang Holdings, Inc. (the "Company") (NYSE AMEX: MHJ) announced the following, with regards to the Form-10Q filed with the SEC this morning:

Business Review

The Group had two primary business segments during the three months ended June 30, 2009. One business segment is engaged in the purchase, processing, assembling, merchandising and wholesale distribution of pearls and jewelry products ("Pearl Operations") and the other is engaged in real estate development and real estate leasing ("Real Estate Operations"). Net sales for the three months ended June 30, 2009 decreased by HK\$40.8 million to HK\$48.6 million, consisting of HK\$45.4 million attributable to Pearl operations and HK\$3.2 million attributable to Real Estate Operations

Gross Profit

Gross profit decreased by HK\$21.1 million, or 57.7%, from HK\$36.6 million for the three months ended June 30, 2008 to HK\$15.5 million for the three months ended June 30, 2009, consisting of HK\$13.5 million attributable to our Pearl Operations and HK\$2.0 million attributable to our Real Estate Operations.

Net income attributable to Man Sang Holdings, Inc. decreased by HK\$3.5 million, or 83.4%, from HK\$4.2 million for the three months ended June 30, 2008 to HK\$0.7 million for the three months ended June 30, 2009.

Pearl Operations

Net sales attributable to our Pearl Operations decreased by HK\$36.4 million, or 44.5%, from HK\$81.8 million for the three months ended June 30, 2008 to HK\$45.4 million for the three months ended June 30, 2009. Decreases in net sales attributable to our Pearl Operations were primarily due to a decrease in market demand in the United States and other regions due to the current global economic contraction and recession. Net sales to the United States market decreased by HK\$9.5 million, or 52.0%, from HK\$18.3 million for the three months ended June 30, 2008 to HK\$8.8 million for the three months ended June 30, 2009. Net sales to the Europe market decreased by HK\$8.5 million, or 23.6%, from HK\$36.1 million for the three months ended June 30, 2008 to HK\$27.6 million for the three months ended June 30, 2009.

Gross profit attributable to our Pearl Operations decreased by HK\$18.5 million, or 57.9%, from HK\$32.0 million for the three months ended June 30, 2008 to HK\$13.5 million for the three months ended June 30, 2009. Gross profit margin decreased from 39.1% for the three months ended June 30, 2008 to 29.6% for the three months ended June 30, 2009. The decrease in gross profit margin was primarily due to the mounting pressures to cut prices amid the current global economic downturn.

Real Estate Operations

Net sales attributable to our Real Estate Operations decreased by HK\$4.3 million, or 57.3%, from HK\$7.5 million for the three months ended June 30, 2008 to HK\$3.2 million for the three months ended June 30, 2009. The decrease was primarily due to a decrease in demand for shops and booths in China Pearls and Jewellery City, as a result of a decrease in consumer demand for pearls and jewelry.

Gross profit attributable to our Real Estate Operation decreased by HK\$2.6 million or 56.2% from HK\$4.6 million for the three months ended June 30, 2008 to HK\$2.0 million for the three months ended June 30, 2009. Gross profit margin attributable to our Real Estate Operation increased from 61.1% for the three months ended June 30, 2008 to 62.7% for the three months ended June 30, 2009. Gross profit margin varied depending on the location of the shop or booth unit in China Pearls and Jewellery City. More centrally located shop and booth units command relatively higher prices.

Gross rental income decreased by HK\$0.2 million, or 2.7% from HK\$6.0 million for the three months ended June 30, 2008 to HK\$5.8 million for the three months ended June 30, 2009. The decrease was primarily attributable to a decrease of HK\$0.5 million in rental income attributable to Man Sang Industrial City, due to a decrease in occupancy rate from 87% as of June 30, 2008 to 82% as of June 30, 2009. The decrease was partially offset by an increase of HK\$0.3 million in rental income attributable to China Pearls and Jewellery City.

