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

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2012

UNAUDITED INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of China Print Power Group Limited (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2012 ("**HY2012**") together with the comparative figures for 2011.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2012

		Six months ended 30 June	
		2012	2011
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*6*	**97,419**	97,702
Cost of sales		**(86,460)**	(72,687)
Gross profit		**10,959**	25,015
Other income	*6*	**1,444**	748
Selling and distribution costs		**(5,439)**	(4,925)
Administrative expenses		**(13,044)**	(12,917)
Other operating expenses		**(1,875)**	(923)
Finance costs	*7*	**(853)**	(747)
(Loss)/profit before income tax	*8*	**(8,808)**	6,251
Income tax expense	*9*	**–**	(1,055)
(Loss)/profit for the period and attributable to owners of the Company		**(8,808)**	5,196
Other comprehensive income			
Exchange gain on translation of financial statements of foreign operations		**1,585**	1,724
Other comprehensive income for the period, net of tax		**1,585**	1,724
Total comprehensive income for the period and attributable to owners of the Company		**(7,223)**	6,920
(Loss)/earnings per share for (loss)/profit attributable to owners of the Company during the period	*11*		
– Basic *(HK cents)*		**(5.53)**	4.25

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2012

	Notes	30 June 2012 HK$'000 (Unaudited)	31 December 2011 HK$'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Leasehold land and land use rights		**5,656**	5,629
Property, plant and equipment	*12*	**142,945**	143,506
Investment property	*12*	**19,119**	–
Other non-current assets		**556**	601
		168,276	149,736
Current assets			
Inventories		**31,385**	33,440
Trade and other receivables	*13*	**61,668**	89,672
Current tax assets		**1,021**	337
Cash and cash equivalents		**43,731**	46,300
		137,805	169,749
Current liabilities			
Trade and other payables	*14*	**38,834**	39,423
Bank borrowings, secured	*15*	**38,644**	63,270
Obligations under finance leases	*16*	**935**	2,024
Current tax liabilities		**949**	1,110
		79,362	105,827
Net current assets		**58,443**	63,922
Total assets less current liabilities		**226,719**	213,658
Non-current liabilities			
Deferred tax liabilities		**3,442**	3,442
		3,442	3,442
Net assets		**223,277**	210,216
EQUITY ATTRIBUTABLE TO COMPANY'S OWNERS			
Share capital	*17*	**95,815**	83,715
Reserves		**127,462**	126,501
Total equity		**223,277**	210,216

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is a limited liability company incorporated and domiciled in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The Company's shares are dual primary listed on The Stock Exchange of Hong Kong Limited ("**SEHK**") and the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in the printing business and sales of paper and leather products. There were no significant changes in the nature of the Group's principal activities during the period under review and the Group's operations are based in The People's Republic of China (the "**PRC**"), including Hong Kong. The Company's ultimate parent company is China Print Power Limited, a company incorporated in the British Virgin Islands.

The condensed consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company and all values are rounded to the nearest thousand ("**HK$'000**") except when otherwise indicated.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") and the applicable disclosures requirements of Appendix 16 to the Rules Governing the Listing of Securities on SEHK. These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2011.

3. ACCOUNTING POLICIES

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2011, except for the adoption of certain new or amended International Financial Reporting Standards ("**IFRSs**") issued by the IASB and the International Financial Reporting Interpretation Committee of the IASB, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2011. The adoption of the new or amended IFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

At the date of authorisation of this announcement, certain new and amended IFRSs have been issued but are not yet effective, and have not been adopted early by the Group.

The directors of the Company anticipate that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement.

4. SEASONALITY OF OPERATIONS

Seasonal fluctuation exists in our printing services and in the overall industry. The demand is generally higher in the second half of the year when our customers will normally place more orders to us so as to meet their greater sales demand during Christmas and New Year holidays.

Seasonal fluctuations may pose negative effect on our production costs and the overall utilisation rate of the production facilities in our He Yuan Factory. Our interim results for the first half of the year may not serve as an indication of our result of operation for the entire financial year.

5. SEGMENT REPORTING

The Group has identified the following reportable segments:

– Book products – provision of full suite of services from pre-press to printing to finishing/binding services; and

– Specialised products – production of custom-made and value-added printing products.

Each of these operating segments is managed separately as each of the product lines requires different resources as well as marketing approaches. For the six months ended 30 June 2012, there have been no change in the measurement policies used for reporting segment results.

