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HUNG HING PRINTING GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 450)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

The Board wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the Group's unaudited management accounts for the year ended 31 December 2018 and information currently available to the Board, the Group expects to record a net loss of approximately HK\$ 70 million as compared to a net profit of HK\$ 1,056 million recorded by the Group last year.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Hung Hing Printing Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the Group's unaudited management accounts for the year ended 31 December 2018 and information currently available to the Board, the Group expects to record a net loss of approximately HK\$ 70 million as compared to a net profit

of HK\$ 1,056 million recorded by the Group last year. This is mainly attributable to (i) the absence of an one-off pre-tax gain of approximately HK\$1,144 million arising from the disposal of a subsidiary, Sun Hing Paper (Shenzhen) Company Limited recorded in last year; (ii) decrease in gross profit margin by approximately HK\$99 million primarily related to the increase of provisions in labour benefit cost and abrupt surge in paper prices; and (iii) fair value losses of approximately HK\$46 million arising from settlement of all forward contracts for hedging against the Group's currency exposure to fluctuations in Renminbi.

The Board wishes to point out that as of 31 December 2018, the Group continued to maintain strong net cash in hand (total cash net of bank borrowings) of approximately HK\$958 million, which will give us the financial leverage to invest in future growth and create shareholders value.

The Company is in the process of finalizing the Group's annual results for the year ended 31 December 2018 (the "**Annual Results**"). The information contained in this announcement is only a preliminary assessment by the management of the Company based on the latest management accounts of the Group currently available and is not based on any figures or information which has been audited or reviewed by the Company's auditor. Finalized Annual Results and other details of the Group are expected to be announced before the end of March 2019.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Hung Hing Printing Group Limited
Shek Kwok Man

Chief Financial Officer & Company Secretary

Hong Kong, 1 February 2019

As at the date of this announcement, the Board comprises Mr. Yum Chak Ming, Matthew and Mr. Sung Chee Keung, who are executive directors; Mr. Hirofumi Hori, Mr. Sadatoshi Inoue, Mr. Yoshihisa Suzuki and Mr. Yam Hon Ming, Tommy, who are non-executive directors; Mr. Yap, Alfred Donald, Mr. Luk Koon Hoo and Mr. Lo Chi Hong, who are independent non-executive directors.