CHUNG TAI PRINTING HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00055)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2008

The Directors of Chung Tai Printing Holdings Limited ("the Company") are pleased to announce the audited consolidated results of the Company and its subsidiaries ("the Group") for the year ended 31 March 2008 together with comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT

	Notes	**2008** *HK$*	2007 *HK$*
Revenue	*3*	**728,563,145**	678,028,525
Cost of sales		**(603,784,375)**	(542,396,080)
Gross profit		**124,778,770**	135,632,445
Interest income		**9,592,481**	1,803,123
Other income		**14,079,588**	3,081,079
Distribution costs		**(32,492,534)**	(28,263,793)
Administrative expenses		**(70,681,674)**	(70,990,305)
Finance costs		**(4,092,606)**	(501,349)
Profit before taxation		**41,184,025**	40,761,200
Taxation	*4*	**(2,164,283)**	(6,268,198)
Profit for the year	*5*	**39,019,742**	34,493,002
Dividends recognised as distributions during the year	*6*	**18,607,528**	29,240,401
Earnings per share			
Basic	*7*	**0.48 cents**	0.52 cents
Diluted	*7*	**0.47 cents**	N/A

CONSOLIDATED BALANCE SHEET

	Notes	2008 HK$	2007 HK$
Non-current assets			
Property, plant and equipment		**235,385,262**	251,080,441
Prepaid lease payments		**3,251,515**	3,340,125
Deposits for land use rights		**31,515,152**	31,515,152
		270,151,929	285,935,718
Current assets			
Inventories		**111,527,718**	90,960,680
Trade and other receivables	*8*	**220,180,979**	162,458,348
Prepaid lease payments		**88,610**	88,610
Held for trading investment		**–**	3,745,560
Tax recoverable		**–**	1,362,896
Short-term bank deposits		**379,461,223**	87,663,366
Bank balances and cash		**34,292,415**	26,110,851
		745,550,945	372,390,311
Current liabilities			
Trade and other payables	*9*	**91,161,530**	65,481,745
Tax liabilities		**947,356**	216,192
Bank borrowings		**6,044,735**	3,873,408
		98,153,621	69,571,345
Net current assets		**647,397,324**	302,818,966
Total assets less current liabilities		**917,549,253**	588,754,684
Non-current liabilities			
Convertible notes		**122,990,000**	–
Deferred taxation		**15,433,590**	17,416,223
		138,423,590	17,416,223
Net assets		**779,125,663**	571,338,461
Capital and reserves			
Share capital		**50,967,728**	33,227,728
Reserves		**728,157,935**	538,110,733
Total equity		**779,125,663**	571,338,461

Notes:

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with accounting policies which conform with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied, for the first time, a number of new standard, amendment and interpretations ("New HKFRSs") issued by the HKICPA that are effective for accounting periods beginning on or after 1 April 2007.

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC) – INT 8	Scope of HKFRS 2
HK(IFRIC) – INT 9	Reassessment of embedded derivatives
HK(IFRIC) – INT 10	Interim financial reporting and impairment
HK(IFRIC) – INT 11	HKFRS 2 – Group and treasury share transactions

The application of the New HKFRSs had no material effect on how the Group's results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior years under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of financial statements [1]
HKAS 23 (Revised)	Borrowing costs [1]
HKAS 27 (Revised)	Consolidated and separate financial statements [2]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation [1]
HKFRS 2 (Amendment)	Vesting conditions and cancellations [1]
HKFRS 3 (Revised)	Business combinations [2]
HKFRS 8	Operating segments [1]
HK(IFRIC) – INT 12	Service concession arrangements [3]
HK(IFRIC) – INT 13	Customer loyalty programmes [4]
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction [3]

[1] Effective for accounting periods beginning on or after 1 January 2009.
[2] Effective for accounting periods beginning on or after 1 July 2009.
[3] Effective for accounting periods beginning on or after 1 January 2008.
[4] Effective for accounting periods beginning on or after 1 July 2008.

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

The directors of the Company anticipate that the application of the other new or revised standards, amendments and interpretations will have no material impact on the results and the financial position of the Group.

