

Hung Hing Printing Group Ltd. 2016 Final Results

鴻興印刷集團 2016年业绩简报

22 Mar 2017

鴻興印刷集團有限公司
Hung Hing Printing Group Limited

Result Highlights – Hung Hing Printing Group Ltd.

鴻興印刷集團 - 2016年度業績

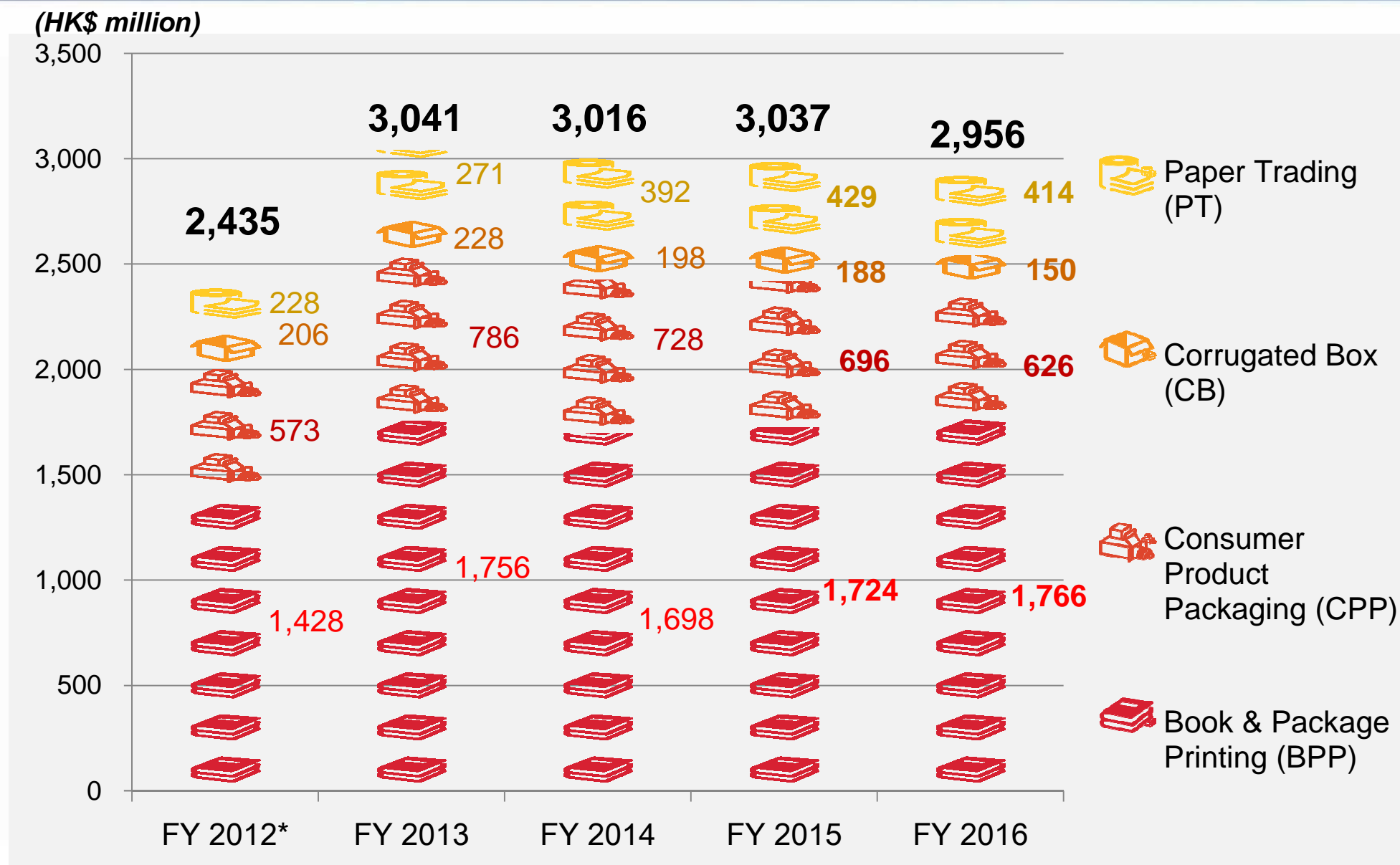
Hung Hing achieves stable profits and a strong cash position in 2016

