HUNG HING

# HUNG HING PRINTING GROUP LIMITED

*(incorporated in Hong Kong with limited liability)*

**(Stock code: 0450)**

## FINAL RESULTS
## FOR THE YEAR ENDED 31 DECEMBER 2025

The directors of Hung Hing Printing Group Limited (the "Company") are pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2025 as follows:

### CONSOLIDATED INCOME STATEMENT

| | Note | **2025**<br>**HK$'000** | 2024<br>HK$'000 |
|---|---|---|---|
| **Revenue** | 2 | **2,025,022** | 2,194,763 |
| Cost of sales | | **(1,767,509)** | (1,888,255) |
| **Gross profit** | | **257,513** | 306,508 |
| Other revenue | | **58,635** | 49,802 |
| Other net gain | | **10,160** | 1,917 |
| Distribution costs | | **(61,733)** | (57,052) |
| Administrative and selling expenses | | **(333,394)** | (336,122) |
| **Operating loss** | | **(68,819)** | (34,947) |
| Finance costs | 3 | **(2,735)** | (4,539) |
| Share of profits of associates | | **21** | 782 |
| **Loss before income tax** | 4 | **(71,533)** | (38,704) |
| Income tax | 5 | **(11,351)** | (13,083) |
| **Loss for the year** | | **(82,884)** | (51,787) |
| **Attributable to:** | | | |
| Equity shareholders of the Company | | **(78,937)** | (43,364) |
| Non-controlling interests | | **(3,947)** | (8,423) |
| **Loss for the year** | | **(82,884)** | (51,787) |
| | | **HK cents** | HK cents |
| **Loss per share attributable to equity shareholders of the Company** | 6 | | |
| Basic | | **(8.7)** | (4.8) |
| Diluted | | **(8.7)** | (4.8) |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | 2025<br>HK$'000 | 2024<br>HK$'000 |
|---|---|---|
| **Loss for the year** | **(82,884)** | (51,787) |
| **Other comprehensive income for the year (net of tax):** | | |
| *Item that will not be reclassified to profit or loss* | | |
| Change in fair value of equity investments at fair value through other comprehensive income ("FVOCI") (non-recycling) | **10,110** | (6,904) |
| *Items that may be reclassified subsequently to profit or loss* | | |
| Exchange differences on translation of financial statements of subsidiaries and an associate outside Hong Kong | **16,046** | (39,606) |
| Change in fair value of intangible assets | **(1,000)** | (1,000) |
| **Other comprehensive income for the year** | **25,156** | (47,510) |
| **Total comprehensive income for the year** | **(57,728)** | (99,297) |
| **Attributable to:** | | |
| Equity shareholders of the Company | **(57,042)** | (86,513) |
| Non-controlling interests | **(686)** | (12,784) |
| **Total comprehensive income for the year** | **(57,728)** | (99,297) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Note | At 31 December 2025 HK$'000 | At 31 December 2024 HK$'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | | **1,388,465** | 1,415,823 |
| Intangible assets | | **12,263** | 12,348 |
| Prepayments for acquisition of non-current assets | | **26,443** | 40,659 |
| Interest in associates | | **12,501** | 8,487 |
| Financial investments | | **58,630** | 47,854 |
| Deferred tax assets | | **18,517** | 28,384 |
| | | **1,516,819** | 1,553,555 |
| **Current assets** | | | |
| Inventories | | **362,057** | 342,431 |
| Trade and other receivables | 8 | **676,250** | 564,108 |
| Structured bank deposits | | **152,958** | 258,197 |
| Cash at bank and on hand | | **505,328** | 717,286 |
| | | **1,696,593** | 1,882,022 |
| **Current liabilities** | | | |
| Trade and other payables | 9 | **326,192** | 323,573 |
| Bank borrowings | | **28,416** | 61,946 |
| Lease liabilities | | **10,462** | 17,868 |
| Income tax payable | | **4,705** | 4,661 |
| | | **369,775** | 408,048 |
| **Net current assets** | | **1,326,818** | 1,473,974 |
| **Total assets less current liabilities** | | **2,843,637** | 3,027,529 |
| **Non-current liabilities** | | | |
| Lease liabilities | | **14,460** | 21,792 |
| Deferred income | | **6,957** | 12,693 |
| Deferred tax liabilities | | **30,364** | 34,432 |
| | | **51,781** | 68,917 |
| **Net assets** | | **2,791,856** | 2,958,612 |
| **Capital and reserves** | | | |
| Share capital | | **1,652,854** | 1,652,854 |
| Reserves | | **1,023,323** | 1,189,393 |
| **Total equity attributable to equity shareholders of the Company** | | **2,676,177** | 2,842,247 |
| **Non-controlling interests** | | **115,679** | 116,365 |
| **Total equity** | | **2,791,856** | 2,958,612 |

