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HUNG HING PRINTING GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 450)

CONTINUING CONNECTED TRANSACTION

References are made to the announcement dated 15 April 2011 and the announcement dated 3 August 2011. It was announced that on 15 April 2011, Asia Packaging, which held 340,476,445 Shares, representing approximately 37.5% equity interests in the Company, entered into an agreement with Rengo, pursuant to which Asia Packaging agreed to sell and Rengo agreed to purchase, 271, 452, 000 Shares, representing approximately 29.9% equity interests in the Company. The Share Sale was completed on 3 August 2011.

After the Completion, Rengo became a substantial shareholder of the Company and each of the Paper Mill Entities, in which Rengo holds approximately 62.8% equity interests, is an associate of Rengo and therefore a connected person of the Company. Therefore, certain continuing transactions entered into between the Paper Mill Entities and certain of the Company's subsidiaries, prior to the Completion have become continuing connected transactions after Completion.

As the percentage ratios of the Continuing Connected Transactions are expected to be less than 5% on an annual basis, such transactions will be exempt from approval of the independent shareholders of the Company and subject to reporting, annual review and announcement requirements only.

1. INTRODUCTION

References are made to the announcement dated 15 April 2011 and the announcement dated 3 August 2011. It was announced that on 15 April 2011, Asia Packaging, which held 340,476,445 Shares, representing approximately 37.5% equity interests in the Company, entered into an agreement with Rengo, pursuant to which Asia Packaging agreed to sell and Rengo agreed to purchase, 271, 452, 000 shares, representing approximately 29.9% equity

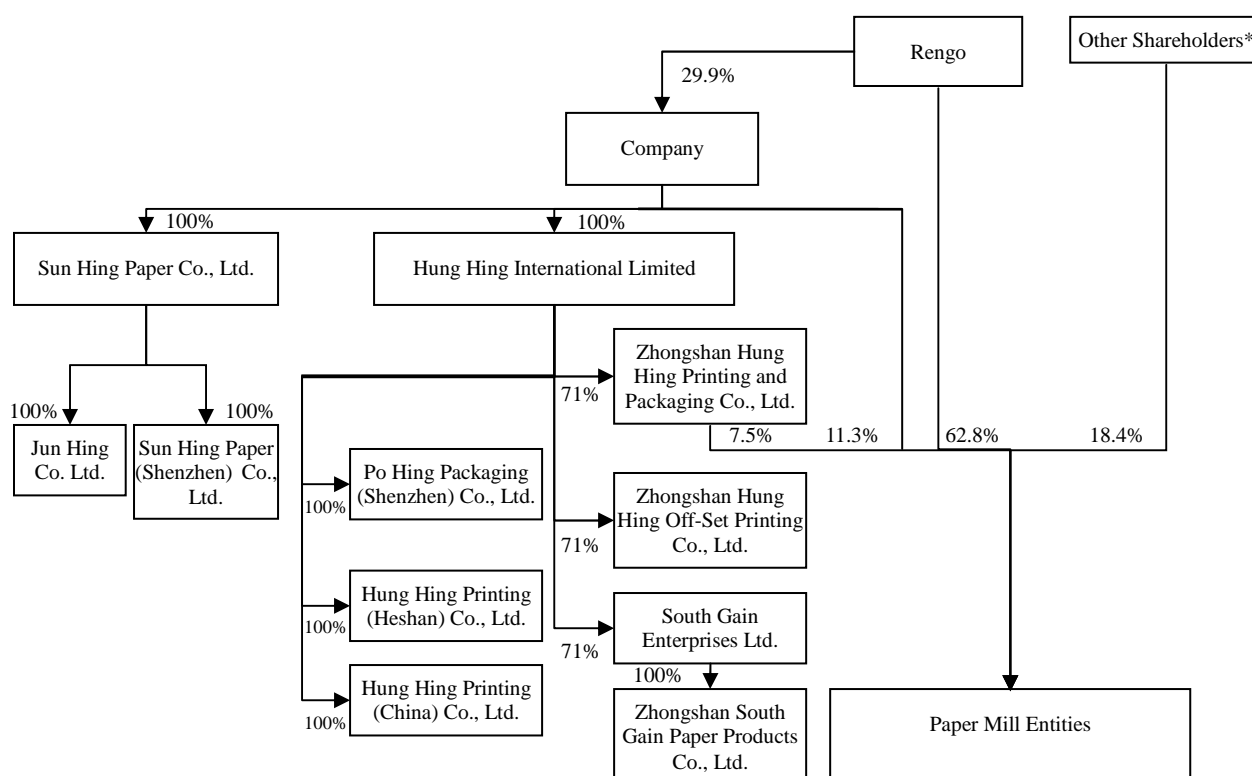
interests in the Company. The Share Sale was completed on 3 August 2011.