3. REVENUE AND SEGMENTS

Revenue, which is also turnover of the Group, represents the amounts received and receivable for goods sold by the Group, less returns and allowances during the year.

GEOGRAPHICAL SEGMENTS

The location of customers is the basis on which the Group reports its primary segment information. The following is an analysis of the Group's sales and results for the year ended 31 March 2008 and 2007 by location of customers.

Consolidated income statement for the year ended 31 March 2008

	Hong Kong	Other regions in the People's Republic of China ("PRC")	Europe	United States of America	Other	Consolidated
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
Revenue	427,656,609	173,352,126	4,477,310	78,804,867	44,272,233	728,563,145
Segment result	55,122,029	22,193,910	577,095	10,157,411	5,706,390	93,756,835
Unallocated corporate expenses						(71,521,780)
Gain on disposal of property, plant and equipment						13,294,655
Gain on fair value change of held for trading investments						154,440
Interest income						9,592,481
Finance costs						(4,092,606)
Profit before taxation						41,184,025
Taxation						(2,164,283)
Profit for the year						39,019,742

Consolidated income statement for the year ended 31 March 2007

	Hong Kong	Other regions in the PRC	Europe	United States of America	Other	Consolidated
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
Revenue	449,062,260	61,171,798	37,957,110	72,689,770	57,147,587	678,028,525
Segment result	70,705,615	9,631,604	5,976,412	11,445,128	8,997,986	106,756,745
Unallocated corporate expenses						(70,233,577)
Gain on fair value change of held for trading investments						2,936,258
Interest income						1,803,123
Finance costs						(501,349)
Profit before taxation						40,761,200
Taxation						(6,268,198)
Profit for the year						34,493,002

The following is an analysis of the carrying amount of segment assets at the balance sheet date, and additions to property, plant and equipment during the year, analysed by the geographical area in which the assets are located:

	Carrying amount of segment assets		**Additions to property, plant and equipment**	
	2008	2007	**2008**	2007
	HK$	*HK$*	***HK$***	*HK$*
Hong Kong	**158,186,495**	161,085,392	**5,758,921**	5,030
Other regions in the PRC	**366,768,883**	346,842,812	**13,036,622**	48,119,325
	524,955,378	507,928,204	**18,795,543**	48,124,355

Business segments

The Group's revenue and results are derived from the printing business. Accordingly, no analysis by business segments is presented.

4. TAXATION

	2008	2007
	HK$	*HK$*
The taxation charge comprises:		
Hong Kong Profits Tax		
Charge for the year	**4,343,287**	4,205,975
Overprovision in prior years	**(715,835)**	(383,204)
	3,627,452	3,822,771
Overseas taxation		
Charge for the year	**519,464**	723,472
Deferred tax charge (credit)		
Current year	**(1,982,633)**	1,721,955
	2,164,283	6,268,198

Hong Kong Profits Tax is calculated at 17.5% on the estimated assessable profits for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

5. PROFIT FOR THE YEAR

	2008	2007
	HK$	*HK$*
Profit for the year has been arrived at after charging/(crediting):		
Allowance for bad and doubtful debts	**3,349,914**	1,599,372
Write-down of inventories	**170,000**	1,115,693
Auditor's remuneration	**1,270,000**	1,262,680
Cost of inventories recognised as an expense	**603,614,375**	541,280,387
Depreciation for property, plant and equipment	**36,650,496**	37,870,264
(Gain)/Loss on disposal of property, plant and equipment	**(13,294,655)**	2,004,328
Net foreign exchange losses	**4,100,581**	2,785,870
Prepaid lease payments charged to consolidated income statement	**88,610**	88,610
Rental payments in respect of premises under operating leases	**4,434,841**	4,240,017
Staff costs including directors' emoluments		
– Salaries, wages and other benefits	**137,470,614**	125,991,042
– Contributions to retirement benefits schemes	**993,805**	1,240,498
Total staff costs	**138,464,419**	127,231,540
Gain on fair value change of held for trading investments	**(154,440)**	(2,936,258)