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Basis of Preparation and Accounting Policies

The financial information relating to the years ended 31 December 2025 and 2024 included in this preliminary announcement of final results for the year ended 31 December 2025 does not constitute the Company's statutory annual consolidated financial statements for those years but, in respect of the year ended 31 December 2024, is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance ("Companies Ordinance") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2025 in due course. The Company's auditor has reported on these financial statements for both years. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

The consolidated financial statements of the Company have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The significant accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024 except for the accounting policy changes that are reflected in the consolidated financial statements for the year ended 31 December 2025.

The Group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not adopted any new standard or interpretation that is not yet effective for the current accounting period.

## 2. Revenue and Segment Information

The management committee (being the chief operating decision-maker) has determined the operating segments based on the reports reviewed to make strategic decisions and assess performance. The management committee, comprising the executive chairman and other senior management, has determined the operating segments based on these reports. The Group is organised into four business segments:

(a) Book and Package Printing segment;
(b) Consumer Product Packaging segment;
(c) Corrugated Box segment; and
(d) Paper Trading segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

Revenue from external customers are after elimination of inter-segment revenue. Inter-segment revenue is charged in accordance with terms determined and agreed mutually by relevant parties.

Management assesses the performance of the operating segments based on a measure of gross profit and other revenue less distribution costs, administrative and selling expenses, and other net gain that are allocated to each segment. Other information provided is measured in a manner consistent with that in the financial statements.

Sales between segments are carried out at an arm's length basis.

Segment results do not include corporate finance costs and other corporate income and expenses and share of result of associates.

The following tables present revenue, results and certain information for the Group's business segments for the years ended 31 December 2025 and 2024.

**2025**

| | **Segment revenue** | | | **Segment results** |
|---|---|---|---|---|
| | **Sales to external customers HK'$000** | **Inter-segment sales HK'$000** | **Total HK'$000** | **HK'$000** |
| Book and Package Printing | **1,408,631** | **3,770** | **1,412,401** | **(23,389)** |
| Consumer Product Packaging | **309,982** | **1,958** | **311,940** | **(25,302)** |
| Corrugated Box | **202,615** | **45,034** | **247,649** | **(14,645)** |
| Paper Trading | **103,794** | **238,668** | **342,462** | **1,118** |
| Eliminations | **-** | **(289,430)** | **(289,430)** | **766** |
| | **2,025,022** | **-** | **2,025,022** | **(61,452)** |
| Corporate and unallocated expenses | | | | **(7,367)** |
| Operating loss | | | | **(68,819)** |
| Finance costs | | | | **(2,735)** |
| Share of profits of associates | | | | **21** |
| Loss before income tax | | | | **(71,533)** |
| Income tax | | | | **(11,351)** |
| Loss for the year | | | | **(82,884)** |

2024

| | Segment revenue | | | Segment results |
|---|---|---|---|---|
| | Sales to external customers HK'$000 | Inter-segment sales HK'$000 | Total HK'$000 | HK'$000 |
| Book and Package Printing | 1,490,562 | 4,836 | 1,495,398 | 25,698 |
| Consumer Product Packaging | 339,014 | 784 | 339,798 | (38,788) |
| Corrugated Box | 197,881 | 53,143 | 251,024 | (15,033) |
| Paper Trading | 167,306 | 245,272 | 412,578 | (3,682) |
| Eliminations | - | (304,035) | (304,035) | 684 |
| | 2,194,763 | - | 2,194,763 | (31,121) |
| Corporate and unallocated expenses | | | | (3,826) |
| Operating loss | | | | (34,947) |
| Finance costs | | | | (4,539) |
| Share of profits of associates | | | | 782 |
| Loss before income tax | | | | (38,704) |
| Income tax | | | | (13,083) |
| Loss for the year | | | | (51,787) |

