



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 announces 2020 interim results Reporting 13% increase in net profit**

**Hong Kong, 25 August 2020** – Hung Hing Printing Group Limited (HKSE: 450), one of the largest printers in Asia, today announced its 2020 interim results. Net profit for the six months ended 30 June 2020 increased 13% to HK\$2.4 million.

In April 2020, Hung Hing Printing Group Limited entered into an agreement with the local government of Wuxi in China to surrender the existing land of its Wuxi plant in two phases, recognising in the first phase a one-off gain of HK\$58 million. This gain offset the impairment of receivables of HK\$56 million owed by a customer of the Group, kikki.K Pty Ltd (“kikki.K”).

Business momentum has been hindered by US-China geographic tension and COVID-19 related disruption, leading to a revenue decline of 23.5% to HK\$1,099 million compared to 2019. However, the Group’s financial position, inclusive of cash and deposits, further strengthened to HK\$1,255 million (up 14.3% compared to the year ended 31 December 2019). Basic profit per share was HK0.5 cents.

The Board of Directors has declared an interim dividend of HK3 cents (2019: HK3 cents) per share.

Mr. Matthew C.M. Yum, Executive Chairman of Hung Hing Printing Group Limited, said, “Lockdowns due to the COVID-19 pandemic in our key export markets such as the U.S., U.K. and European countries and conservative order placement trends led to a business slowdown that affected most of our business units. Our largest business unit, Book and Package Printing, was able to generate new revenues from special projects and new branded goods, improving underlying profit contribution to HK\$27 million if the impact of impairment of receivables owed by kikki.K is excluded.”

“2020 will be about increased industry consolidation and an emphasis on achieving cost efficiencies. As we celebrate our 70th anniversary in this new reality, our world-leading capabilities and strong financial position will place us in an advantageous position to grow over the long term.” 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 70<sup>th</sup> 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 7,100 employees. It has been listed on The Hong Kong Stock Exchange since 1992.

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