6. DIVIDENDS

	2008	2007
	HK$	*HK$*
Dividends recognised as distributions during the year:		
Interim dividend, paid – HK0.091 cents (2007: HK2.8 cents) per share	**9,303,764**	9,303,764
2007 Final dividend paid – HK2.8 cents per share	**9,303,764**	–
2006 Final dividend paid – HK6 cents per share	**–**	19,936,637
	18,607,528	29,240,401

Subsequent to 31 March 2008, the directors proposed a final dividend of HK0.091 cents (2007: HK2.8 cents) per share be paid to the shareholders of the Company whose names appear on the Register of Members on 22 August 2008. This final dividend is subject to approval of the shareholders at the forthcoming annual general meeting.

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the shareholders of the Company for the year is based on the following data:

	2008	2007
	HK$	*HK$*
Earnings for the purpose of basic earnings per share (profit for the year)	**39,019,742**	34,493,002
Effect of dilutive potential ordinary shares – interest on convertible notes	**3,800,000**	N/A
Earnings for the purpose of diluted earnings per share	**42,819,742**	N/A

	2008	2007
Number of shares		
Weighted average number of shares for the purpose of basic earnings per share	**8,192,408,988**	6,645,545,600
Effect of dilutive potential ordinary shares: Convertible notes	**953,901,132**	N/A
Weighed average number of shares for the purpose of diluted earnings per share	**9,146,310,120**	N/A

Pursuant to the ordinary resolution passed at the special general meeting held on 23 October 2007, each of the then issued and unissued shares of HK$0.10 each in the share capital of the Company is subdivided into twenty shares of HK$0.005 each in the share capital of the Company with effect from 24 October 2007. Accordingly, the weighted average number of ordinary shares for the purpose of earnings per share has been adjusted for each of the years ended 31 March 2008 and 31 March 2007.

8. TRADE AND OTHER RECEIVABLES

The Group's credit terms on sales are generally with a range from 60 to 90 days. A longer period is granted to a few customers with whom the Group has a good business relationship and which are in sound financial condition. An aging analysis of the trade receivables is as follows:

	2008	2007
	HK$	*HK$*
0 – 30 days	**73,272,178**	60,956,516
31 – 60 days	**25,239,767**	24,525,333
61 – 90 days	**32,416,368**	30,452,894
Over 90 days	**38,628,345**	41,268,478
	169,556,658	157,203,221
Deposits, prepayments and other receivables	**50,624,321**	5,255,127
	220,180,979	162,458,348

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits attributable to customers are reviewed regularly.

The Group has policy for allowance of bad and doubtful debts which is based on the evaluation of collectibility and age analysis of accounts and on management's judgment including the credit creditworthiness and the past collection history of each client.

9. TRADE AND OTHER PAYABLES

An aging analysis of the trade payables at the balance sheet date is as follows:

	2008	2007
	HK$	*HK$*
0 – 30 days	**58,798,037**	40,140,717
31 – 60 days	**9,817,372**	5,086,892
61 – 90 days	**916,303**	2,035,065
Over 90 days	**1,480,102**	892,839
	71,011,814	48,155,513
Accrued expenses and other payables	**20,149,716**	17,326,232
	91,161,530	65,481,745

The average credit period on purchase of goods is 90 days. The Group has financial risk management policies in place to ensure that all payables within the credit timeframe.

DIVIDENDS

The Directors are pleased to recommend at the forthcoming Annual General Meeting the payment of a final dividend of HK0.091 cents per share for the year ended 31 March 2008 to the members whose names appear on the Register of Members on 22 August 2008. Together with the interim dividend of HK0.091 cents per share paid in January 2008, total dividends per share for the year amounted to HK0.182 cents (2007: HK5.6 cents).

Subject to the approval of shareholders at the forthcoming Annual General Meeting, the dividend will be paid on 25 August 2008.

