CT HOLDINGS (INTERNATIONAL) LIMITED
詩天控股（國際）有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1008)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2008

FINANCIAL HIGHLIGHTS

- Turnover increased by 20.2% to HK$403.2 million (2007: HK$335.4 million)
- Gross profit increased by 17.5% to HK$99.1 million (2007: HK$84.4 million)
- Profit for the year attributable to equity holders of the Company increased by 6.3% to HK$31.8 millon (2007: HK$29.9 million)
- Earnings per share increased by 5.0% to HK$0.21 (2007: HK$0.20)

RESULTS

The board (the "Board") of directors (the "Directors") of CT Holdings (International) Limited (the "Company") is pleased to announce the audited combined results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2008, together with the comparative figures for the previous year in 2007 as follows:

COMBINED INCOME STATEMENT

Year ended 31 December 2008

	Notes	**2008** *HK$'000*	**2007** *HK$'000*
Turnover	4	403,188	335,392
Cost of sales		(304,076)	(251,023)
Gross profit		99,112	84,369
Other revenue and other net income	5	4,934	6,247
Selling expenses		(29,578)	(29,027)
Administrative expenses		(29,017)	(19,634)
Listing expenses	6(c)	(2,194)	—
Profit from operations		43,257	41,955
Finance costs	6(a)	(8,622)	(9,221)
Profit before taxation	6	34,635	32,734
Income tax	7	(2,803)	(2,797)
Profit for the year attributable to equity holders of the Company		31,832	29,937
Dividend	8	—	—
Earnings per share — basic and diluted (HK$)	9	0.21	0.20

COMBINED BALANCE SHEET

31 December 2008

	Notes	**2008** *HK$'000*	**2007** *HK$'000*
Non-current assets			
Property, plant and equipment		126,739	130,449
Prepaid lease payments	10	—	—
Available-for-sale financial assets	11	16,542	15,873
		143,281	146,322
Current assets			
Inventories		51,123	63,873
Trade and other receivables	12	164,037	150,000
Pledged fixed deposits		15,117	50,000
Cash and cash equivalents		14,456	7,240
		244,733	271,113
Current liabilities			
Trade and other payables	13	37,921	46,754
Amounts due to related parties		—	56,364
Obligations under finance leases		17,923	15,507
Secured bank loans and other borrowings		76,189	99,419
Tax payable		2,089	—
		134,122	218,044
Net current assets		110,611	53,069
Total assets less current liabilities		253,892	199,391
Non-current liabilities			
Amounts due to related parties		—	74,675
Obligations under finance leases		38,210	51,067
Deferred taxation		7,433	6,719
		45,643	132,461
NET ASSETS		208,249	66,930
CAPITAL AND RESERVES			
Share capital		2	10
Reserves		208,247	66,920
TOTAL EQUITY		208,249	66,930

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. COMPANY BACKGROUND AND BASIS OF PRESENTATION

a) Corporate information

The Company was incorporated and domiciled in the Cayman Islands under Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 11 November 2008. The Company has established a principal place of business in Hong Kong at Suites 2301-2, 23rd Floor Tower 2, Nina Tower, 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong and has been registered as an overseas company under Part XI of the Hong Kong Companies Ordinance on 24 December 2008.

As at 31 December 2008, 1 nil-paid share of the Company was held by Mr. Tsoi Tak, the then ultimate controlling party. The Company did not carry on any business during the period from the date of incorporation to 31 December 2008.

b) Reorganisation

Pursuant to a reorganisation (the "Reorganisation") of the Company and its subsidiaries now comprising the Group completed on 4 March 2009 to rationalise the group structure for the public listing of the Company's shares on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the Group. The shares of the Company were listed on the Stock Exchange on 30 March 2009.

Details of the Reorganisation are set out in the prospectus dated 18 March 2009 (the "Prospectus") issued by the Company.

The Company and its subsidiaries now comprising the Group as set out below are principally engaged in the provision of printing services.

