



鴻興印刷集團有限公司

Hung Hing Printing Group Limited

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PRESS RELEASE

Hung Hing Printing Group reports 44.4% increase in profit attributable to equity shareholders of the Company to HK\$109.4 million and announces a final dividend of HK10 cents per share including a special dividend

Hong Kong, 24 March 2021 – Hung Hing Printing Group Limited (HKSE: 450) (the Group), one of the largest printers in Asia, today announced its full-year results for the financial year ended 31 December 2020, reporting a 44.4% increase in profit attributable to equity shareholders of the Company to HK\$109.4 million. Group revenues decreased 17.2% to HK\$2,554 million.

Profitability was attributable to factors including the first-phase recognition of one-off gains from the surrender of the land of the Group's Wuxi factory to the local government, favourable returns from effective currency hedging strategies that enabled the Group to take advantage of favourable RMB exchange rates, and capitalising government initiatives, including pandemic-related support programmes, to enable appropriate investment during challenging times.

Hung Hing operates a generous dividend policy that aims to maximise shareholder returns. Our approach combines progressive increment in dividend, and with the distribution of special dividends that take into account projected cash-flow and profit retention requirements for future development. In 2020, in view of our strong cash position, and aligned with this policy, the Board of Directors has recommended a final dividend of HK10 cents per share, including a special dividend of HK6 cents per share. 2020 marks the fourth consecutive year that we have distributed a special dividend. Including the interim dividend of HK3 cents per share, total dividend for the year stands at HK13 cents per share (2019: HK10 cents per share), an increase of over 30% from 2019. Earnings per share stood at HK12.1 cents.

Mr. Matthew C.M. Yum, Executive Chairman of Hung Hing Printing Group Limited, said, "During the year, we continued with product innovation and diversification of our order portfolios for value enhancement, implemented prudent inventory strategies, and increased efficiencies through automation and enhanced workflow design. This allowed us to partially offset the dampening impact of the global COVID-19 pandemic as well as US-China trade tensions."

"Our diversified operations and strong cash position of HK\$1,238 million will allow us to provide attractive returns to shareholders, while making investments for the future, paving the way to realise the full potential of our business and asset value." Mr. Yum said.

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Hung Hing Printing Group Limited (HKSE: 450)

Hung Hing was founded by the Company's former Honorary Chairman Mr. Yam Cheong Hung in 1950. 2020 marks the Company 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 production, corrugated box manufacturing, paper trading, and design innovation in these areas. The Group has manufacturing facilities at seven locations across Asia, including Hong Kong, China (Shenzhen, Zhongshan, Heshan and Foshan in the Guangdong province and Wuxi, near Shanghai) and Hanoi, Vietnam. 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 local and multinational corporations from around the world. The Company has a workforce of approximately 6,600 employees. It has been listed on The Hong Kong Stock Exchange since 1992.

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