REVIEW OF FINANCIAL RESULTS

The Group's consolidated revenue for the year under review amounted to HK$729 million (2007: HK$678 million), representing a moderate sales growth of 7.5% as compared to last year. The gross profit for the year achieved HK$125 million, being 17.1% of revenue. The gross profit percentage has reduced by 2.9% from the last year's 20%. The net profit has increased by 13.1% from HK$34 million to HK$39 million. The net profit margin accounted for 5.4% of the revenue, a bit improved from last year which was 5.1% of the revenue.

BUSINESS REVIEW AND PROSPECTS

With keen competition in the industry, this year was indeed full of challenges to the Group. The bargaining power of customers was increasing and the customers were demanding for lower prices with more value-added services from the Group. On the other hand, the rise in raw material costs, high cruel oil prices, the tightening of PRC labour regulations, the increase in minimum wages rate in the Guangdong Province and the significant appreciation of Renminbi, all put extra burden on material costs and manufacturing expenses of the Group. Notwithstanding the efforts made by the Group to improve production and operation efficiencies, gross profit margin for the year declined.

During the year under review, distribution costs rose by 15% to HK$32.5 million (2007: HK$28.3 million). Such increase was mainly due to high fuel costs and growth in sales. The administrative expenses amounted to HK$70.7 million (2007: HK$71 million), maintained steadily with that in the last year under the cautious measures on cost control implemented in the year. The significant increase in finance costs to HK$4.1 million (2007: HK$0.5 million) during the year was attributed to the effective interest expenses payable on convertible notes issued in November 2007.

To improve production and operation efficiencies, the Group had made capital expenditures totalling HK$19 million (2007: HK$48 million), principally composed of plant and machinery and computer equipments.

It is foreseeable that the keen competition in the industry, the unfavourable economic environment and government policies on manufacturers operating in South China region will continue. The Group will take further measures, including retraining of workers, reorganisation of workflows and automation of selected hand assembly processes, to improve its production and operation efficiencies aiming at maximizing profitability and shareholders' return.

The continuous fine-tuning and development of the ERP system according to the changing operating needs help to promote operation efficiencies by the real-time management and Just-In-Time production management. This definitely alleviates pressure on the Group's production costs.

We consider our staff our most valuable assets and, in this regard, we have placed great emphasis on staff training and development, aiming at upgrading management excellence and offering more value-added services to our customers. Moreover, the set-up of Action Learning Groups and the Diploma in Management Studies Program are designed for the tactical and strategic management. On-the-job trainings and comprehensive courses are provided to front line staff, that enrich their knowledge and skill to perform assigned job duties.

The development of new plant in Qingyuan of Guangdong Province has started off. This huge investment not only signifies a new phase of the Group's development, but also improves its production capabilities. Coupled with the low-cost benefits in Qingyuan, economies of scale, resources and technology sharing amongst our factories in Shenzhen, it is believed that the Group is capable of capturing any emerging opportunities and generating impressive returns when the new plant operates.

The Group continues to develop and implement sound business strategies. All these are the key propellants of the Group's businesses. The Group's commitments to devoting efforts in exploring new market, maintaining close partnership with our existing customers, and sourcing new material to produce quality goods at competitive prices are essential to get those strategies successfully implemented.

Moreover, with its strong financial resources and liquidity, the Group will continue to explore good investment opportunities to enhance Shareholders' returns.

FUND RAISING

With a view to enlarging the Company's shareholder base and strengthening the financial position of the Company, the following capital raising exercises were undertaken during the year:

a. In August 2007, net proceeds of approximately HK$57.8 million were raised through a top-up placing of 66.4 million new shares at HK$0.9 per share; and

b. Issue of convertible notes in an aggregate principal amount of HK$140 million through a placing agent to several independent third parties in November 2007; and

c. In late November 2007, the Company issued a total of 2,220 million new shares of HK$0.005 each at the issue price of HK$0.045 per share for cash.

LIQUIDITY AND FINANCIAL POSITION

As at 31 March 2008, the Group had approximately HK$34 million cash on hand. The current ratio stood at 7.6, reflecting ample cash flow and maintaining a stable liquidity position over the year. The Group's bank balances and cash and short-term bank deposits were approaching HK$408 million (31 March 2007: HK$110 million), after deducting bank borrowings of HK$6 million (31 March 2007: HK$4 million). The gearing ratio was 16.6% (31 March 2007: 0.7%), which is calculated based on the Group's total borrowings of HK$129 million (31 March 2007: HK$4 million) and the shareholders' fund of HK$779 million (31 March 2007: HK$571 million).