Segment revenue below represents revenue from external customers. There were no inter-segment sales for the six months ended 30 June 2012 and 2011. The segment revenue and results for the six months ended 30 June 2012 and 2011 and the segment assets as at 30 June 2012 and 31 December 2011 are as follows:

	Segment revenue Six months ended 30 June		**Segment profit Six months ended 30 June**		**Segment assets**	
					As at 30 June	As at 31 December
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Audited)
Book products	**58,767**	60,152	**6,026**	13,913	**104,719**	134,053
Specialised products	**38,652**	37,550	**4,933**	11,102	**31,357**	36,387
Segment total	**97,419**	97,702	**10,959**	25,015	**136,076**	170,440

The total presented for the Group's operating segment results are reconciled to the (loss)/profit before income tax as presented in the condensed consolidated statement of comprehensive income as follows:

	Six months ended 30 June	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Reportable segment profit	**10,959**	25,015
Unallocated corporate income	**1,444**	748
Unallocated corporate expenses	**(20,358)**	(18,765)
Finance costs	**(853)**	(747)
(Loss)/profit before income tax	**(8,808)**	6,251

6. REVENUE AND OTHER INCOME

An analysis of the revenue, which is also the Group's turnover and other income is as follows:

	Six months ended 30 June	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue		
Sales of goods	**97,419**	97,702
Other income		
Interest income on financial assets not at fair value through profit or loss	**25**	6
Reversal of impairment loss on trade receivables	**–**	226
Sundry income	**1,419**	516
	1,444	748

7. FINANCE COSTS

	Six months ended 30 June 2012 HK$'000 (Unaudited)	2011 HK$'000 (Unaudited)
Interest charges on:		
Bank borrowings repayable on demand or wholly within five years	**800**	188
Finance charges on obligations under finance leases	**53**	559
Interest expense on financial liabilities not at fair value through profit or loss	**853**	747

8. (LOSS)/PROFIT BEFORE INCOME TAX

	Six months ended 30 June 2012 HK$'000 (Unaudited)	2011 HK$'000 (Unaudited)
(Loss)/profit before income tax is arrived at after charging/(crediting):		
Amortisation of leasehold land and land use rights	**66**	56
Depreciation of property, plant and equipment	**5,373**	5,894
Depreciation of investment property	**161**	–
Reversal of impairment losses on trade receivables	**–**	(226)
Net loss on disposals of property, plant and equipment	**382**	127
Operating lease charges on:		
– premises	**198**	198
– motor vehicles	**168**	168

9. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made in the financial statements for the six months ended 30 June 2012 as the Group did not derive any assessable profits in Hong Kong for the period. Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising for the six months ended 30 June 2011. Taxation on overseas profits has been calculated on the estimated assessable profits, if any, for the period at the rates of taxation prevailing in the countries in which the Group operates.

	Six months ended 30 June 2012 HK$'000 (Unaudited)	2011 HK$'000 (Unaudited)
Current tax		
Hong Kong profits tax	**–**	1,055
Elsewhere	**–**	–
Total income tax expense	**–**	1,055

Pursuant to the Departmental Interpretation and Practice Note No. 21 issued by the Hong Kong Inland Revenue Department, Power Printing Products Limited, a wholly-owned subsidiary of the Company having manufacturing facilities in the PRC, are entitled to deduct 50% of its estimated assessable profits for Hong Kong tax reporting purposes and thus 50% of the estimated assessable profits are subject to Hong Kong profits tax. Power Printing Products Limited has been submitting its tax return based on the above income tax treatment since it made assessable profits. So far, the Hong Kong Inland Revenue Department did not raise any objections to these tax returns.

10. DIVIDEND

The Board did not recommend a payment of interim dividend for the six months ended 30 June 2012 (six months ended 30 June 2011: Nil).

11. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the loss attributable to owners of the Company of approximately HK$8,808,000 (six months ended 30 June 2011: profit of approximately HK$5,196,000) and on the weighted average number of 159,341,241 (six months ended 30 June 2011: 122,209,373) ordinary shares in issue during the period.

Diluted (loss)/earnings per share for the periods ended 30 June 2012 and 2011 are not presented as there is no dilutive potential ordinary share.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2012, the Group acquired property, plant and equipment with a cost of approximately HK$22,908,000 (six months ended 30 June 2011: approximately HK$10,391,000).

Property, plant and equipment with net book value of approximately HK$409,000 (six months ended 30 June 2011: HK$227,000) and HK$19,280,000 (six months ended 30 June 2011: Nil) were disposed of and transferred to investment property during the six months ended 30 June 2012, respectively.