Particulars of the Company's subsidiaries are as follows:

Name of company	Place and date of incorporation/ establishment	Percentage of equity attributable to the Company		Issued and fully paid share capital/ registered capital at the date of this announcement	Principal activities
		Direct	Indirect		
CT Management Investments Limited	British Virgin Islands 24 October 2008	100%	—	US$200	Investment holding
CT Printing Limited	Hong Kong 5 January 2001	—	100%	HK$20,000	Provision of printing services

Name of company	Place and date of incorporation/ establishment	Percentage of equity attributable to the Company Direct	Indirect	Issued and fully paid share capital/ registered capital at the date of this announcement	Principal activities
詩天紙藝製品(深圳)有限公司#	The People's Republic of China ("PRC") 15 August 2008	—	100%	Paid up capital of US$860,000 out of the registered capital of US$4,280,000	Provision of the printing of packaging and decorative matters, research and development on printing technology, wholesale, import and export of the packaging products and other related services

Wholly foreign owned enterprise registered in the PRC

c) **Basis of presentation**

Note 1(b) describes the Reorganisation of the Group that took place prior to its listing on the Stock Exchange on 30 March 2009. Since the Reorganisation was not fully completed until 4 March 2009, the effect of the full Reorganisation is not reflected in the Company's financial statements for the period from the date of incorporation to 31 December 2008.

However, since all entities which took part in the Reorganisation were under common control of Mr. Tsoi Tak (the "Controlling Shareholder") before and immediately after the Reorganisation and, consequently, there was a continuation of the risks and benefits to the Controlling Shareholder and therefore this is considered as a business combination under common control and Accounting Guideline 5 "Merger Accounting for Common Control Combinations" has been applied. These combined financial statements have been prepared by using the merger basis of accounting as if the Group had been in existence throughout the years presented.

Accordingly, the combined income statements, combined statements of changes in equity and combined cash flow statements of the Group for the years ended 31 December 2007 and 2008 include the results of operations of the companies now comprising the Group for the years ended 31 December 2007 and 2008 (or, where the companies were established/incorporated at a date later than 1 January 2007, since their respective dates of incorporation) as if the combined entities had been in existence throughout the years presented. The combined balance sheets of the Group as at 31 December 2007 and 2008 have been prepared to present the state of affairs of the companies now comprising the Group as at the respective dates as if the combined entities had been in existence as at the respective dates.

All material intra-group transactions and balances have been eliminated on combination.

These combined financial statements do not form part of the Company's financial statements for the period ended 31 December 2008. However, they will form the basis of the comparative information in the Company's financial statements for the year ending 31 December 2009. This is because, when adopting the merger basis of accounting, in the period in which the Reorganisation is first reflected in the financial statements, the financial statements items for any comparative periods should be included in the financial statements as if the Reorganisation had taken place from the beginning of the earliest period presented.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These combined financial statements have been prepared in accordance with the principal accounting policies set out below. These accounting policies are in accordance with all applicable Hong Kong Financial Reporting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (the "HKFRS"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

These combined financial statements also comply with the disclosure provisions of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

Up to the date of issue of these combined financial statements, the HKICPA has issued certain amendments and interpretations which are or have become effective. It has also issued certain new and revised HKFRSs which are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these combined financial statements.

(b) Basis of preparation of the combined financial statements

The measurement basis used in the preparation of the combined financial statements is the historical cost basis except that the available-for-sale financial assets are stated at their fair value.

The preparation of the combined financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

In the current year, the Group has where applicable applied the following amendments and interpretations ("new HKFRSs") issued by the HKICPA which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC)-Int 11	HKFRS 2: Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction

The application of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior year adjustment is required.

The Group has not early applied any of the following new and revised standards, amendments or interpretations which have been issued but are not yet effective for annual periods beginning on 1 January 2008.

HKFRSs (Amendments)	Improvements to HKFRSs[1]
HKAS 1 (Revised)	Presentation of Financial Statements[2]
HKAS 23 (Revised)	Borrowing Costs[2]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[3]
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[2]
HKAS 39 (Amendment)	Eligible hedged items[3]
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[2]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[2]
HKFRS 3 (Revised)	Business Combinations[3]

HKFRS 7 (Amendments)	Improving Disclosures about Financial Instruments[2]
HKFRS 8	Operating Segments[2]
HK(IFRIC)-Int 9 & HKAS 39 (Amendments)	Embedded Derivatives[7]
HK(IFRIC)-Int 13	Customer Loyalty Programmes[4]
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate[2]
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation[5]
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners[3]
HK(IFRIC)-Int 18	Transfer of Assets from Customers[6]

1 Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009

2 Effective for annual periods beginning on or after 1 January 2009

3 Effective for annual periods beginning on or after 1 July 2009

4 Effective for annual periods beginning on or after 1 July 2008

5 Effective for annual periods beginning on or after 1 October 2008

6 Effective for annual periods beginning on or after 1 July 2009

7 Effective for annual periods ending on or after 30 June 2009

The application 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.