Future Trends

Despite signs of stabilization in economic conditions following a series of stimulus measures, there is still a high degree of economic uncertainty which makes it difficult for us to assess credit and capital markets, the future direction of economic conditions and the further effects these factors could have on the global economy. Customers remain cautious about increasing their levels of inventories, which adversely affects demand for our products in our Pearl Operations. In the meantime, investor demand for real estate in the PRC has declined significantly reflecting a reduction of capital invested in the market. A further recessionary economic cycle, higher levels of unemployment, higher consumer debt levels, or other economic factors could further adversely affect our results of operations.

Looking ahead, we anticipate the global economic environment will continue to stabilize and recover slowly over the coming year. We will continue to monitor the effects of the financial crisis in the markets where we operate and to adopt appropriate business and financial management policies in order to capture business growth opportunities when economic conditions improve.

Complete filing can be found on the SEC website at:

<http://www.sec.gov/cgi-bin/browse-edgar?company=MAN+SANG+HOLDINGS+INC&match=&CIK=&filenum=&State=&SIC=&owner=include&action=getcompany>

ABOUT MAN SANG HOLDINGS, INC.

Man Sang Holdings, Inc. is principally engaged through subsidiaries in the purchasing, processing, assembling, merchandising and wholesale distribution of pearls, pearl jewelry products and jewelry products. In addition, Man Sang Holdings, Inc., through its subsidiaries, owns and operates commercial real estate for lease and sale in Hong Kong and the People's Republic of China.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are, by their nature, subject to risks and uncertainties. This Act provides a "safe harbor" for forward-looking statements to encourage companies to provide prospective information about themselves so long as they identify these statements as forward-looking and provide meaningful cautionary statements identifying important factors that could cause actual results to differ from the projected results. All statements, including statements regarding industry prospects and future results of operations or financial position, made in this press release are forward looking.

Words such as "may," "believes," "will," "expect," "project," "estimate," "intend," "anticipate," "plan," "continue" and similar expressions may identify forward-looking statements. These forward-looking statements include, without limitation, statements relating to: the Company's future performance, the Company's expansion efforts, the state of economic conditions and the Company's market. These forward-looking statements are based on assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes to be appropriate in particular circumstances. However, whether actual results and developments will meet the Company's expectations and predictions depends on a number of known and unknown risks and uncertainties and other factors, any or all of which could cause actual results, performance or achievements to differ materially from the Company's expectations, whether expressed or implied by such forward-looking statements (which may relate to, among other things, the Company's sales, costs and expenses, income, inventory performance, and receivables).

Primarily engaged in the processing and trading of pearls and pearl jewelry products, and in real estate investment, the Company's ability to achieve its objectives and expectations are derived at least in part from assumptions regarding economic conditions, consumer tastes, and developments in its competitive environment. The following assumptions, among others, could materially affect the likelihood that the Company will achieve its objectives and expectations communicated through these forward-looking statements: (i) that low or negative growth in the economies or the financial markets of its customers, particularly in the United States and in Europe, will not occur and reduce discretionary spending on goods that might be perceived as "luxuries"; (ii) that the Hong Kong dollar will remain pegged to the US dollar at US\$1 to HK\$7.8; (iii) that customer's choice of pearls vis-à-vis other precious stones and metals will not change adversely; (iv) that the Company will continue to obtain a stable supply of pearls in the quantities, of the quality and on terms required by the Company; (v) that there will not be a substantial adverse change in the exchange relationship between the renminbi ("RMB") and the Hong Kong or US dollar; (vi) that there will not be substantial increase in tax burden of subsidiaries of the Company operating in the PRC; (vii) that there will not be substantial change in climate and environmental conditions at the source regions of pearls that could have material effect on the supply and pricing of pearls; and (viii) that there will not be substantial adverse change in the real estate market conditions in the PRC and in Hong Kong.

The discussion of our results of operation, and liquidity and capital resources should be read in conjunction with the financial statements and the notes thereto included elsewhere in this release and Form 10-K and with the Company's quarterly report on Form 10-Q, both of which can be obtained on the Company's website on www.man-san.com. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. The Company will not publicly release any revisions to these forward-looking statements after the date hereof. Readers are urged, however, to review the factors set forth in reports that the Company files from time to time with the Securities and Exchange Commission.

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