At 31 March 2008, the Group had working capital surplus of HK$647 million (31 March 2007: HK$303 million), which comprised primarily inventories of HK$112 million, trade and other receivables of HK$220 million, bank balances, cash and short-term deposit of HK$414 million, less trade and other payables of HK$91 million, tax liabilities of HK$0.9 million and bank borrowings of HK$6 million.

The Group's transactions are mainly denominated in Hong Kong dollars, Renminbi and United States dollars and the foreign currency risk exposure is not significant during the year under review. During the year, the Group did not use any financial instruments for hedging purpose and did not have any hedging instruments outstanding as at 31 March 2008.

The Group generally finances its operation with internally generated cash flows and facilities provided by banks in Hong Kong. The high level of operating cash position continued to be maintained, thus reflecting the strength of its operating performance. Considering the anticipated internally generated funds and available banking facilities, the management believes that the Group has adequate resources to meet its future capital expenditures and working capital requirements. The management will continue to follow a prudent policy in managing its cash balances and maintain a strong and healthy liquidity to ensure that the Group is well placed to take advantage of growth opportunities for the business. In view of the upcoming large project in Qingyuan, the Group will take consideration on the fund planning to adequately finance such material investment.

The Group's dividend payout ratio as a percentage of its earning is about 48%. The Board will closely monitor the dividend policy to ensure that our investors are well rewarded for their continuous support.

AUDIT COMMITTEE

The audit committee comprises two independent non-executive directors and one non-executive director. The audit committee has reviewed with the management the Group's accounting policies and discussed auditing, internal controls and financial reporting matters, including the review of final results and financial statements of the Company for the year ended 31 March 2008.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company has not redeemed any of its shares during the year ended 31 March 2008. Neither the Company nor any of its subsidiaries has purchased or sold any shares in the Company during the year.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board recognises that good corporate governance practices are vital to maintain and promote shareholder value and investor confidence and has introduced corporate governance practices appropriate to the conduct and growth of our business. The Company has complied with the Code Provisions in the Code on Corporate Governance Practices set out in appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited save for the following deviations:

The Company has not formalised and adopted written terms on the division of functions reserved to the Board and delegated to the management. However, in practice, the Board takes responsibility for decision making in major matters of the Company while the day-to-day management administration and operation are delegated to the senior executives.

As there was no major change in the remuneration policy, no remuneration committee meeting was held during the year ended 31 March 2008.

None of the directors are appointed for a specific term but they are subject to retirement by rotation once every three years pursuant to the Company's Bye-law.

During the year ended 31 March 2008, two regular board meetings were held.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Friday, 15 August 2008 to Friday, 22 August 2008, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and to qualify as shareholder to attend the 2008 Annual General Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 14 August 2008.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated balance sheet, consolidated income statement and the related notes thereto for the year ended 31 March 2008 as set out in the preliminary announcement have been agreed by the Group's auditors, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

On behalf of the Board
Dr. Suek Chai Kit, Christopher
Chairman

Hong Kong, 14 July 2008

As at the date of this announcement, the directors of the Company are Ms. Ng Wai Chi, Mr. Suek Chai Hong, Mr. Suek Ka Lun, Ernie and Mr. Lau Chin Hung, Edwin being the Executive Directors; Dr. Suek Chai Kit, Christopher (Chairman), Mr. Suek Che Hin, Dr. Ng Wai Kwan, Stephen and Mr. Chan Kwing Choi, Warren being the Non-Executive Directors; Mr. Wong Sun Fat, Mr. Tse Tin Tai and Mr. Au Yan, Alfred being the Independent Non-Executive Directors; and Dr. Ng Wai Yung, Angela (Alternate Director to Mr. Suek Che Hin) and Mr. Lau Kam Cheong (Alternate Director to Dr. Ng Wai Kwan, Stephen) being the Alternate Directors.