鴻興2016年保持穩定股東應佔溢利和充裕現金

	2016 HK\$ million 港幣百萬元	2015 HK\$ million 港幣百萬元
<ul style="list-style-type: none"> Group revenue declined 2.7% 集團營業額輕微下跌2.7% 	2,956	3,037
<ul style="list-style-type: none"> Operating profit decreased 7.3% 經營溢利下跌7.3% 	66	72
<ul style="list-style-type: none"> Profit attributable to shareholders slightly decreased 1.1% 股東應佔溢利基本相若，微降1.1% 	38	38
<ul style="list-style-type: none"> Net cash increased 4.1% 淨現金上升4.1% 	561	539
<ul style="list-style-type: none"> Earnings per share remained stable 每股盈利保持穩定 	HK 4.2 cents	HK 4.2 cents
<ul style="list-style-type: none"> Proposed final dividend increased by 20% 擬增派20%末期股息至3仙 	HK <u>3.0</u> cents (Proposed)	HK 2.5 cents
<ul style="list-style-type: none"> Total dividend for the year on par with 2015 年內股息與去年持平 	HK <u>4.0</u> cents (Proposed)	HK 4.0 cents

Sales Revenue (External Customers)

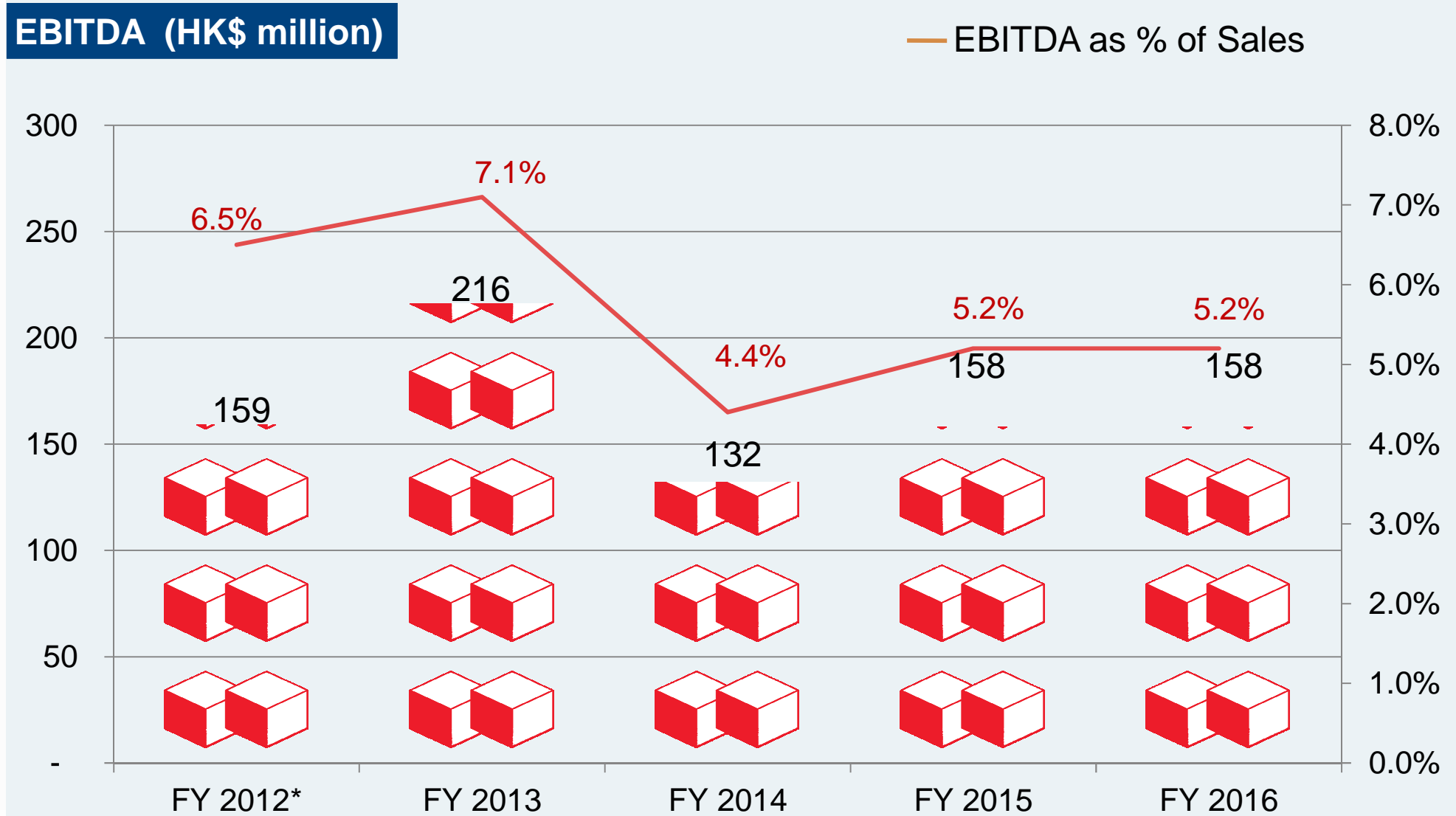
营业额 (对外)



* Nine months' results for financial year FY2012 due to change of year end from 31-Mar to 31-Dec.