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

4. TURNOVER AND SEGMENT REPORTING

The Group has one business segment, namely the printing of paper products. No further business segment information is presented.

Geographical segments

In presenting information on the basis of geographical segments revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

The Group comprises the following main geographical segments:

	Year ended 31 December 2008					
	United Kingdom	**Hong Kong**	**United States**	**Europe**	**Others**	**Combined**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers	221,444	56,706	31,838	65,651	27,549	403,188
Segment result	40,672	9,926	5,079	12,426	5,787	73,890
Unallocated operating income and expenses						(30,633)
Profit from operations						43,257
Finance costs						(8,622)
Income tax						(2,803)
Profit after taxation						31,832
Depreciation and amortisation for the year	7,356	2,675	1,057	2,181	915	14,184

	Year ended 31 December 2007					
	United Kingdom	**Hong Kong**	**United States**	**Europe**	**Others**	**Combined**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers	193,065	65,218	29,719	27,715	19,675	335,392
Segment result	33,749	17,327	5,173	2,508	2,109	60,866
Unallocated operating income and expenses						(18,911)
Profit from operations						41,955
Finance costs						(9,221)
Income tax						(2,797)
Profit after taxation						29,937
Depreciation and amortisation for the year	6,267	2,553	965	900	639	11,324

The Group's assets and liabilities are physically located in the PRC including Hong Kong, and accordingly, no analysis on segment assets and liabilities and capital expenditure is provided.

5. OTHER REVENUE AND OTHER NET INCOME

	2008	2007
	HK$'000	*HK$'000*
Other revenue		
Bank interest income (note i)	1,021	1,025
Management fee income	264	344
Sales of scrap materials	3,419	2,474
Sundry income	151	84
	4,855	3,927
Other net income		
Gain on disposal of property, plant and equipment	79	2,160
Gain on disposal of prepaid lease payments	—	160
	79	2,320
	4,934	6,247

Note:

(i) The bank interest income represented the total income in financial assets not at fair value through profit or loss.

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	2008	2007
	HK$'000	*HK$'000*
(a) Finance costs		
Interest on bank loans, overdrafts and other borrowings wholly repayable within five years	5,770	6,460
Finance charges on obligations under finance leases	2,852	2,761
Total interest expense on financial liabilities not at fair value through profit or loss	8,622	9,221
(b) Other items		
Auditors' remuneration	900	353
Cost of inventories sold	304,076	251,023
Depreciation		
— owned assets	6,917	6,765
— assets held under finance leases	7,267	4,461
Amortisation of prepaid lease payments	—	98
Allowance for doubtful debts	341	92
Exchange loss, net	7,920	979
Operating lease charges in respect of land and building	4,637	2,401

(c) **Listing expenses**

The amount represents professional fees and other expenses related to the listing of Company's shares on the Stock Exchange being recognised for the year ended 31 December 2008. Pursuant to HKAS 32 Financial Instruments: Presentation, the transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are directly attributable to the issuing of new shares. The remaining costs are recognised as an expense when incurred.

7. INCOME TAX

Taxation in the combined income statement represents:

	2008	**2007**
	HK$'000	*HK$'000*
Current tax - Hong Kong profits tax		
- Provision for the year	2,089	—
Deferred tax	714	2,797
	2,803	2,797

Hong Kong profits tax is calculated at 16.5% (2007: 17.5%) based on the estimated assessable profit for the year.

PRC subsidiary is subject to PRC Enterprise Income Tax at 25%.

8. DIVIDEND

The Directors do not recommend the payment of a dividend for the year ended 31 December 2008 (2007: Nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company of HK$31,832,000 (2007: HK$29,937,000) and the weighted average number of shares in issue for the year 2007 and 2008 used in the basic earnings per share calculation is determined on the assumption that the 150,000,000 shares at par value of HK$0.01 each issued to Profitcharm Limited and Sinorise International Limited as a result of the Reorganisation had been in issue throughout the years ended 31 December 2007 and 2008.

Diluted earnings per share is equal to basic earnings per share as there were no potential dilutive ordinary shares outstanding during 2007 and 2008.

10. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise two pieces of leasehold land in the PRC, both of which are under medium term leases. Prepaid lease payments are amortised over the term of leases which will expired in Year 2052 and Year 2056. The two pieces of leasehold lands were disposed of during the year ended 31 December 2007.

	2008	2007
	HK$'000	*HK$'000*
At 1 January	—	5,257
Amortisation for the year	—	(98)
Disposals	—	(5,159)
At 31 December	—	—

11. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2008	2007
	HK$'000	*HK$'000*
Unlisted equity securities at fair value	16,542	15,873

The fair value of the unlisted equity securities is based on quoted market price.

The investments are pledged to a bank to secure general banking facilities granted to the Group.

12. TRADE AND OTHER RECEIVABLES

	2008	2007
	HK$'000	*HK$'000*
Trade receivables	156,880	149,118
Less: Allowance for doubtful debts	(1,358)	(1,067)
	155,522	148,051
Interest receivables	—	963
Other receivables	1,094	—
Trade and other receivables	156,616	149,014
Prepayments	4,005	278
Rental, utility and sundry deposits	3,138	490
Trade deposits paid	29	57
Staff advances	249	161
	7,421	986
	164,037	150,000

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

The Group normally grants credit terms of up to 90 - 120 days to its customers. The Directors may from time to time approve extended credit periods for extra 30 to 60 days to certain wholesale customers during the year.

Ageing analysis

The ageing analysis of trade receivables is as follows:

	2008	2007
	HK$'000	*HK$'000*
Within 1 month	31,515	27,469
More than 1 month but within 3 months	55,555	55,507
More than 3 months but within 6 months	62,615	60,493
More than 6 months but within 1 year	5,389	3,009
Over 1 year	1,806	2,640
	156,880	149,118
Less: Allowance for doubtful debts	(1,358)	(1,067)
	155,522	148,051

The carrying amounts of trade receivables approximate to their fair values.

13. TRADE AND OTHER PAYABLES

	2008	**2007**
	HK$'000	*HK$'000*
Trade payables	19,293	28,673
Accrued salaries and bonuses	6,069	7,177
Trade deposits received	974	302
Accruals and other payables	6,267	6,987
Accruals and other payables to related parties	5,014	3,457
Other tax payable	304	158
	37,921	46,754

Ageing analysis

The ageing analysis of trade payables is as follows:

	2008	**2007**
	HK$'000	*HK$'000*
Within 1 month	7,413	13,713
More than 1 month but within 2 months	6,600	9,871
More than 2 months but within 3 months	4,045	3,495
More than 3 months but within 1 year	1,235	1,594
	19,293	28,673

The Directors consider the carrying amounts of the trade payables approximate to their fair values.

BUSINESS REVIEW

For the year ended 31 December 2008, the turnover of the Group was approximately HK$403.2 million, representing a growth of approximately HK$67.8 million or 20.2% when compared with the previous financial year. The gross profit recorded approximately HK$99.1 million for the year ended 31 December 2008, representing an increase of approximately 17.5% when compared with the previous financial year. The increase in turnover and gross profit for the year was mainly due to the continuous market expansion and increase in customer base of the Group. However, gross profit margin decreased slightly from approximately 25.2% in 2007 to 24.6% in 2008 as a result of an overall cost appreciation. Profit for the year attributable to equity holders of the Company amounted to approximately HK$31.8 million, which is in line with the profit estimate of not less than HK$30 million as stated in the Prospectus.

During the year, UK market remained as the biggest contributor to the Group's turnover. Nonetheless, as a result of the marketing effort put in by the Group, turnover from the other parts of Europe increased significantly by approximately 136.9%, representing an increase in its proportion to the Group's total turnover from approximately 8.3% in 2007 to 16.3% in 2008. The books printed by the Group are primarily leisure books including children's books, travel books and cookery books. Turnover generated from the sales of case bound books, paperback books, spiral bound books, novelty books and other paper-related products accounted for approximately 49.4%, 16.1%, 16.1%, 14.4% and 4.0% respectively of the Group's total turnover during the year. In spite of this, the Group was able to maintain its growth in both revenue and net profit.

