SUN HING PRINTING HOLDINGS LIMITED
新 興 印 刷 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1975)

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

The board of directors (the "**Board**") of Sun Hing Printing Holdings Limited (the "**Company**") are pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 31 December 2018, as follows:

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

		For the six months ended 31 December	
		2018	2017
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	*3&4*	**152,728**	151,230
Cost of sales		**(97,846)**	(100,755)
Gross profit		**54,882**	50,475
Other income	*4*	**1,654**	388
Selling and distribution expenses		**(2,840)**	(2,717)
Administrative expenses		**(30,475)**	(27,050)
Other operating income/(expenses), net		**(109)**	860
Listing expenses		**–**	(14,427)
PROFIT BEFORE TAX	*5*	**23,112**	7,529
Income tax expense	*6*	**(4,068)**	(4,033)
PROFIT FOR THE PERIOD		**19,044**	3,496
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	*7*	***HK cents***	*HK cents*
Basic and diluted		**3.97**	0.90

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the six months ended 31 December	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PROFIT FOR THE PERIOD	**19,044**	3,496
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(4,532)**	2,548
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**(4,532)**	2,548
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	**14,512**	6,044

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2018 (Unaudited) HK$'000	30 June 2018 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**51,066**	55,465
Intangible asset		**2,700**	2,700
Prepayments and deposits		**2,653**	5,048
Deferred tax asset		**94**	94
Total non-current assets		**56,513**	63,307
CURRENT ASSETS			
Inventories		**17,338**	19,849
Trade receivables	*9*	**57,360**	51,431
Prepayments, deposits and other receivables		**10,916**	9,447
Tax recoverable		**5,220**	807
Restricted cash		**–**	1,560
Cash and cash equivalents		**187,931**	189,097
Total current assets		**278,765**	272,191
CURRENT LIABILITIES			
Trade payables	*10*	**13,772**	17,411
Other payables and accruals		**20,827**	15,182
Amount due to a director		**3**	3
Tax payable		**10,724**	13,062
Total current liabilities		**45,326**	45,658
NET CURRENT ASSETS		**233,439**	226,533
TOTAL ASSETS LESS CURRENT LIABILITIES		**289,952**	289,840
NON-CURRENT LIABILITY			
Deferred tax liabilities		**150**	150
Net assets		**289,802**	289,690
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**4,800**	4,800
Reserves		**285,002**	284,890
Total equity		**289,802**	289,690

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATION AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered address of the Company is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is located at 4/F., Sze Hing Industrial Building, 35–37 Lee Chung Street, Chai Wan, Hong Kong.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company. The Group was engaged in the manufacturing and sale of printing products.

These condensed consolidated interim financial statements (the "**interim financial statements**") are presented in thousands of Hong Kong dollars (HK$'000), unless otherwise stated. These interim financial statements were approved for issue by the Board on 20 February 2019.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim financial statements for the six months ended 31 December 2018 are prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities ("**Listing Rules**") on the Stock Exchange and with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The interim financial statements are unaudited, but have been reviewed by the Audit Committee of the Company.

The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 30 June 2018, except for the following new and revised Hong Kong Financial Reporting Standards (the "**HKFRSs**") that have been adopted by the Group for the first time for the current period's interim financial statements:

Amendments to HKFRS 2	*Classification and Measurement of Share-based Payment Transactions*
Amendments to HKFRS 4	*Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts*
HKFRS 9	*Financial Instruments*
HKFRS 15	*Revenue from Contracts with Customers*
Amendments to HKFRS 15	*Clarifications to HKFRS 15 Revenue from Contracts with Customers*
Amendments to HKAS 40	*Transfers of Investment Property*
HK(IFRIC) – Int 22	*Foreign Currency Transactions and Advance Consideration*
Annual Improvements 2014-2016 Cycle	Amendments to HKFRS 1 and HKAS 28

The adoption of the above new and revised standards has had no significant financial effect on the interim financial statements.