Stable Group EBITDA to Sales

穩定息稅折舊前溢利



* Nine months' results for financial year FY2012 due to change of year end from 31-Mar to 31-Dec.

Strong Financial Position 强健财务状况

Net Cash HK\$561m (up HK\$22m vs. PY) 净现金增至HK\$5.6亿

1. Non-current assets: changes are mainly related to fixed assets movements (i.e capex & depreciation)
2. Liabilities: primarily driven by timing of draw-down / repayment of bank loans
3. Equity changes include: earnings +\$42m, reduced exchange reserves -\$60m (mainly translation of RMB assets which depreciated 6.8% in 2016), and payout of dividends -\$36m during the period.

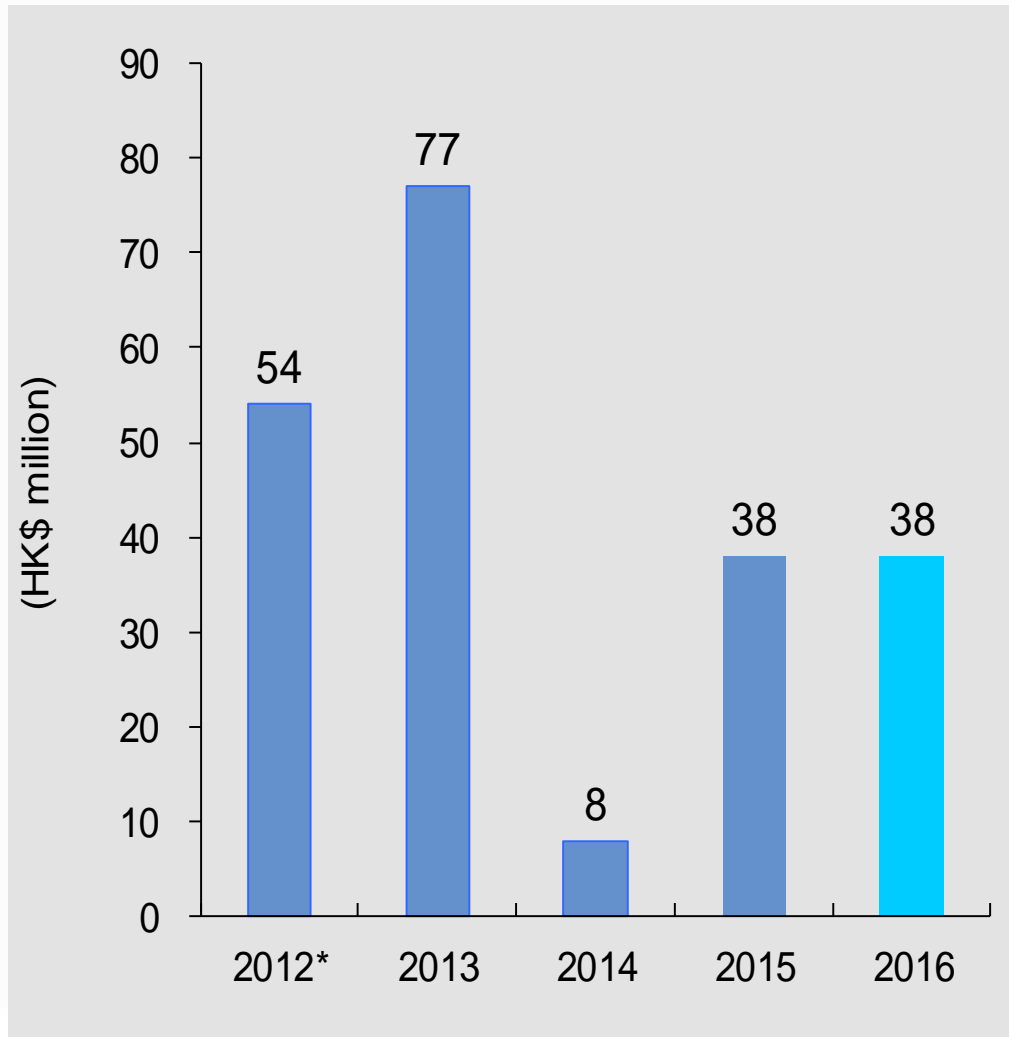
Assets				
Non-current	1,303	1,356	-53	*1
Current	2,189	2,177	12	
Total Assets	3,492	3,533	-41	
<i>Included in assets - Cash & Bank and Time deposit</i>	<i>827</i>	<i>813</i>	<i>14</i>	
Liabilities				
Non-current	211	143	68	*2
Current	523	578	-55	
Total Liabilities	734	721	13	
<i>Included in liabilities - Bank Borrowings</i>	<i>266</i>	<i>274</i>	<i>-8</i>	
Net Assets	2,758	2,812	-54	
Equity				
Equity attributable to shareholders	2,613	2,657	-44	
Non-controlling interest	145	155	-10	
Total Equity	2,758	2,812	-54	*3
Gearing Ratio	9.6%	9.7%	-0.1%	
Net Cash (Total Cash&Deposits less Bank borrowings)	561	539	22	
Current Ratio	4.2	3.8	0.4	