Although 2008 was generally a difficult year for the industry due to the general inflation in cost of labour, raw materials and other production cost, particularly in face of the adversity that the financial crisis and credit squeeze had impacted on the global economy in worldwide economic downturn and credit tightening the fourth quarter of the year, the management has been vigilant to keeping tight controls in production costs and expanding the Group's customer base. A number of well known publishers and retailers were successfully recruited to the Group's customer base during 2008. As reflected from the record breaking sales of approximately HK$403.2 million achieved by the Group during the year, it appears that leisure books as people's spiritual nourishment had not experienced much disturbance. The Board believes that the satisfactory operating results of this year were the combined contribution of the Group's long established business relationship with customers, reputation for quality, timely delivery manner and competitive pricing, and advanced printing technologies.

2008 was also a year in which the Group faced with great changes. In August, a wholly foreign owned enterprise was established by the Group in Shenzhen, the PRC, namely 詩天紙藝製品(深圳)有限公司 ("CT Shenzhen"). In preparation for the initial public offering ("IPO") exercise which was completed in March 2009, the Reorganisation took place between December 2008 and March 2009. The Company commenced its listing on the Stock Exchange on 30 March 2009.

FINANCIAL POSITION AND LIQUIDITY

As at 31 December 2008, the Group had cash and cash equivalent amounted to about HK$14.5 million. Net current assets of the Group grew substantially from last year's about HK$53.1 million to HK$110.6 million at the year end date.

During the year ended 31 December 2008, the Group's operation was mainly financed by funds generated from its operation and borrowings. Normal operations of the Group were well supported by credit facilities granted by financial institutions which amounted to approximately HK$356.2 million as at 31 December 2008. As at 31 December 2008, the Group had interest bearing obligations under finance leases of approximately HK$56.1 million (of which about HK$17.9 million were repayable within one year), and outstanding secured interest bearing bank and other borrowings of approximately HK$76.2 million which were repayable within one year. Net book value of fixed assets, available-for-sale financial asset and fixed deposits pledged for securing these credit facilities and borrowings amounted to about HK$109.2 million.

As at 31 December 2008, the Group's net gearing ratio was 49.3% which was calculated on the basis of the amount of borrowings less cash and cash equivalents and pledged bank deposits divided by shareholders equity. The significant improvement in the net gearing ratio from last year's 162.5% was partly due to the capitalisation of the balance due to a director of the Company during the course of the Reorganisation and partly due to the strengthening of net liquid assets through the Group's profit making operations.

As at 31 December 2008, the borrowings were mainly denominated in Hong Kong dollars, while the cash and cash equivalents held by the Group were mainly denominated in Hong Kong dollars and Reminbi. All of the Group's borrowings was variable rate borrowings and no hedging has been employed by the Group during the year.

The Group also held an available-for-sale financial asset during the year ended 31 December 2008, which was denominated in US dollars. As US dollars were pegged with Hong Kong dollars during the year, no hedging in respect of the investment was considered necessary by the Group.

The Group's turnover is mainly denominated in US dollars, Pound Sterling, Euro, and Hong Kong dollars, while its costs and expenses are mainly denominated in US dollars, Hong Kong dollars and Renminbi. Most of the Group's assets, liabilities, revenues and payments were denominated in either Hong Kong dollars or US dollars. Therefore, the Group considers that the risk exposure to foreign exchange rate fluctuations is minimal. The Group does not have a formal hedging policy and has not entered into any material foreign currency exchange contracts or derivative transactions to hedge against its currency risks.

HUMAN RESOURCES

As at 31 December 2008, the Group had a total of 42 full-time staff based in Hong Kong and the PRC. The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with appropriate laws and regulations in the PRC. The Group has also adopted a share option scheme to provide incentive or reward to eligible persons for their contribution to the Group and/or enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group.

USE OF IPO PROCEEDS

Following the completion of the Reorganisation and the IPO, the Company commenced its listing on the Stock Exchange on 30 March 2009. Net proceeds raised from the IPO were approximately HK$48.9 million which had not been utilised up to the date of this announcement. The money has been deposited in the Hong Kong dollars in licensed banks in Hong Kong. As stated in the Prospectus, the Company plans to use the proceeds in the purchase of new machinery and equipment, business development of the domestic market of packaging and decorative printed products in the PRC, expansion of sales network and for general working capital purposes.