The Group has not adopted the new and revised HKFRSs, that have been issued but are not yet effective for the current accounting period.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment which is the manufacture and sales of printing products. Since this is the only operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

	For the six months ended 31 December	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Hong Kong	**115,488**	91,507
United States of America	**16,869**	39,174
Other countries	**20,371**	20,549
	152,728	151,230

The revenue information above is based on the locations of the customers.

(b) Non-current assets

No geographical information is presented as over 90% of the Group's non-current assets are located in Mainland China as at 31 December 2018 and 30 June 2018.

4. REVENUE AND OTHER INCOME

Revenue represents the sale of goods to customers.

An analysis of the Group's other income is as follows:

	For the six months ended 31 December	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Other income		
Interest income	**1,654**	380
Others	**–**	8
	1,654	388

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 31 December	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold[#]	**97,846**	87,036
Depreciation	**4,770**	4,210
Minimum lease payments under operating leases	**4,121**	3,763
Auditor's remuneration	**630**	630
Employee benefit expenses (excluding directors' and chief executive's remuneration)	**31,653**	26,955
Foreign exchange differences, net[*]	**203**	(882)
Loss/(gain) on disposal of items of property, plant and equipment[*]	**(94)**	22

[#] Cost of inventories sold includes HK$28,792,000 and HK$25,186,000 of employee benefit expenses, depreciation and minimum lease payments under operating leases which are also included in the respective total amounts disclosed above for each of these types of expenses for the six months ended 31 December 2018 and 2017 respectively.

[*] These items are included in "Other operating income/(expenses), net" on the face of the condensed consolidated statement of profit or loss.

6. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in such jurisdictions.

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits arising in Hong Kong for the six months ended 31 December 2018 and 2017. The People's Republic of China (the "**PRC**") tax has been provided at the rate of 25% (2017: 25%) on the estimated assessable profits arising in the PRC.

	For the six months ended 31 December	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the period	**2,934**	3,043
Current – PRC		
Charge for the period	**1,134**	990
Total tax charge for the period	**4,068**	4,033

7. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amount is based on the profit for the six months ended 31 December 2018 attributable to the equity holders of the Company of HK$19,044,000 (six months ended 31 December 2017: HK$3,496,000), and the weighted average number of ordinary shares of 480,000,000 (six months ended 31 December 2017: 390,000,000) in issue during the period. The weighted average number of ordinary shares for the six months ended 31 December 2017 was computed based on the assumption that the reorganisation and the capitalisation issue in connection with the listing of the Company had been completed on 1 July 2016.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 31 December 2018 and 2017 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during these periods.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 31 December	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Profit attributable to equity holders of the Company	**19,044**	3,496
Weighted average number of ordinary shares in issue during the periods for calculation of basic and diluted earnings per share *('000)*	**480,000**	390,000
	HK cents	*HK cents*
Basic and diluted earnings per share	**3.97**	0.90

8. DIVIDENDS

A final dividend in respect of the year ended 30 June 2018 of HK3 cents per ordinary share (2017: Nil) was proposed pursuant to a resolution passed by the Board on 18 September 2018 and approved by the shareholders of the Company at the annual general meeting of the Company held on 30 November 2018. Such dividend amounting to HK$14,400,000 (2017: Nil) was paid before 31 December 2018.

The Board declares an interim dividend amounting to HK1 cent for the six months ended 31 December 2018, while the Board did not declare any interim dividend for the six months ended 31 December 2017.

9. TRADE RECEIVABLES

	31 December 2018	30 June 2018
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Trade receivables	**57,360**	51,431

The Group's trading terms with its customers are mainly on credit. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a policy to manage its risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at 31 December 2018 and 30 June 2018 that are not individually nor collectively considered to be impaired is as follows:

	31 December 2018 (Unaudited)	30 June 2018 (Audited)
	HK$'000	*HK$'000*
Neither past due nor impaired	**40,637**	43,120
Less than 1 month past due	**11,456**	6,264
1 to 2 months past due	**2,405**	1,093
Over 2 months	**2,862**	954
	57,360	51,431

Receivables that were neither past due nor impaired relate to a number of independent customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balance as there has not been as significant change in credit quality and the balance are still considered fully recoverable.