Proposed 2016 Final Dividend

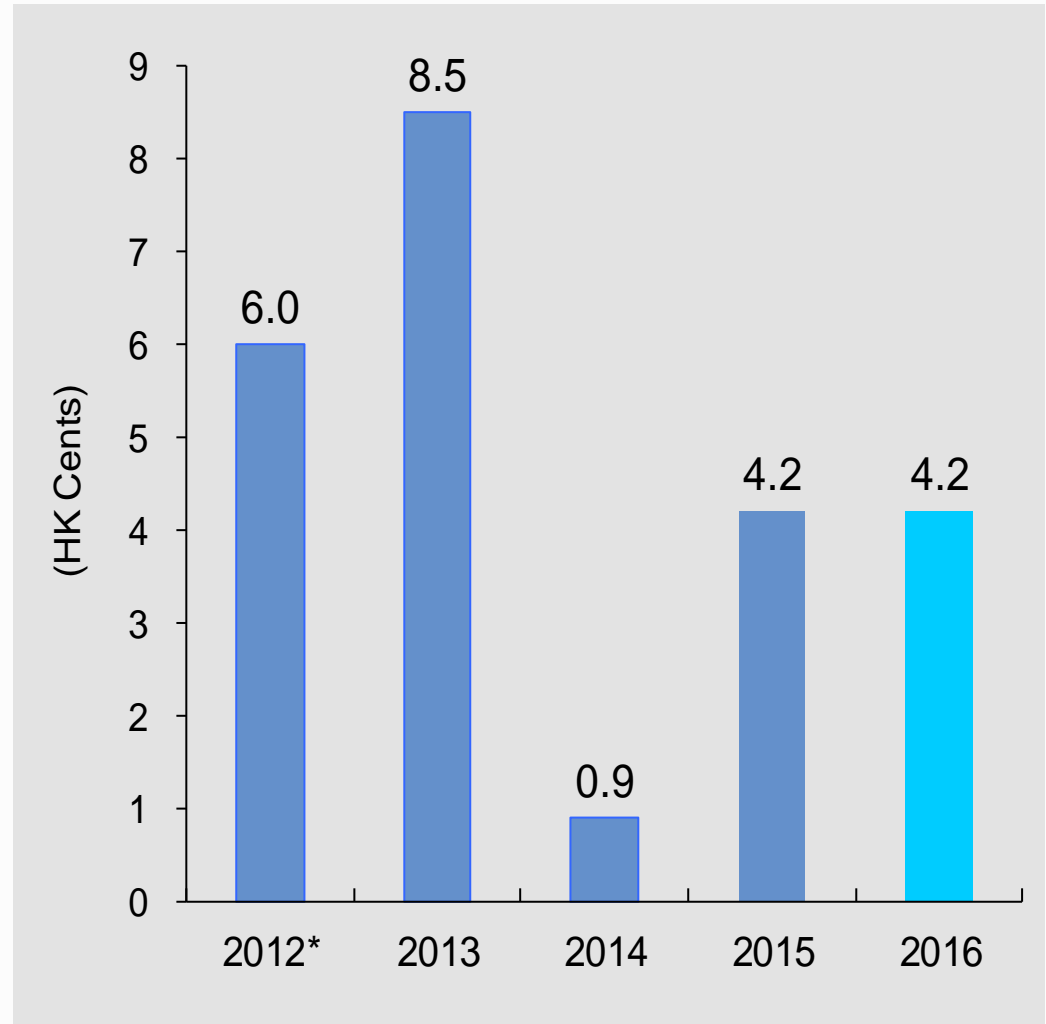
鴻興印刷集團有限公司
Hung Hing Printing Group Limited

