



鴻興印刷集團有限公司

Hung Hing Printing Group Limited

Hung Hing Printing Centre, 17-19 Dai Hei Street, Tai Po Ind. Est., N.T., Hong Kong Tel: 2664 8682 Fax: 2664 2070

PRESS RELEASE

Hung Hing Printing Group reports 2019 interim results Achieving a turnaround in profitability on the back of strong export sales

Hong Kong, 28 August 2019 – Hung Hing Printing Group Limited (HKSE: 450), one of the largest printers in Asia, today announced its interim results for the six months ended 30 June 2019. Group revenue dropped slightly by 1.86% to HK\$1,436 million compared to the same period last year. Driven by strong export sales growth in its book and package printing business, the Group achieved a net profit of HK\$2 million compared to a net loss of HK\$33 million recorded in the same period last year.

The Group maintained a strong cash position of HK\$1,026 million as a foundation for future business development. Basic profit per share was HK0.5 cents compared to basic loss per share of HK3.9 cents for the corresponding period in 2018.

The board of directors has declared an interim dividend of HK3 cents (2018: HK3 cents) per share.

Mr. Matthew C.M. Yum, Executive Chairman of Hung Hing Printing Group Limited, said, “Paper prices underwent relative rational adjustments in contrast to trends seen in 2018. The RMB showed stable positive movement, allowing us to optimise operating costs. Labour costs were kept under control as a result of business process improvement and stability in minimum wage in China. These factors, combined with prudent inventory strategies, and increased efficiencies due to effective portfolio management, automation and enhanced workflow design, allowed us to achieve positive change in our bottom-line results.”

The Group’s largest business unit, Book and Package Printing benefited from improved export market conditions, enhanced efficiencies and favourable paper price trends to record a profit of HK\$23 million, compared to a loss of HK\$58 million during the same period last year. The Consumer Product Packaging business unit recorded a loss of HK\$12 million, compared to a profit of HK\$8 million during the six months in 2018, primarily due to weaker demand conditions as a result of a softer economy in China. Both the Corrugated Box and Paper Trading business units were also disadvantaged due to the lackluster market conditions. Corrugated Box recorded a 34% drop in profit to HK\$7 million, while Paper Trading recorded a 73% drop in profit to HK\$3 million.

Mr. Yum said, “We have confidence in our business in the second half with a robust order pipeline. Our recent strategic investments in a number of high-potential companies will serve to complement our core business by helping us diversify and strengthening our digital capabilities. We believe our vertically integrated operation and healthy financial standing will place us in an advantageous position to overcome short-term market uncertainties and grow over the long term.”

- END -

Hung Hing Printing Group Limited (HKSE: 450)

Hung Hing was founded by the Company's former Honorary Chairman Mr. Yam Cheong Hung in 1950. In 2020, the Company will be celebrating its 70th anniversary. Over these many decades, Hung Hing has developed into one of the largest printers in Asia, with significant operations in book and package printing, consumer product packaging, corrugated box manufacturing and paper trading, and manufacturing facilities at seven locations, including Hong Kong, China (Shenzhen, Zhongshan, Heshan and Foshan in the Guangdong province and Wuxi, near Shanghai) and Hanoi, Vietnam (to be operational in Q4 2019). With a firm commitment to provide value-added services that are indispensable for customers' success, the Company harnesses the latest in technology and ideas to create print solutions through sustainable operating practice, and services multinational corporations from the U.S. and Europe as well as from domestic companies in China. The Company has a workforce of approximately 9,400 employees. It has been listed on The Hong Kong Stock Exchange since 1992.

###

For enquiries, please contact:

Charlotte Fan
Prime Communications Limited
Tel: 9191 9951
Email: charlotte.fan@primecomshk.com