## 3. Finance Costs

| | **2025** | 2024 |
|---|---|---|
| | **HK$'000** | HK$'000 |
| Interest on bank borrowings | **1,272** | 2,615 |
| Interest on lease liabilities | **1,463** | 1,924 |
| | **2,735** | 4,539 |

## 4. Loss Before Income Tax

The Group's loss before income tax is arrived at after charging or crediting the following items:

| | **2025** | 2024 |
|---|---|---|
| | **HK$'000** | HK$'000 |
| After charging - | | |
| Depreciation | | |
| - owned property, plant and equipment | **102,596** | 108,028 |
| - other assets leased for own use | **14,729** | 18,149 |
| - land use rights | **4,740** | 3,584 |
| Amortisation of intangible assets | **1,921** | 1,368 |
| Loss allowance of trade receivables, net | **3,477** | 2,198 |
| Loss allowance of other receivables | **401** | 1,080 |
| Impairment loss on investment in an associate | **3,574** | 7,605 |
| Lease charges for short-term leases | **2,835** | 2,255 |
| Staff cost (including directors' emoluments) | **569,263** | 579,357 |
| Write-down of inventories, net | **-** | 1,477 |
| Loss on disposal of property, plant and equipment, net | **6,831** | 2,369 |
| Net foreign exchange loss | **-** | 5,226 |
| Net realised loss on derivative financial instruments not qualified as hedges | **357** | - |
| | | |
| After crediting - | | |
| Dividend income from financial investments | **1,843** | 553 |
| Interest income | **8,343** | 15,728 |
| Government grants | **27,728** | 18,123 |
| Net foreign exchange gain | **1,437** | - |
| Reversal of write-down of inventories, net | **11,525** | - |
| Fair value gain on structured bank deposits | **19,520** | 17,255 |

## 5. Income Tax

| | **2025** | 2024 |
|---|---|---|
| | **HK$'000** | HK$'000 |
| **Current tax** | | |
| - Hong Kong Profits Tax | **191** | (16) |
| - People's Republic of China ("PRC") Income Tax | **(5)** | 7,315 |
| - Vietnam Income Tax | **5,277** | 3,175 |
| Total current tax | **5,463** | 10,474 |
| **Withholding tax** | **42** | 3,629 |
| **Deferred tax** | | |
| Origination and reversal of temporary differences | **5,846** | (1,020) |
| | **11,351** | 13,083 |

The provision for Hong Kong Profits Tax for 2025 and 2024 is calculated at 16.5% of the estimated assessable profits for the year.

Hung Hing Printing (China) Company Limited (“HHCN”), an indirect wholly owned subsidiary of the Company, was certified as a High-New Technology Enterprise in 2023. The effective PRC Corporate Income Tax (“CIT”) for 2024 and 2025 was subject to a reduced tax rate of 15%. For PRC entities other than HHCN, PRC Income Tax represents CIT calculated at 25% (2024: 25%) and PRC withholding tax at the applicable rates. Pursuant to the income tax rules and regulations, provision for PRC withholding tax is calculated based on 10% and 5% (2024: 5%) of the dividend income from financial investment and subsidiaries in the PRC respectively.

The Provision for corporate income tax (“CIT”) in Vietnam is calculated at 17% of the estimated taxable profits for the year. HH Dream Printing Company Limited and HHD (Thai Ha) Company Limited, subsidiaries of the Company incorporated in Vietnam, are entitled to a preferential tax treatment of CIT exemption for the first two years starting from which profit is generated and 50% income tax reduction for the next four years.

## 6. Loss Per Share

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to equity shareholders of the Company of HK$78,937,000 (2024: loss of HK$43,364,000) and the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company under the Share Award Scheme.

| | **2025** | 2024 |
|---|---|---|
| Loss attributable to equity shareholders of the Company (HK$'000) | **(78,937)** | (43,364) |
| Weighted average number of ordinary shares in issue ('000) | **907,865** | 907,865 |
| Weighted average number of own held shares for Share Award Scheme ('000) | **(573)** | (2,009) |
| Weighted average number of ordinary shares in issue for calculation of basic loss per share ('000) | **907,292** | 905,856 |
| Basic loss per share (HK cents per share) | **(8.7)** | (4.8) |

(b) Diluted loss per share

For the year ended 31 December 2025 and 2024, the diluted and basic loss per share were the same as the ordinary shares repurchased for the Share Award Scheme are anti-dilutive to the loss per share.