Profits attributable to shareholders: Earnings per Share (EPS) 公司权益持有人应佔溢利：每股盈利

Profits Attributable to Shareholders



Basic EPS

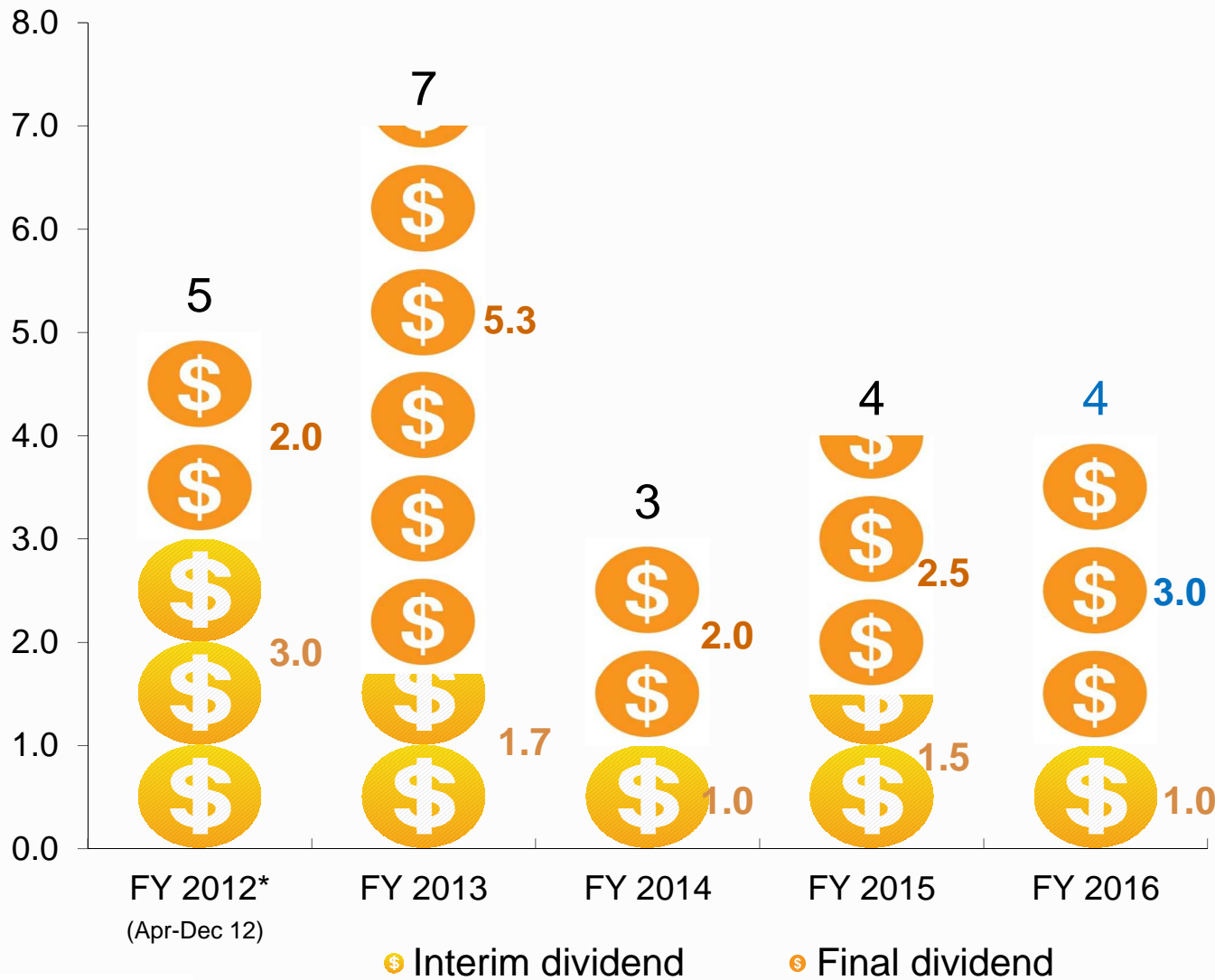


* Nine months' results for financial year FY2012 due to change of year end from 31-Mar to 31-Dec.

