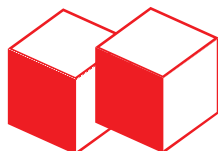


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HUNG HING

HUNG HING PRINTING GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 450)

CONNECTED TRANSACTION AND DISPOSAL OF EQUITY INTERESTS IN PAPER MILL ENTITIES

ADDITIONAL INFORMATION RELATING TO THE EQUITY TRANSFER AGREEMENTS

The Board announced on 31 July 2013 that the Company (as seller), among others, entered into the Equity Transfer Agreements with Zhongshan Yong Fa (as purchaser) pursuant to which the Company agreed to dispose 7.5% equity interests in each of the Paper Mill Entities by the Company to Zhongshan Yong Fa at an aggregate consideration of RMB18,179,000.

The Board wishes to provide additional information to the Shareholders and potential investors in relation to the Equity Transfer Agreements, which are regarded as connected transaction under Chapter 14A of the Listing Rules.

As the applicable percentage ratios (other than the profits ratio) for the Disposals contemplated under the Equity Transfer Agreements are over 0.1% but less than 5%, the Equity Transfer Agreements are subject to the reporting and announcement requirements only but exempt from the independent Shareholders' approval requirement under Rule 14A.32 of the Listing Rules.

The completion of the Disposals is subject to the fulfillment of a number of conditions precedent and the Disposals may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

Reference is made to the announcement of Hung Hing Printing Group Limited (the “**Company**”) dated 31 July 2013 (the “**Announcement**”) in relation to, among others, the disposals of 7.5% equity interests in each of the Paper Mill Entities by the Company to Zhongshan Yong Fa at an aggregate consideration of RMB18,179,000. Capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise stated.

ADDITIONAL INFORMATION RELATING TO THE EQUITY TRANSFER AGREEMENTS

On 31 July 2013, the Company (as seller), among others, entered into the Equity Transfer Agreements with Zhongshan Yong Fa (as purchaser) pursuant to which the Company agreed to dispose the 7.5% equity interests in each of the Paper Mill Entities to Zhongshan Yong Fa at an aggregate consideration of RMB18,179,000.

Terms of Payment and Compensation Mechanics

In addition to the disclosure in the Announcement, the Board wishes to add that pursuant to the Equity Transfer Agreements, the consideration for the Disposals shall be payable in two stages with an initial deposit of 10% or approximately RMB1,817,900 payable upon signing of the Equity Transfer Agreements and the remaining 90% or approximately RMB16,361,100 upon completion of such agreements.

Each of the Equity Transfer Agreements provided for a compensation mechanism pursuant to which the Company (as seller) may be required to compensate Zhongshan Yong Fa for any breach the terms of the respective Equity Transfer Agreement, including the representations and warranties thereunder, for an amount up to 20% of the consideration of the respective Disposal (the “**Compensation Mechanics**”).

Other Sellers

As disclosed in the Announcement, Rengo, a substantial shareholder of the Company, and Homegrace, which is wholly owned by Mr. Sung Chee Keung, a Director, and his associates, were also parties to each of the Equity Transfer Agreements, pursuant to which, each of Rengo and Homegrace proposed to sell 32.8% and 3.1% equity interests, respectively, in each of the Paper Mill Entities to Zhongshan Yong Fa.

Despite the parties to the Equity Transfer Agreements expect the various tranches of equity transfer by the Company, Rengo and Homegrace to Zhongshan Yong Fa to be completed simultaneously, Equity Transfer Agreements do not provide for any of the tranches of equity transfer thereunder to be inter-conditional to any other tranche. In addition, the Company had negotiated the terms of the Disposals with Zhongshan Yong Fa independently from the other parties, including Rengo and Homegrace.

Other Information relating to the Paper Mill Entities

The following table contains additional combined financial information of the Paper Mill Entities for the two years ended 31 December 2011 and 2012 according to their respective audited accounts prepared in accordance with the PRC Generally Accepted Accounting Principles:

	From 1 January 2011 to 31 December 2011 (RMB'000)	From 1 January 2012 to 31 December 2012 (RMB'000)
Profit/(Loss) before taxation and extraordinary items	(98,708)	(96,152)
Profit/(Loss) after taxation and extraordinary items	(98,651)	(96,152)

Use of Proceeds

Subject to the Compensation Mechanics and in accordance with Hong Kong Financial Reporting Standards, and by references to the carrying value of the Paper Mill Entities, the Company expects to recognize in its income statement a gain of approximately RMB13.6 million from the Disposals. The Company intends to apply the sales proceeds as its general working capital.

LISTING RULES IMPLICATIONS

As at the date of the Announcement, two of the parties to each of the Equity Transfer Agreement, namely, Rengo, a substantial shareholder of the Company, and Homegrace, an associate of Mr. Sung Chee Keung, a Director, are connected persons of the Company. The Equity Transfer Agreements were regarded as connected transactions pursuant to Chapter 14A of the Listing Rules. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, all other parties to the Equity Transfer Agreements are third parties independent of the Company and its connected persons.

As the applicable percentage ratios (other than the profits ratio) for the Disposals contemplated under Equity Transfer Agreements are over 0.1% but less than 5%, the Equity Transfer Agreements are subject to the reporting and announcement requirements only but exempt from the independent Shareholders' approval requirement under Rule 14A.32 of the Listing Rules.

In addition, to avoid any conflicts of interest, Mr. Sung Chee Keung and each of Mr. Shigechika Ishida and Mr. Yoshitaka Ozawa, who are directors of Rengo, and Mr. Katsuaki Tanaka, who is a member of the senior management of Rengo, have abstained from voting on the Board resolution for approving the Equity Transfer Agreements and the transactions contemplated thereunder. Save for the aforementioned Directors, none of the Directors has any material interests in the Disposals.

The completion of the Disposals is subject to the fulfillment of a number of conditions precedent and the Disposals may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

By order of the Board
HUNG HING PRINTING GROUP LIMITED
Yum Chak Ming, Matthew
Executive Chairman

Hong Kong, 9 August 2013

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. Shigechika Ishida, Mr. Yoshitaka Ozawa, Mr. Katsuaki Tanaka 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.