Prior to the Completion, a number of subsidiaries of the Company (the “Subsidiaries”), purchased and intended to continue to purchase paper from the Paper Mill Entities, and the Subsidiaries sold and intended to continue to sell waste paper to the Paper Mill Entities. After the Completion, Rengo became a substantial shareholder of the Company and each of the Paper Mill Entities, in which Rengo holds approximately 62.8% equity interests, is an associate of Rengo and therefore a connected person of the Company. Therefore, the abovementioned continuing transactions between the Subsidiaries and the Paper Mill Entities have become continuing connected transactions of the Company after the Completion.

2. THE CONNECTED PERSONS AND THEIR RELATIONSHIP

After the Completion, Rengo, which holds 271, 452, 000 Shares, representing approximately 29.9% equity interests in the Company, became a substantial shareholder of the Company and each of the Paper Mill Entities, in which Rengo holds approximately 62.8% equity interests, is an associate of Rengo and therefore a connected person of the Company pursuant to the Listing Rules.

The relationship amongst the Company, the Subsidiaries, Rengo and Paper Mill Entities is set out below:



* The other shareholders are LeMonde Inc. and Homegrace Consultants Limited. LeMonde Inc. is an investment holding company incorporated in the British Virgin Islands, holding 15.3% equity interests in each of the Paper Mill Entities. It is an independent third party of the Company. Homegrace Consultants Limited is an investment holding company incorporated in Hong Kong, holding 3.1% equity interests in each of the Paper Mill Entities. Homegrace Consultants Limited is beneficially owned by our executive director, Mr. Sung Chee Keung.

3. BACKGROUND AND REASON FOR THE CONTINUING CONNECTED TRANSACTIONS, PRICING POLICIES AND PROPOSED ANNUAL CAPS

3.1 Purchase of paper from the Paper Mill Entities by the Subsidiaries

Background: Each of the Paper Mill Entities is a Sino-foreign joint venture company incorporated under the laws of the PRC and is principally engaged in paper manufacturing. Prior to the Completion, the Subsidiaries purchased paper from the Paper Mill Entities by placing purchase orders and the table below sets forth the historical figures of the aggregate purchase of paper from the Paper Mill Entities by the Subsidiaries:

	For the Year Ended 31 March		
	2011	2010	2009
	<i>(in HK\$'000)</i>		
Purchase of paper from the Paper Mill Entities by the Subsidiaries	109,395	73,493	121,699

On 29 August 2011, the Company and the Paper Mill Entities entered into a framework agreement on purchase of paper, pursuant to which the Company agreed to purchase, and procure the Subsidiaries to purchase, and the Paper Mill Entities agreed to sell paper during the period from 3 August 2011 to 31 March 2012 by placing purchase orders.

Reasons for the transactions: As a manufacturer of corrugated boxes and packaging materials, linerboard and medium paper are the key raw material to the Group's corrugated box and consumer product packaging businesses. Based on the past transactions with the Paper Mill Entities, the Company believes that the Paper Mill Entities has consistently been able to meet our demand for timely delivery of quality paper and the Paper Mill Entities have been a reliable and cooperative paper provider.

Pricing: Pursuant to the terms of the aforesaid framework agreement, the price of paper shall be determined on an arm's length basis and with reference to the prevailing market prices. The Subsidiaries are required to settle payments in cash in accordance with the payment terms set out in each of the purchasing orders for the purchase of paper.

Annual cap: For the period from 3 August 2011 to 31 March 2012, the Company proposes that the annual transaction values in relation to the purchase of paper from the Paper Mill Entities shall not, in aggregate, exceed the annual cap of HK\$90 million. The annual cap is determined with reference to the historical amounts of purchase of paper from the Paper Mill Entities as aforementioned and potential growth of our corrugated box and consumer product packaging businesses.

3.2 Sale of waste paper by the Subsidiaries to the Paper Mill Entities

Background: Prior to the Completion, the Subsidiaries sold waste paper to the Paper Mill Entities upon receiving purchase orders from the Paper Mill Entities and the table below sets forth the historical figures of the aggregate sale of waste paper to the Paper Mill Entities by the Subsidiaries:

	For the Year Ended 31 March		
	2011	2010	2009
	<i>(in HK\$'000)</i>		
Sale of waste paper by the Subsidiaries to the Paper Mill Entities	17,285	44,681	73,319

On 29 August 2011, the Company and the Paper Mill Entities entered into a framework agreement on sale of waste paper, pursuant to which the Company agreed to sell, or procure the Subsidiaries to sell, and the Paper Mill Entities agreed to purchase waste paper during the period from 3 August 2011 to 31 March 2012 by placing purchase orders.

Reasons for the transactions: Waste paper can be recycled and used as raw material for production of paper. As paper manufacturers, the Paper Mill Entities are in high demand of waste paper. The Subsidiaries, in their ordinary course of business, sell waste paper generated in the process of production of corrugated boxes and packaging materials to waste paper vendors and paper suppliers, including the Paper Mill Entities, which among others, are also our paper suppliers.