## 7. Dividends

| | **2025**<br>**HK$'000** | 2024<br>HK$'000 |
|---|---|---|
| Interim dividend of HK3 cents (2024: HK4 cents) per ordinary share | **27,236** | 36,315 |
| Proposed special dividend of HK3 cents (2024: HK5 cents) per ordinary share | **27,236** | 45,393 |
| Proposed final dividend of HK3 cents (2024: HK4 cents) per ordinary share | **27,236** | 36,315 |
| | **81,708** | 118,023 |

The directors recommend the payment of a special dividend of HK3 cents per ordinary share and a final dividend of HK3 cents per ordinary share. Such dividends are to be approved by the shareholders at the forthcoming annual general meeting of the Company.

## 8. Trade and Other Receivables

| | **2025** | 2024 |
|---|---|---|
| | **HK$'000** | HK$'000 |
| Trade receivable | **559,302** | 474,546 |
| Less: Loss allowance | **(7,129)** | (24,872) |
| | **552,173** | 449,674 |
| Trade receivable due from related parties | **310** | 9 |
| Total trade receivable, net | **552,483** | 449,683 |
| Bills receivable | **3,838** | 974 |
| Prepayment, deposits and other receivables | **119,929** | 113,451 |
| | **676,250** | 564,108 |

Trade receivables are normally due within 30 to 90 days from the date of billing.

The aging analysis of total trade receivables at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **HK$'000** | HK$'000 |
| 1 - 30 days | **250,521** | 250,557 |
| 31 - 60 days | **146,965** | 95,160 |
| 61 - 90 days | **63,637** | 56,138 |
| Over 90 days | **91,360** | 47,828 |
| | **552,483** | 449,683 |

Movement in the loss allowance account in respect of trade receivable during the year is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **HK$'000** | HK$'000 |
| At 1 January | **24,872** | 23,230 |
| Impairment loss | **3,477** | 2,198 |
| Amount written off as uncollectible | **(21,428)** | (265) |
| Exchange differences | **208** | (291) |
| At 31 December | **7,129** | 24,872 |

## 9. Trade and Other Payables

| | **2025** | 2024 |
|---|---|---|
| | **HK$'000** | HK$'000 |
| Trade payables | **148,162** | 130,262 |
| Bills payables | **7,699** | 6,799 |
| Deferred income - current portion | **4,330** | 5,956 |
| Other payable and accrued liabilities | **166,001** | 175,138 |
| Amount due to an associate | **-** | 5,418 |
| | **326,192** | 323,573 |

The aging analysis of total trade payables at the end of the reporting period, based on the invoice date, is as follows :

| | **2025** | 2024 |
|---|---|---|
| | **HK$'000** | HK$'000 |
| 1 - 30 days | **110,451** | 102,772 |
| 31 - 60 days | **24,559** | 19,827 |
| 61 - 90 days | **5,241** | 2,466 |
| Over 90 days | **7,911** | 5,197 |
| | **148,162** | 130,262 |

## MANAGEMENT DISCUSSION AND ANALYSIS

2025 presented a highly challenging and unpredictable business environment, marked by significant global economic and political volatility, cautious customer sentiment overseas, and US-China intermittent trade tensions. The escalation of US tariffs on Chinese imports — where effective rates on many goods from China averaged around 30 – 37% for substantial periods, peaking higher in certain months — contributed to a sharp decline in affected US imports from China (approximately 20 – 42% in key categories based on trade data). This prompted potentially victimised customers to consider redirecting orders away from China-based facilities, significantly interrupting our export-oriented printing business.