10. TRADE PAYABLES

An ageing analysis of the trade payables as at 31 December 2018 and 30 June 2018, based on the invoice date, is as follows:

	31 December 2018 (Unaudited)	30 June 2018 (Audited)
	HK$'000	*HK$'000*
Within 1 month	**7,802**	9,612
1 to 2 months	**5,813**	6,765
2 to 3 months	**134**	990
Over 3 months	**23**	44
	13,772	17,411

The trade payables are non-interest-bearing and are normally settled within three months.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATION

Sun Hing Printing Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") is a one-stop printing service provider. Our printing services can be broadly categorised into (i) packaging printing services which cover, among others, corrugated boxes, gift boxes, card boxes and product boxes; (ii) booklet printing services which cover, among others, instruction manuals, hardback books and booklets; (iii) card printing services which cover, among others, colour cards, insert cards, warranty cards and plain cards; (iv) IT Technology printing services which cover, among others, RFID labels and NFC tags; and (v) other printing services which cover, among others, stickers, colour papers, yupo papers, red packets and paper bags.

The printing industry is facing intense competition. Besides, the breakout of trade war between China and the United States of America ("**USA**") clouded the global economic landscape. Although the printing industry is not directly impacted, the existence of trade war has negatively influenced the customers' willingness to spend on printing and promotion. The above factor poses challenges to the Group's business operations.

The Group's revenue increased by approximately 1.0% to approximately HK$152.7 million for the six months ended 31 December 2018 compared to the same period last year. The increase is mainly due to the increase in contribution from IT Technology printing services. The gross profit also increased by approximately 8.7% from approximately HK$50.5 million for the six months ended 31 December 2017 to approximately HK$54.9 million for the six months ended 31 December 2018, as a result of the drop in raw material costs.

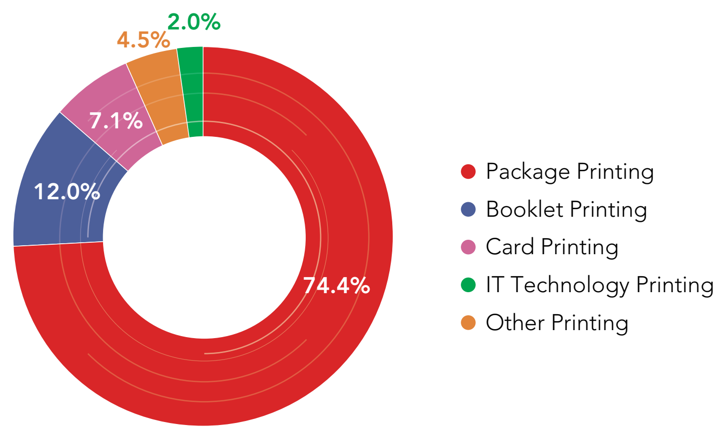
Following the increase in revenue and the decrease in paper costs, our gross profit margin increased by approximately 2.5% from approximately 33.4% for the six months ended 31 December 2017 to approximately 35.9% for the six months ended 31 December 2018. Our profit for the period increased by approximately HK$15.5 million from approximately HK$3.5 million for the six months ended 31 December 2017 to approximately HK$19.0 million for the six months ended 31 December 2018, as a result of an one-off listing expenses of approximately HK$14.4 million recorded during the six months ended 31 December 2017, while the Group did not incur such expenses after the successful listing in November 2017. The net profit margin increased from approximately 2.3% for the six months ended 31 December 2017 to approximately 12.5% for the six months ended 31 December 2018.

Basic earnings per share was HK3.97 cents, compared to a basic earnings per share of HK0.90 cents for the corresponding period in 2017.