13. TRADE AND OTHER RECEIVABLES

	30 June 2012 *HK$'000* **(Unaudited)**	31 December 2011 *HK$'000* (Audited)
Trade receivables	**59,286**	87,628
Less: Provision for impairment loss	**(3,459)**	(3,459)
Trade receivables – net	**55,827**	84,169
Deposits, prepayments and other receivables	**5,841**	5,503
	61,668	89,672

The Group generally allows a credit period of 30 to 120 days to its trade customers. Based on invoice dates, aging analysis of trade receivables (net of provision for impairment loss) is as follows:

	30 June 2012 *HK$'000* **(Unaudited)**	31 December 2011 *HK$'000* (Audited)
0 – 90 days	**44,490**	53,474
91 – 120 days	**4,464**	12,805
121 – 180 days	**3,145**	13,977
181 – 365 days	**2,865**	2,918
Over 365 days	**863**	995
	55,827	84,169

14. TRADE AND OTHER PAYABLES

	30 June 2012	31 December 2011
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade payables	**24,504**	21,954
Accrued charges and other creditors	**13,926**	12,687
Construction payable	**–**	4,743
Trade deposits received	**404**	39
	38,834	39,423

Based on invoice dates, the aging analysis of trade payables is as follows:

	30 June 2012	31 December 2011
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 – 90 days	**17,869**	13,280
91 – 180 days	**5,753**	8,274
181 – 365 days	**797**	371
Over 365 days	**85**	29
	24,504	21,954

15. BANK BORROWINGS, SECURED

The Group's bank borrowings bear interest at floating rates and are denominated in HK$. Based on the scheduled repayment dates set out in the loan agreements, the Group's bank borrowings were repayable as follows:

	30 June 2012	31 December 2011
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within one year	**19,421**	39,147
In the second year	**9,801**	9,801
In the third to fifth year	**9,422**	14,322
	38,644	63,270

The Group's bank loan agreements contain clauses which give the banks the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Group has met the scheduled repayment obligations. Accordingly, the amounts due for repayment after one year are classified as current liabilities.

16. OBLIGATIONS UNDER FINANCE LEASES

The Group's obligations under finance leases bear interest at floating rate and are denominated in HK$. Based on the scheduled repayment dates set out in the leases agreements, the Group's obligations under finance leases were repayable within one year.

Finance lease liabilities are secured by the underlying assets where the lessor had the rights to revert in the events of default in repayment by the Group.

17. SHARE CAPITAL

	2012		2011	
	Number of shares	***HK$'000***	*Number of shares*	*HK$'000*
Authorised:				
Ordinary shares of HK$0.55 each	**909,090,909**	**500,000**	909,090,909	500,000
Issued and fully paid:				
At 1 January	**152,209,373**	**83,715**	122,209,373	67,215
Issue of ordinary shares	**22,000,000**	**12,100**	30,000,000	16,500
At 30 June 2012/At 31 December 2011	**174,209,373**	**95,815**	152,209,373	83,715

18. COMMITMENTS

Capital commitments

	30 June 2012 ***HK$'000*** **(Unaudited)**	31 December 2011 *HK$'000* (Audited)
Contracted but not provided for in respect of:		
– property, plant and equipment	**22,504**	10,783
– intangible assets	**662**	662
	23,166	11,445

Operating lease commitments

At the reporting date, the total future minimum lease payments in respect of land and buildings under non-cancellable operating leases are as follows:

	30 June 2012 ***HK$'000*** **(Unaudited)**	31 December 2011 *HK$'000* (Audited)
Within one year	**435**	231
In the second to fifth year	**474**	–
	909	231

The Group leases its office premises under an operating lease. The lease runs for an initial period of two years, with an option to renew the lease and renegotiate the terms at the expiry date as mutually agreed between the Group and the landlord. The lease does not include contingent rentals.

19. **RELATED PARTY TRANSACTIONS**

In addition to the transactions or information disclosed elsewhere in these condensed consolidated interim financial statements, the Group had the following material transactions with related parties during the period:

	Six months ended 30 June	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Key management personnel:		
Short-term employee benefits	**3,375**	2,881
Post employment benefits	**48**	36
Key management personnel remuneration	**3,423**	2,917
A company in which certain directors of the Company have controlling interest:		
Rental expenses	**168**	168

20. **PLEDGE OF ASSETS**

Trade receivables as at 30 June 2012 of HK$5,207,000 (31 December 2011: HK$5,310,000) have been pledged to secure bank borrowings utilised by the Group.

In addition to the above, the Group's obligations under finance leases (note 16) are secured by plant and machinery with net carrying amount of HK$6,787,000 (31 December 2011: HK$7,338,000) as at 30 June 2012.