In response, the Group adopted a proactive and agile approach: accelerating the ramp-up of our second Vietnam facility, which became operational in Q3 and Q4 2025 with approximately 150 additional employees, thereby offering additional capacity and enabling better customer service through enhanced flexibility and shortened lead times. The new facility comprises 13,500 sqm of production space and a 3,500 sqm warehouse within a 50,000 sqm land parcel. Having utilised only one-third of the land, we reserve substantial room for future expansion. Once fully deployed, the second plant will operate across up to 80,000 sqm, significantly enhancing our production capabilities both in Vietnam and for the Group. The second plant will work alongside our original Binh Luc plant, specialising in litho-laminated box packaging, board games, greeting cards, and paper-based toys.

In Chinese mainland, we consolidated operations, implemented strict cost controls (including reprioritising CAPEX and right-sizing the workforce), and retained skilled talent to maintain competitiveness and readiness for order build-up as we safeguard our long-term operational resilience.

Simultaneously, we advanced into non-printing areas, particularly the education sector, driven by STEM PLUS and Active Minds Limited, aligning with Hong Kong's development as an international education hub. Initiatives such as the student-housing programme “學鳴居” offer potential for stable recurring income.

While prioritising customer service excellence — absorbing higher input and logistic costs were compelling to strengthen key relationships — this customer-centric strategy, combined with tariff-driven volume pressures, led to margin compression.

Alongside the business consolidation, we have completed migrations of the largest batch of core BPP business modules of the ERP5.0 system for Hong Kong operations, FuYong site and HeShan site. This migration covered key supply chain and logistics processes - including procurement, warehousing, production, transportation, overseas shipment, and local delivery - while also adding support for digital printing workflows. The ERP5.0 system is not only a technological architecture upgrade but also a comprehensive transformation that spans business processes, data governance, and organisational collaboration. The project completion can support the long-term development of the Group, enhancing operational efficiency and productivity, accelerating business responsiveness, and strengthening compliance and risk management.

These efforts enabled positioning for recovery. Consolidated revenue declined 7.7% to HK$2,025 million (2024: HK$2,195 million). The Group recorded an attributable loss to equity shareholders of approximately HK$79 million (2024: loss of HK$43 million), reflecting the cumulative impact of sales and margin pressure, and restructuring investment, partially offset by cost controls and new businesses contribution.

**Business Unit Report**

Book and Package Printing (BPP), the largest segment, faced the most severe headwinds from tariff escalation and shipping/logistic cost increase. Revenue declined 5.5% to HK$1,409 million (2024: HK$1,491 million). The Vietnam facility provided critical capacity and competitive alternatives, cushioning the interruptions and strengthening key relationships (including major customers for paper toys). However, cushioning extra costs without full pass-through, and added logistics compressed margins, resulting in a segment loss of HK$23.4 million (2024: profit HK$25.7 million).

Consumer Product Packaging (CPP) encountered intense competition in light of subdued market demand and transformative integration challenges. Revenue decreased 8.6% to HK$310 million (2024: HK$339 million). Restructuring — integrating two facilities for better synergies — extra income, improved efficiency, with benefits emerging in Q4 2025 to achieve profitability. Losses narrowed to HK$25.3 million (2024: loss HK$38.8 million).

Corrugated Box (CB) delivered modest revenue growth of 2.4% to HK$203 million (2024: HK$198 million). Facility consolidation across the Greater Bay Area enhanced offerings and allowed further collaboration. Losses reduced slightly to HK$14.6 million (2024: loss HK$15.0 million). A production line upgrade is scheduled for Q1 2026 to boost efficiency.

Paper Trading (PT) saw sharp revenue decline of 38% to HK$104 million due to softer export demand (particularly HK-based printers with China operations) and our proactive role transformation for inter-company paper procurement support allowed cost optimisation. Together with overseas market expansion, the segment turned profitable at HK$1.1 million (2024: loss HK$3.7 million).

For diversified businesses, while not quantified separately in the revenue reporting, education initiatives (STEM PLUS, Active Minds Limited, and “學鳴居”) progressed as diversification drivers. They succeeded in establishing credibility in teachers and parents as a reliable service provider, contributing to long-term resilience amid core segment pressures.

**Principal Risks and Uncertainties**

The Group faces several principal risks and uncertainties that could materially affect its future results and financial position. Geopolitically, the disrupted US-China trade relationship and associated tariff uncertainties remain a key concern for our export-oriented businesses. Although partial de-escalation measures were seen in late 2025, any renewed escalation could trigger further order shifting, margin compression, and supply-chain disruptions, as experienced in 2025. We continue to mitigate this risk through accelerated geographic diversification via our Vietnam operations, and through agile production planning.