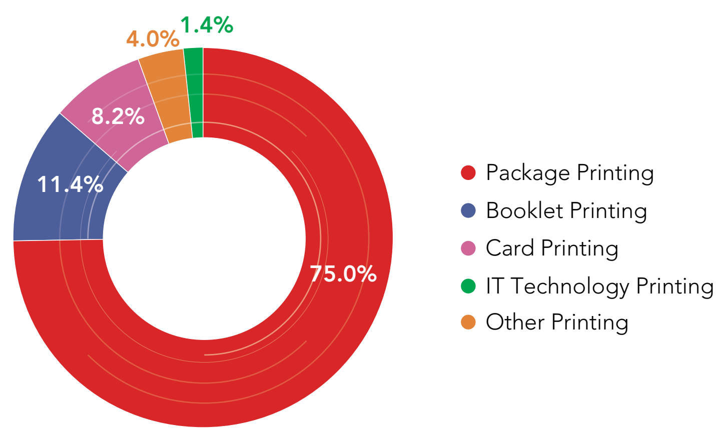
BUSINESS UNIT OVERVIEW

The Group comprises five key business units.

Revenue contribution for the six months ended 31 December 2018



Revenue contribution for the six months ended 31 December 2017



Packaging printing

Packaging printing services cover, among others, corrugated boxes, gift boxes, card boxes and product boxes. For the six months ended 31 December 2018, revenue from packaging printing increased by approximately 0.1% to approximately HK$113.6 million as compared to the same period in 2017.

Booklet printing

Booklet printing services cover, among others, instruction manuals, hardback books and booklets. For the six months ended 31 December 2018, revenue from booklet printing increased by approximately 6.1% to approximately HK$18.3 million as compared to the same period in 2017. The increase in revenue from booklet printing was mainly due to more orders from customers on booklet printing.

Card printing

Card printing services cover, among others, colour cards, insert cards, warranty cards and plain cards. For the six months ended 31 December 2018, revenue from card printing decreased by approximately 13.0% to approximately HK$10.8 million as compared to the same period in 2017.

IT Technology printing

IT Technology printing services cover, among others, RFID labels and NFC tags, in order to provide value-added services to our existing and potential customers. For the six months ended 31 December 2018, revenue from IT Technology printing increased by approximately 51.9% to approximately HK$3.1 million as compared to the same period in 2017. The increase in revenue from IT Technology printing was mainly because the Group has placed more resource to explore and develop this business unit, in order to maintain its market competitiveness.

Other printing

Other printing services cover, among others, stickers, colour papers, yupo papers, red packets and paper bag. For the six months ended 31 December 2018, revenue from other printing increased by approximately 14.4% to approximately HK$6.9 million as compared to the same period in 2017.

OUTLOOK

The interim period 2018/19 is expected to be challenging due to the breakout of the trade war between China and USA, which has had an adverse impact on market sentiments and posed global economic uncertainty. Furthermore, volatility of raw material costs, increase in labour costs, and the imposition of various stringent environmental control requirements in China also posed additional challenges to the Group's business operations and growth in the future.

To cope with the abovementioned challenges, and to maintain the market competitiveness of the Group, the management has taken various steps to mitigate the Group's operational risk, such as a better control over our manufacturing costs in order to make our printing products to be more competitive in the market and be cautious on the pricing of our printing products, especially on the impact of trade tariff to be imposed by USA. In addition, our Group explores opportunities on promoting the technology printing services to our customers, which can differentiate ourselves from others. With the Group's experienced management team and reputation in the printing industry, our management believes the Group is well-equipped to face the forthcoming challenges and to maintain sustainable growth.

FINANCIAL REVIEW

Administrative expenses

Administrative expenses increased from approximately HK$27.1 million for the six months ended 31 December 2017 to approximately HK$30.5 million for the six months ended 31 December 2018. The increase in administrative expenses was primarily attributable to an increase in the professional fees and expenses incurred after the successful listing in November 2017 during the reporting period. Furthermore, there is higher salary of the directors and administrative staff as a result of general salary increment during the reporting period.

Selling and distribution expenses

Selling and distribution expenses slightly increased by approximately HK$0.1 million from approximately HK$2.7 million for the six months ended 31 December 2017 to approximately HK$2.8 million for the six months ended 31 December 2018.

