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## China Print Power Group Limited

中國威力印刷集團有限公司

(incorporated in Bermuda with limited liability)

(Hong Kong Stock code: 6828)

(Singapore Stock code: B3C)

### OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is a reproduction of the announcement made by China Print Power Group Limited (the "Company") on the website of Singapore Exchange Securities Trading Limited. In compliance with Rule 13.09(2) of the Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (which requires a listed issuer to ensure that if securities of the listed issuer are also listed on other stock exchanges, The Stock Exchange of Hong Kong Limited is simultaneously informed of any information released to any of such other stock exchanges and that such information is released to the market in Hong Kong at the same time as it is released on other markets), please refer to the attached announcement on the next page issued on the website of Singapore Exchange Securities Trading Limited on 14 August 2011.

Unless otherwise defined in this announcement, terms defined in the prospectus of the Company dated 28 June 2011 have the same meanings when used in this announcement.

This announcement is available for viewing on the website of the Company at <http://www.powerprinting.com.hk/> and the website of the Stock Exchange at <http://www.hkexnews.hk/>.

By order of the Board  
**China Print Power Group Limited**  
**Sze Chun Lee**  
*Executive Director*

Hong Kong, 14 August 2011

*As at the date of this announcement, the executive Directors are Mr. Sze Chun Lee, Mr. Chan Wai Ming, Mr. Kwan Wing Hang, and Mr. Lam Shek Kin and the independent non-executive Directors are Mr. Lim Siang Kai, Mr. Leong Ka Yew and Mr. Wee Piew.*

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**China Print Power Group Limited**  
中國威力印刷集團有限公司

For Immediate Release

## China Print Power maintains 15% sales growth in HY2011

- ▶ Healthy balance sheet with net current assets of HK\$46 million
- ▶ Newly raised funds from HK IPO will strengthen production capacity

Hong Kong and Singapore, 14 August 2011 – Hong Kong and Singapore main board-listed China Print Power Group Limited (“China Print Power” or the “Group”), a book and specialised products printing group serving the international market, today announced its unaudited financial performance for the six months ended 30 June 2011 (HY2011).

### Financial and Operations Overview

| <i>HK\$'000</i>  | <i>HY 2011</i>      | <i>HY 2010</i>          | <i>% Change</i> |
|--|---------------------|-------------------------|-----------------|
| Revenue  | 97,702              | 85,024                  | 14.9            |
| Gross profit   | 25,015              | 24,578                  | 1.8             |
| Profit for the period attributable to equity holders of the Company      | 5,196               | 5,665                   | (8.3)           |
| Total comprehensive income attributable to equity holders of the Company | 6,920               | 5,872                   | 17.8            |
| <i>HK\$'000</i>  | <i>30 June 2011</i> | <i>31 December 2010</i> | <i>% Change</i> |
| Cash and cash equivalents  | 21,949              | 28,831                  | (23.9)          |
| Net current assets   | 46,322              | 49,810                  | (7.0)           |

During the period concerned, the Group reported total revenue of HK\$97.7 million, an increase of 14.9% compared to HY2010. The increase in revenue was due to an increase in sales orders and average selling prices. The overall gross profit margin was approximately 25.6% in HY2011 versus approximately 28.9% in HY2010. This was mainly due to an increase in labour costs as a result of an increase in the number of workers and wages.

Other income increased by 167.1% from approximately HK\$0.3 million in HY2010 to approximately HK\$0.7 million in HY2011. The increase was mainly due to proceeds of approximately HK\$0.2 million on sales of scraps and the net effect of reversal of impairment loss on trade receivables of approximately HK\$0.2.

As a result of the above, the Group booked a total comprehensive income for the period attributable to owners of the company of HK\$6.9 million for HY2011. This represents an increase of 17.8% compared to HY2010.

As at 30 June 2011, the Group has a healthy cash position amounting to approximately HK\$21.9 million.

### **Prospects and Future Plans**

Looking ahead, we will leverage on the Group's dedicated strength in printing and production expertise and experience in specialised products to enhance our market position and increase our market share. The Group intends to focus on the development of children's booklets and the stationery market where more specialised skills and techniques are required and hence enjoy a higher profit margin. The Group will endeavour to market value-added children's products by participating in international and domestic trade fairs.

Along with sustained economic growth, rising average disposable incomes and higher living standards in the PRC, the Group believes that increasing demand in the PRC for high-end premium products presents tremendous opportunities for our future development. Thus, we plan to set up sales offices / showrooms for specialised products in major cities in the PRC to identify potential customers, and strive to seek new business opportunities.

The strong business relationships with our existing customers in Hong Kong, Europe and North America continue to be one of the key assets to the Group. To secure more sales orders from them and expand our customer base, we will strengthen and enlarge our sales and marketing team.

**“It is a milestone that we have successfully dual listed in Hong Kong and Singapore this year. The additional trading platform in Hong Kong not only provides more potential investors but also increases our reputation in the PRC market.**

**Given the current debt and financial conditions in the United States and Europe, the Group expects business conditions to be challenging in the second half of FY2011.”**

**Thomas Sze – Chief Executive Officer  
China Print Power Group Limited**

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**About China Print Power Group Limited (HKEX: 6828;SGX: B3C)**

Established in 2000, the Group is principally engaged in printing books and manufacturing specialised products, providing a full suite of services including pre-printing (including colour separation and creating ozalids), printing and post-printing services (including folding, collating, finishing and binding). Examples of the Group's specialised products include custom-made and value-added printing products such as pop-up children's books, board books and greeting cards, etc. The Group also manufactures leather and fabric products such as organisers with leather or fabric covers, leather-bound journals and diaries, and products with materials other than paper. The production plant is strategically located in Heyuan, Guangdong Province, PRC, where it operates a site with approximately 104,349 sq. m. in factory space with twelve printing presses, allowing the Group to enjoy relatively lower costs for labour and utilities. As testament to its track record in the timely delivery of high quality products, the Group boasts an extensive customer base including major international publishers and retail stores across Europe, North America and Asia. Print Power was listed on the Main board of SGX-ST in May 2007 and on the Main board of SEHK in July 2011.

Print Power website: [www.powerprinting.com.hk](http://www.powerprinting.com.hk)

**Enquires:**

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