Pricing: Pursuant to the aforesaid framework agreement, the price of waste paper shall be determined on an arm's length basis and with reference to prevailing market price of waste paper. The Paper Mill Entities are required to settle payment for waste paper by cash in accordance with the payment terms set out in each of the purchase orders for the purchase of waste paper.

Annual cap: For the period from 3 August 2011 to 31 March 2012, the Company proposes that the annual transaction values in relation to the sale of waste paper to the Paper Mill Entities shall not, in aggregate, exceed the annual cap of HK\$48 million. The annual cap is determined with reference to the historical amounts of waste paper sold to the Paper Mill entities as aforementioned and potential growth of our corrugated box manufacturing, book and packaging printing and consumer products packaging businesses which potentially increases our production of waste paper as by-product in our operations.

4. IMPLICATIONS UNDER THE LISTING RULES

The percentage ratios of the Continuing Connected Transactions are expected to be less than 5% on an annual basis and the Continuing Connected Transactions therefore are exempt from approval by the independent shareholders of the Company and are subject to announcement, annual review and reporting obligations only under the Listing Rules.

5. VIEW OF THE DIRECTORS ON THE CONTINUING CONNECTED TRANSACTIONS

Having considered the information set out above in this announcement, the Directors (including independent non-executive Directors) are of the opinion that the terms of the Framework Agreements are fair and reasonable, on normal commercial terms and are entered into in the usual and ordinary course of business and in the interests of the Company and its Shareholders as a whole.

6. GENERAL INFORMATION

The Company and its subsidiaries are principally engaged in integrated and technologically-advanced operations in book and packaging printing, consumer products packaging, corrugated box manufacturing and paper trading.

7. APPROVAL BY THE BOARD

The Board approved the terms of the Framework Agreements, the Continuing Connected Transactions contained therein and the associated annual caps by written resolution dated 29 August 2011. Mr. Sung Chee Keung, Mr. Yoshitaka Ozawa, Mr. Hiroyuki Kimura, Mr. Katsuaki Tanaka, each has a material interest in the Continuing Connected Transactions, abstained from voting on the board resolution.

8. DEFINITION

“Asia Packaging”	Asia Packaging Company Limited, a company incorporated in the Cayman Islands with limited liability
“associate”	has the meaning as is given by the Listing Rules
“Company”	Hung Hing Printing Group Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of sale of 271, 452, 000 Shares, representing approximately 29.9% equity interests in the Company by Asia Packaging to Rengo pursuant to an agreement dated 15 April 2011
“continuing connected transactions”	has the meaning as is given by the Listing Rules
“Continuing Connected Transactions”	the continuing transactions between the Subsidiaries and the Paper Mill Entities, the terms of which are set out in the Framework Agreements
“Directors”	Directors of the Company
“Framework Agreements”	the framework agreement on purchase of paper entered into by the Company and the Paper Mill Entities on 29 August 2011 and the framework agreement on sale of waste paper entered into by the Company and Paper Mill Entities on 29 August 2011
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“independent shareholders”	has the meaning as is given by the Listing Rules
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Paper Mill Entities”	Zhongshan Rengo Hung Hing Paper Manufacturing Company Limited and Zhongshan Ren Hing Paper Manufacturing Company Limited, each a Sino-foreign joint venture company established under the laws of the PRC
“Rengo”	Rengo Co., Ltd., a paper and packaging materials manufacturer listed on the Tokyo Stock Exchange (Stock Code: 3941)
“Shareholders”	shareholders of the Company
“Share Sale”	the sale of 271, 452, 000 shares, representing approximately 29.9% equity interests in the Company by Asia Packaging to Rengo pursuant to an agreement entered into by Asia Packaging and Rengo on 15 April 2011
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries”	the following subsidiaries of the Company: (i) Sun Hing Paper Co., Ltd., (ii) Sun Hing Paper (Shenzhen) Co., Ltd., (iii) Jun Hing Co., Ltd., (iv) Po Hing Packaging (Shenzhen) Co., Ltd., (v) Hung Hing Printing (Heshan) Co., Ltd., (vi) Hung Hing Printing (China) Co., Ltd., (vii) Zhongshan Hung Hing Printing and Packaging Co., Ltd., (viii) Zhongshan Hung Hing Off-Set Printing Co., Ltd., and (ix) Zhongshan South Gain Paper Products Co., Ltd., each a subsidiary of the Company and any other subsidiary of the Company that will enter into purchase of paper and/or sale of waste paper with the Paper Mill Entities in the future

“substantial shareholder”

has the meaning as is given by the Listing Rules

By order of the Board

Tung Yu Bui

Company Secretary

Hong Kong, 29 August 2011

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. Yoshitaka Ozawa, Mr. Hiroyuki Kimura, Mr. Katsuaki Tanaka and Mr. Yam Ho Ming, Michael, who are non-executive directors; Mr. Yap, Alfred Donald, Mr. Luk Koon Hoo and Mr. Lo Chi Hong, who are independent non-executive directors.