On the environmental and regulatory front, the EU Deforestation Regulation (EUDR) is now scheduled to take effect from 30 December 2026 for large and medium-sized operators. This follows a postponement and simplification announced in December 2025. The regulation will require stronger due diligence, full traceability, and deforestation-free sourcing for paper-based packaging products. Printed books and certain Chapter 49 printing products are explicitly excluded from the scope. We expect this to increase compliance costs and necessitate changes in our Consumer Product Packaging (CPP) and Corrugated Box (CB) segments, especially for non-recycled materials. To address this, we are actively strengthening our sustainable sourcing practices and expanding the use of eco-friendly materials.

We also face other key risks. These include ongoing volatility in global paper prices and raw-material supply. Foreign-exchange fluctuations are managed through natural hedging and conservative cash management. The industry remains highly competitive. Global demand recovery may disappoint. We also face execution challenges as we scale our newer education, digital printing, and board game businesses. The Board and senior management regularly review the Group's risk register. They monitor emerging threats and take appropriate action. Mitigation measures include strict cost discipline, adoption of new technologies such as AI, and continued strategic diversification. These steps help protect and build long-term value for the Group.

**Strong Financial Position: Net Cash Holding of HK$630 million**

The Group maintained a robust net cash position with HK$630 million in hand (total cash including structured bank deposits and net of bank borrowings). The financial strength enables us to invest for long-term sustainable growth and reward our shareholders.

During the year, the Group spent over HK$111 million on capital projects to expand and upgrade existing capacities and acquire new equipment and technology to support new initiatives of our core businesses including upgrading our existing facility and preparation of a new factory site in Vietnam.

Gearing ratio was kept at a conservative level of 1.0% (2024: 2.1%).

To meet operating cash requirements while mitigating exchange risks, 52% of total cash including structured deposits (vs. 2024: 72%) was held in RMB, while the rest was mainly held in USD 40% (vs 2024: 18%) and HKD 4% (vs 2024: 3%). Loans were in USD under fixed interest rate arrangement to minimise interest risks and naturally hedged with expected income flow to minimise interest expenses and control currency exposure.

**Future Business Development**

We approach 2026 proactively and with cautious optimism. Early indicators include partial tariff easing, which has prompted some return of orders to China, continued strong support from key accounts, and vigilant monitoring of paper prices.

Our efforts will centre on three strategic priorities: accelerating growth at full speed, staying close to the market, and leveraging technology.

In Chinese mainland, streamlining of the corrugated operations will continue to drive greater efficiency. To remain responsive to customer needs, we expect more synergy from collaboration across sites to ensure on-time delivery and consistent top-class quality. Vietnam operations will play their role as an indispensable alternative for customers seeking options. Our second facility in Vietnam will ramp up capacity to complement the Binh Luc site while supporting demand from both overseas and domestic markets.

The Group continues to invest strategically in innovation and advanced technologies to broaden our customer base and enhance printing capabilities. Building on our extensive expertise in offset printing, we have implemented targeted strategies to expand our digital printing services, effectively addressing growing market demand for smaller runs, shorter lead times, and personalised solutions. Several AI-driven initiatives are progressing well, accelerating automation across quotation, order processing, and sales prospecting workflows. The ongoing enhancement of our ERP 5.0 system further supports improvements in operational efficiency. Looking ahead, we will deepen the integration of AI with our IT infrastructure to optimise production planning. We have also commenced exploration of AI applications in conjunction with robotics and automation on the production floor to drive greater efficiency and precision.

Our diversified businesses, led by STEM PLUS, have formulated plans to expand their education network into Southeast Asia. Capitalising on the Hong Kong Government's "Study in Hong Kong" initiative, they will recruit secondary school students from the region to pursue their studies in Hong Kong, leveraging STEM PLUS's dormitory service, "學鳴居", to provide comprehensive accommodation support. Key events such as the (GBA) Hong Kong Through-Train School Expo and the Formula Edge™ Inter-School AI Racing Competition will continue into 2026, building on their past successes and strong recognition from teachers and parents. Our proven expertise in organising major competitions and events positions us well to invest further in high-profile initiatives, including Comic Con, scheduled for May 2026. Active Minds Ltd, a subsidiary of STEM PLUS, plans to open new stores in 2026 and further develop its AI-supported e-commerce platform. Last but not least, Yum Me Print, our innovative self-service printing solution provider, will expand its network by establishing print points at more than 150 high-traffic locations, including MTR stations. We anticipate that these businesses will emerge as the fastest-growing sectors within the Group in the coming years.