Proposed Final Dividend of 2016

擬派發2016年度末期息

(HK¢ per share)



Commentary

■ 2016 Dividends	
Interim (paid)	1 cent
Final (proposed)	[3] cents
Total 2016	[4] cents

■ Dividend yield:	
3.9%	3.1%
2.6%	

Share Price (HK\$):		
1.02	1.30	1.56
31/Dec/15	31/Dec/16	Mar/17

■ Payout ratio: 95 %

Appendices

Environment, People & Products

鴻興印刷集團有限公司
Hung Hing Printing Group Limited

We care about the environment



Forest Stewardship Council -
Chain of Custody to ensure
paper originates from well-
managed Forest since 2007



Programme for the
Endorsement of Forest
Certification Schemes -
Chain of Custody provides
link between paper
products and sustainably
managed forest.

In year 2016, we
consumed over 69,400
Tons FSC and PEFC certified
paper. High recycle content and
certified paper is over 90% of all
paper consumed in production.
We also recycled over 286 tons
and 685 tons of metal and
plastic waste respectively.



ISO14001
International Standard in
environmental management
system to minimize the
environmental impact and
look for continuous
improvement. Certified
since 2003.



BOCHK Corporate Environmental Leadership Awards

We have participated the
program and received 3yr+ and
5yr+ EcoPioneer awards for
Heshan and
Shenzhen factory.



China Environmental Labelling

Our materials,
manufacturing processes
and products comply with
China environmental
requirement.

We care about people



ICTI-Care

International Council of Toy Industries– Care program, an ethical standard adopted by toy industries worldwide



Promoting
Happiness
Index
Foundation
香港提升快樂指數基金

Happy Company

We participated in Happy Company program to provide a happy working environment to employees



Caring Company

We participated in Caring Company program since 2006

We care about our employees, customers and community, our factories have accredited different ethical standards. We encourage employees to have better work life balance and contribute to community through donation, sponsor scholarship and other involvement.



Fitness Challenge

We encourage employees to do exercise and take challenge



Scholarship

We support students in their pursue of knowledge



Reading corner

We have reading corner to let employees relax and enhance knowledge

People

We care about our products



CNAS

We have China National Accreditation Service certified laboratory to perform chemical tests on our materials to ensure compliance with safety standards



EN 71

EN71

European toy safety standard

Our raw materials and products comply with international safety standards. Our production follow the leading standards in colour and quality control. Our factories have achieved various quality and hygienic workspace standards



GMI

Graphic Measures International Ltd, an approach adopted by some large retailing companies to monitor and measure the quality performance of packaging suppliers.



PSA

Printing Standards Audit certification is a rigorous, objective process for assessing a printer's color control ability to operate a standards-compliant workflow.

REACH

Registration
Evaluation
Authorisation and
Restriction of Chemicals

REACH

Raw materials comply with REACH and no chemicals in SVHC List (Substances of Very High Concern)



RoHS

European regulation on Restriction Of Hazardous Substances in electrical and electronic equipment.



ASTMF963

US toy safety standard



GSV

Global Security Verification, a supply chain security practice standard that meets requirement for export goods to United States



ISO9001

International Standard in Quality Management System for continuous quality improvement through the implementation of Plan-DO-Check-Act cycle.



BRC

British Retail Consortium, a standard to ensure workplace hygiene and process is suitable to produce indirect food contact items.



Products

B E L U G A

print + digital

2015 Annual Presentation

Growth Driver: Smart Packaging Capability

The next generation Anti-Counterfeiting, Track & Trace, Consumer Interactive Solution.

Dual Layer QR code

Top layer:

Inquire general product information

Logistic tracking

Can be checked many times



Hidden layer:

Verify authenticity upon purchase

Warning will be issued if an identical code is checked again.



Growth Driver: Innovations

Directions

- Growth driven by Innovations and Technical Capability with more innovative products and solutions
- Deep-seated our reach to different industries such as luxury, branding, health care, and FMCG.
- Develop own sales channels



Disclaimer

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Note:

The financial year end of Hung Hing Printing Group Limited (HHPG) has been changed from 31 March to 31 December since 2012.

Thank you

A Leading Printer in Asia

With unrivalled market leadership, well-balanced portfolio and sustained growth for over six decades, Hung Hing is in an excellent position to take advantage of growing opportunities as our industry continues to build momentum.