21. **EVENT AFTER THE REPORTING PERIOD**

There was no material event after the six months period ended 30 June 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Having its manufacturing plant located in He Yuan, Guangdong Province, PRC, the Group is principally engaged in book printing and manufacturing of high quality specialised products such as pop-up children's books, board books and leather and fabric-bound diaries, etc. It provides a full suite of services including pre-press, printing to finishing or binding services, as well as skilfully combining specialised printing skills with leather manufacturing technologies to produce high-value added composite products for its customers.

As one of the leading book and specialised product printing groups serving markets across Europe, North America and Asia, the Group continued to face a myriad of domestic and external challenges that adversely affected its profitability. Domestically, like other manufacturers based in the PRC, the Group suffered from notable increases in production costs caused by RMB appreciation, high inflation, and structural PRC labour shortages mixed with rising wages and rentals. Meanwhile, due to the economic uncertainties fuelled by the European debt crisis and the weakened US economy, customers were increasingly cautious in placing orders during the period under review.

As a result of these combined factors, the Group recorded a slight decrease in revenue to approximately HK$97.4 million (HY2011: approximately HK$97.7 million) and its gross profit margin was eroded from approximately 25.6% in HY2011 to approximately 11.2% in HY2012, given its labour intensive business nature. Although the Group actively sought alternative initiatives to grow profitable income streams during the period under review and leased out one of the two new four-storey factory workshops to recognise a gain of HK$0.3 million from the lease, the Group posted a loss attributable to shareholders for the period of approximately HK$8.8 million (HY2011: profit attributable to shareholders of approximately HK$5.2 million). Basic loss per share was HK5.53 cents (HY2011: basic earnings per share was HK4.25 cents).

Book Products Segment

Due to the impact of the emerging digital printing industry as well as the growing popularity of e-books, the traditional printing industry is undergoing a big challenge. During the six months ended 30 June 2012, the book products segment, still the Group's major income stream, recorded a turnover of approximately HK$58.8 million (HY2011: approximately HK$60.2 million). During the period under review, the book products segment accounted for approximately 60.3% of the Group's total turnover (HY2011: approximately 61.6%).

Specialised Products Segment

To maintain its competitiveness within the changing printing industry landscape and hence improve its profitability, the Group saw the specialised products segment become an important business arm to generate a steady stream of revenue. During the six months ended 30 June 2012, this segment generated a turnover of approximately HK$38.7 million (HY2011: approximately HK$37.6 million). The increase in revenue generated from the specialised products segment shows demand for products such as children's pop-up books, touch-and-feel books and board books was growing during the period under review. For the period, the specialised products segment accounted for approximately 39.7% of the Group's total turnover (HY2011: approximately 38.4%).

Financial Review

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue

Revenue decreased slightly by approximately 0.3% from approximately HK$97.7 million for the six months ended 30 June 2011 ("**HY2011**") to approximately HK$97.4 million for the six months ended 30 June 2012 ("**HY2012**").

Gross Profit Margin

Overall gross profit margin decreased from approximately 25.6% in HY2011 to approximately 11.2% in HY2012 which was mainly due to an increase in labour and material costs.

Other Income

Other income increased by approximately 93.0% from approximately HK$0.7 million in HY2011 to approximately HK$1.4 million in HY2012. The increase was mainly due to proceeds of approximately HK$0.5 million from sale of scraps and the rental income from leasing of one of the two new four-storey factory workshops of HK$0.3 million.

Operating Expenses

(a) *Selling and distribution costs*

The selling and distribution costs increased by approximately 10.4% from approximately HK$4.9 million in HY2011 to approximately HK$5.4 million in HY2012. This was mainly due to the increase of approximately HK$0.2 million in transportation and freight charges and approximately HK$0.3 million in commission paid to sales agents.

(b) *Administrative expenses*

The administrative expenses increased slightly by approximately 1.0% from approximately HK$12.9 million in HY2011 to approximately HK$13.0 million in HY2012.

(c) *Other operating expenses*

Other operating expenses increased by approximately 103.1% from approximately HK$0.9 million in HY2011 to approximately HK$1.9 million in HY2012 which was mainly due to an increase in (i) professional fees of approximately HK$0.8 million after dual listing on The Stock Exchange of Hong Kong Limited, and (ii) net loss on disposals of plant and equipment of approximately HK$0.3 million but was offset by the decrease in bank charges of approximately HK$0.1 million.

(d) *Finance costs*

Finance costs increased by approximately 14.2% from approximately HK$0.7 million in HY2011 to approximately HK$0.9 million in HY2012 which was due to the increase in utilisation of bills financing.

(e) *Income tax expense*

No provision for Hong Kong Profits Tax has been made as the Group had no estimated assessable profits for HY2012. Hong Kong Profits Tax of approximately HK$1.1 million was calculated at 16.5% of the estimated assessable profits for HY2011.