Other operating income/expenses

The other operating income was approximately HK$0.9 million for the six months ended 31 December 2017 and the Group recorded other operating expenses of approximately HK$0.1 million for the six months ended 31 December 2018. The turnaround from the other operating income to other operating expenses for the six months ended 31 December 2018 was mainly due to the depreciation of Renminbi against Hong Kong Dollars during the six months ended 31 December 2018.

Other income

Other income increased by approximately 326.3% to approximately HK$1.7 million as compared to the same period in 2017, which are mainly bank interest income.

Income tax expenses

Income tax expenses increased by approximately HK$0.1 million from approximately HK$4.0 million for the six months ended 31 December 2017 to approximately HK$4.1 million for the six months ended 31 December 2018. The effective tax rates for the six months ended 31 December 2018 and 2017 are 17.6% and 53.6% respectively. If we exclude the one-off listing expenses incurred for the six months ended 31 December 2017, the effective tax rates for the six months ended 31 December 2018 and 2017 are relatively stable at 17.6% and 18.4% respectively.

Liquidity and capital resources

Our net assets amounted to approximately HK$289.8 million and approximately HK$289.7 million as at 31 December 2018 and 30 June 2018 respectively.

The Group derives its working capital mainly from cash and cash equivalents and net cash generated from operating activities. The directors expects that the Group will rely on the internally generated funds and unutilised net proceeds from the listing of the shares of the Company on The Stock Exchange of Hong Kong Limited on 16 November 2017, in the absence of unforeseen circumstances.

As at 31 December 2018, our cash and cash equivalents amounted to approximately HK$187.9 million (30 June 2018: approximately HK$190.7 million) and were mainly denominated in Hong Kong dollars; and our net current assets were approximately HK$233.4 million (30 June 2018: approximately HK$226.5 million). The current ratio, being current assets over current liabilities, was approximately 6.2 times as at 31 December 2018, which increased from approximately 6.0 times as at 30 June 2018, mainly driven by the steady control placed by management on use of fund.

As at 31 December 2018, the Group had approximately HK$187.9 million total cash and cash equivalents with no restricted cash. For the amount of cash and bank balances of HK$41.3 million, approximately HK$26.4 million was denominated in HK Dollars, approximately HK$11.8 million was denominated in US Dollars, and approximately HK$3.1 million was denominated in Renminbi. The Group's cash in US Dollars and Renminbi was held to support its core operational needs. In addition, the Group had approximately HK$146.6 million of fixed time deposits and wealth management products with maturity within 12 months. For the fixed time deposits and wealth management products, approximately HK$55.0 million was denominated in HK Dollars, approximately HK$67.9 million was denominated in US Dollars, and the remaining was denominated in Renminbi.

As at 31 December 2018 and 30 June 2018, the Group did not have any interest-bearing bank borrowings, and thus the computation of the gearing ratios were not applicable as at 31 December 2018 and 30 June 2018. The Group had total available banking facility of approximately HK$1.6 million of which all of the banking facility was restricted and fully utilised up to October 2018. The bank facility was related to bank guarantee upon request from one of our customers.

During the period, the Group recorded over HK$3.1 million in capital expenditure, which was mostly deployed for automation and equipment upgrades.

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

The Group did not have any material contingent liabilities and did not pledge any assets as at 31 December 2018 and 30 June 2018.

EVENT AFTER THE REPORTING PERIOD

The Group has no significant events after the reporting period up to the date of this announcement.

OUR EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2018, we had 678 employees in Hong Kong and the Mainland China. During the peak season namely from June to September for each year, in order to maximise our production capacity, we expand our employees for production, who are principally responsible for certain post-press processes and packaging which have to be done manually and cannot otherwise be achieved by automatic machines.

Our direct labour cost, including salaries, bonuses and other employee's benefits, amounted to approximately HK$15.7 million and approximately HK$14.7 million for the six months ended 31 December 2018 and 2017, respectively. Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors.

DIVIDEND

The Directors recommend an interim dividend of HK1 cent per share (2017: Nil) in cash. The proposed dividend is expected to be distributed on Monday, 18 March 2019 to shareholders whose names appear on the Register of Members of the Company on Friday, 8 March 2019.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 6 March 2019 to Friday, 8 March 2019, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed interim dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m., on Tuesday, 5 March 2019.