PROSPECT

Facing an uncertain market outlook ahead, the Group will adopt a cautious approach in implementing its business expansion plan. The Board envisages that the economic downturn could eradicate a number of weaker competitors, rendering more business opportunities to be released back to the market. However, the situation of the coming year is unclear because the management is still expecting market indicators from major international book fairs and exhibitions to be held in 2009. In the meantime, the Group maintains its strategy to further develop its sales and business opportunities in the printing industry. As mentioned above, CT Shenzhen was established by the Group on 15 August 2008 as a wholly foreign owned enterprise. The total investment amount of CT Shenzhen amounts to US$8.56 million (equivalent to approximately HK$66.8 million). CT Shenzhen is principally established with a view to strengthening the Group's production capacity and enabling the Group to explore the domestic market of packaging and decorative printed products in the PRC. It is expected that CT Shenzhen will commence trial operation in May 2009 and commence commercial operation in September 2009 and its business scope will cover printing of packing and decorative products, research and development of printing technology, wholesale, import and export packaging products and other related services.

While leveraging on the Group's long term relationships with its major customers, the Group will continue to explore new markets and customer segments. Appropriate resources will be dedicated to expand and enhance production capacity and technology, explore and develop the domestic market for packaging and decorative printed products in the PRC, expand customer base and strengthen sales and marketing force.

CORPORATE GOVERNANCE

The Company has adopted the Code on Corporate Governance Practices (the "Corporate Governance Code") contained in Appendix 14 of the Listing Rules since its listing on the Stock Exchange on 30 March 2009. As the Company was not yet listed on Stock Exchange for the period under review, the Corporate Governance Code was not applicable to the Company for the said period. Details of the Company's corporate governance practices will be set out in the Corporate Governance Report in the annual report of the Company for the year ended 31 December 2008.

REVIEW BY THE AUDIT COMMITTEE

The Company established an audit committee on 4 March 2009 in compliance with Rule 3.21 of the Listing Rules with written terms of reference in line with the code provisions of the Corporate Governance Code. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The audit committee currently has three members comprising Mr. Lui Tin Nang, Mr. Lam Ying Hung, Andy and Mr. Siu Man Ho, Simon, all being independent non-executive Directors. The chairman of the audit committee is Mr. Lui Tin Nang who possesses the appropriate professional qualifications and accounting and related financial management expertise.

The audit committee has met with the joint auditors of the Company, CCIF CPA Limited and World Link CPA Limited, to review the accounting principles and practices adopted by the Group and the combined results of the Group for the year ended 31 December 2008 as set out in this announcement.

SCOPE OF WORK OF CCIF CPA LIMITED AND WORLD LINK CPA LIMITED

The figures in respect of the Group's combined balance sheet, combined income statement and the related notes thereto for the year ended 31 December 2008 as set out in this announcement have been agreed by the Group's joint auditors, CCIF CPA Limited and World Link CPA Limited, to the amounts set out in the Group's draft combined financial statements for the year. The work performed by CCIF CPA Limited and World Link CPA Limited 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 HKICPA and consequently no assurance has been expressed by CCIF CPA Limited and World Link CPA Limited in this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Since the shares of the Company have been listed on the Stock Exchange on 30 March 2009, neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2008.

DIVIDENDS

The Board does not recommend any dividend to be declared for the year ended 31 December 2008.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held in Hong Kong on Friday, 5 June 2009. Notice of the annual general meeting will be issued and disseminated to shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

The transfer books and register of members of the Company will be closed from Wednesday, 3 June 2009 to Friday, 5 June 2009, both days inclusive. In order to qualify for the right to attend and vote at the forthcoming annual general meeting of the Company to be held on Friday, 5 June 2009, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 2 June 2009.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.ctprinting.com.hk). The annual report for the year ended 31 December 2008 containing all the information required by the Listing Rules will be despatched to shareholders of the Company and available on the same websites in due course.

By Order of the Board of
CT Holdings (International) Limited
Mr. Tsoi Tak
Chairman

Hong Kong, 21 April 2009

As at the date of this announcement, the Board comprises the Chairman, Mr. Tsoi Tak (who is a non-executive Director), four executive Directors, namely, Ms. Wu Sin Wah, Eva, Mr. Cai Xiao Ming, David, Mr. Cai Xiao Xing and Mr. Kiong Chung Yin, Yttox, and three independent non-executive Directors, namely, Mr. Lui Tin Nang, Mr. Lam Ying Hung, Andy and Mr. Siu Man Ho, Simon.