As a result of the above, loss for the period attributable to owners of the Company was arrived at approximately HK$8.8 million. The profit attributable to owners of the Company for HY2011 amounted to approximately HK$5.2 million.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

As at 30 June 2012, non-current assets amounted to approximately HK$168.3 million or represented approximately 55.0% of our total assets, an increase of approximately HK$18.6 million as compared to approximately HK$149.7 million as at 31 December 2011. This was mainly due to the construction of the two new four-storey factory workshops in He Yuan and one of which was leased out during the period.

As at 30 June 2012, current assets amounted to approximately HK$137.8 million, comprised mainly of the following:

(a) Inventories of approximately HK$31.4 million; a decrease of approximately HK$2.0 million as compared to HK$33.4 million as at 31 December 2011. No significant change during the period;

(b) Trade and other receivables of approximately HK$61.7 million; a decrease of approximately HK$28.0 million from approximately HK$89.7 million as at 31 December 2011 which was attributable to better debt management;

(c) Current tax assets of approximately HK$1.0 million; and increase of approximately HK$0.7 million from approximately HK$0.3 million as at 31 December 2011 which was attributable to tax pre-paid during the period; and

(d) Cash and cash equivalents of approximately HK$43.7 million; a decrease of approximately HK$2.6 million from approximately HK$46.3 million as at 31 December 2011.

Liabilities

As at 30 June 2012, our current liabilities amounted to approximately HK$79.4 million and were comprised mainly of the following:

(a) Trade and other payables of approximately HK$38.8 million; a decrease of approximately HK$0.6 million from approximately HK$39.4 million as at 31 December 2011. No significant change during the period;

(b) Bank borrowings of approximately HK$38.6 million; a decrease of approximately HK$24.7 million from approximately HK$63.3 million as at 31 December 2011. This was mainly due to repayment of bank borrowings of approximately HK$8.4 million and decrease in trust receipt loans of approximately HK$16.2 million; and

(c) Obligations under finance leases of approximately HK$0.9 million; a decrease of approximately HK$1.1 million from approximately HK$2.0 million as at 31 December 2011.

Equity

As at 30 June 2012, total equity stood at approximately HK$223.3 million as compared to approximately HK$210.2 million as at 31 December 2011. The increase of approximately HK$13.1 million was due to the net proceeds from issue of ordinary shares of approximately HK$20.3 million and the exchange gain on translation of financial statements of foreign operations of approximately HK$1.6 million but was offset by the loss attributable to owners of the Company for HY2012 of approximately HK$8.8 million.

FUTURE DEVELOPMENT AND PROSPECTS

The challenges such as RMB appreciation, PRC labour shortages and rising wages continued in the first half of 2012 and will exert pressure on the PRC printing industry.

In addition, with 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 2012. The Group is adopting a cautious stance as it views the current operating environment for the printing industry to be increasingly competitive. Therefore, the Group will continue to tighten cost control and improve management efficiency in order to maintain its market competitiveness.

The Group will also continue to explore new business opportunities for existing products in different markets in order to have a diversified quality customer base through enhanced marketing efforts. At the same time, it will also cautiously explore viable investment and acquisition opportunities that can enhance shareholders' value.

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

During the six months ended 30 June 2012, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has complied with the code provisions listed in the Code on Corporate Governance Practices as set out in Appendix 14 to the Rules Governing the Listing of Securities on SEHK ("**Listing Rules**") and The Singapore Code of Corporate Governance 2012 throughout the six months ended 30 June 2012.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transaction by the Directors. The Board confirms that, having made specific enquiries with all Directors, during the six months ended 30 June 2012 all Directors have complied with the required standards of the Model Code.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters. The Audit Committee has also reviewed the unaudited interim results of the Group for the six months ended 30 June 2012.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of SEHK (www.hkexnews.hk), SGX-ST (www.sgx.com) and the Company (www.powerprinting.com.hk). The interim report of the Company for the six months ended 30 June 2012 containing all the information required by the Listing Rules will be despatched to the shareholders and available on the aforesaid websites in due course.

By order of the Board
China Print Power Group Limited
Sze Chun Lee
Chief Executive Officer & Executive Director

Hong Kong, 9 August 2012

As at the date of this announcement, the executive directors of the Company are Mr. Sze Chun Lee, Mr. Chan Wai Ming, Mr. Kwan Wing Hang, Mr. Lam Shek Kin and Ms. Chung Oi Ling, Stella; and the independent non-executive directors of the Company are Mr. Lim Siang Kai, Mr. Wee Piew, Mr. Liu Kwong Chi, Nelson and Ms. Wong Fei Tat.