USE OF PROCEEDS

Net proceeds from the initial public offering were HK$124.0 million after deducting all the direct costs associated with the Listing.

As at 31 December 2018, the Group had used approximately HK$14.0 million for equipment upgrades on the improvement of the production process, approximately HK$8.3 million for general working capital and approximately HK$0.2 million for the consultation of the upgrade of enterprise resources planning (ERP) system. The Company intends to use the net proceeds to purchase four presses by stages, to relocate our Shenzhen Factory, to upgrade our enterprise resources planning (ERP) system and to fund the Group's general working capital, which is consistent with the said use of proceeds for the Group's expensing that was disclosed in the section headed "Future Plans and Use of Proceeds" in the Company's prospectus dated 2 November 2017 (the "**Prospectus**").

On 10 January 2017, the Group have entered into a legally binding memorandum of understanding (the "**MOU**") with an Independent Third Party (the "**New Landlord**"). Pursuant to the MOU, we have the right to lease, and the New Landlord shall lease to us, for three years (with an option to renew granted for us for further three years), some of the area as our new plant (the "**New Plant**") within the piece of land located at Xiagang Community, Dongguan City, Guangdong Province, the PRC (中華人民共和國廣東省東莞市廈崗社區) for industrial use.

However, the New Landlord has sold the land together with the New Plant to an independent third party, and hence there is a delay for the relocation plan and the Company may not be able to relocate the factory as original scheduled as mentioned in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The Company is actively looking for another new plant with all the required certificates and with all relevant standards and safety regulations for its relocation and expansion plan. If necessary, we will seek legal advice from the legal advisers of the PRC laws in this aspect. Hence, there will be a delay for the use of proceeds of approximately HK$33.9 million in relation to the relocation of our Shenzhen Factory to the New Plant until the Company has found a proper site for relocation. Please refer to the Voluntary Announcement — Business Updates dated 11 July 2018 for details.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors have confirmed that they have complied with the required standard of dealings as set out in the Model Code, during the six months ended 31 December 2018 and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 31 December 2018 and up to the date of this announcement.

CORPORATE GOVERNANCE

In the opinion of the Board of directors, the Company has complied with the applicable code provisions listed in the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Listing Rules during the six months ended 31 December 2018 and up to the date of this announcement.

DISCLOSURE OF CHANGES IN DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, there are no changes in information of the directors and the Company's chief executive during the six months ended 31 December 2018 and up to the date of this announcement.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme on 9 October 2017 (the "**Scheme**"). No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 31 December 2018.

AUDIT COMMITTEE

The Audit Committee of the Company comprises three independent non-executive directors, namely Mr. Ng Sze Yuen, Terry, Dr. Chu Po Kuen, Louis and Mr. Ho Yuk Chi. The audit committee of the Company has reviewed with no disagreements on the unaudited condensed consolidated interim results for the six months ended 31 December 2018 and the accounting principles and practices adopted by the Group.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of Hong Kong Exchange and Clearing Limited at www.hkexnews.hk and the Company's website at www.sunhingprinting.com. The interim report of the Company for the six months ended 31 December 2018, containing information required by the Listing Rules, will be despatched to shareholders of the Company and published on the above websites in due course.

APPRECIATION

The Board would like to express its sincere appreciation to the shareholders, business partners and staff for their continuous support to the Group.

By Order of the Board
Sun Hing Printing Holdings Limited
Mr. Chan Peter Tit Sang
Chairman and Executive Director

Hong Kong, 20 February 2019

As at the date of this announcement, the Board comprises Mr. Chan Peter Tit Sang, Mr. Chan Kenneth Chi Kin, Mr. Chan Chi Ming and Mr. Chan Chun Sang, Desmond as executive directors; Mr. Ng Sze Yuen, Terry, Dr. Chu Po Kuen, Louis and Mr. Ho Yuk Chi as independent non-executive directors.