Cautiously, we expect stabilisation and gradual improvement in performance through disciplined execution, strategic diversification, and heightened market responsiveness.

**Outlook**

The US-China tariff landscape remains fluid along with the unstable geopolitical situation continue to introduce uncertainty to the broader economic outlook. While the US Supreme Court has made an initial ruling adjusting tariffs to the 10% – 15% range, the political unrest in the Middle East is affecting global oil prices and Eurasian shipping operations, increasing export costs and dampening consumer confidence. Fortunately, the Group's solid cash position and our active development of diversified businesses in recent years help mitigate investment risk. Management will closely monitor global economic conditions and adjust strategies in a timely manner.

Southeast Asia continues to stand out as one of the world's most dynamic growth engines. Vietnam's projected GDP growth of 7% – 8% provides a favourable backdrop for our expanding Thai Ha and Binh Luc facilities in Vietnam. This momentum is fuelled by sustained foreign direct investment, nearshoring trends, resilient export performance, and supportive domestic policies. Our Vietnam operations are ideally positioned to capture robust demand, serve overseas clients, and expand into local markets.

The Group continues to capitalise on its close geographical, economic, and cultural ties with the Guangdong-Hong Kong-Macao Greater Bay Area to grow business in the region. At the same time, in alignment with the HKSAR Government's talent admission schemes, we will collaborate with relevant government departments, educational institutions, and school sponsoring bodies to provide a one-stop education support platform for children of incoming talent, assisting them in smoothly pursuing studies in Hong Kong.

We remain committed to investing in high-potential technologies, including digital printing capabilities and AI-driven applications, which offer substantial growth opportunities amid evolving industry demands for personalisation, efficiency, and sustainability. As we further optimise our core printing and packaging operations, these strategic initiatives are expected to unlock new avenues for accelerated growth and enhanced resilience across the Group.

2025 was a year of significant challenges for global trade and for the Group. In our determined efforts to preserve and enhance competitive advantage, we carried out important structural adjustments. We are deeply grateful to our dedicated colleagues and trusted business partners for their unwavering commitment and hard work during this demanding period. United in purpose, we look forward with optimism to shaping an even stronger and more prosperous future together.

## SPECIAL DIVIDEND AND FINAL DIVIDEND

The directors recommend a special dividend of HK3 cents (2024: HK5 cents) per share and a final dividend of HK3 cents (2024: HK4 cents) per share. The proposed special dividend and final dividend are subject to shareholders' approval at the forthcoming annual general meeting of the Company. These, together with an interim dividend of HK3 cents (2024: HK4 cents) per share paid in October 2025, will make a total dividend of HK9 cents (2024: HK13 cents) per share for the financial year.

The proposed special dividend and final dividend will be paid by cash on 23 June 2026 to shareholders whose names appear on the Register of Members of the Company on 5 June 2026.

## CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Thursday, 21 May 2026 to Wednesday, 27 May 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting of the Company, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tricor Investor Services Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Wednesday, 20 May 2026.

The Register of Members of the Company will be closed from Tuesday, 2 June 2026 to Friday, 5 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed special dividend and final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, 1 June 2026.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's shares during the period, except that the trustee of the Restricted Share Award Scheme, pursuant to the terms of the rules and trust deed of the Restricted Share Award Scheme, purchased on the Stock Exchange a total of 288,000 shares of the Company at a total consideration of HK$298,000.

## CORPORATE GOVERNANCE

In the opinion of the directors, the Company has complied with all the applicable code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Listing Rules throughout the year ended 31 December 2025 except for the following deviations:

Code Provision C 2.1 provides that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The roles of the chief executive officer have been undertaken by Mr. Yum Chak Ming, Matthew, the Executive Chairman of the Company. The Board is of the opinion that it is appropriate and in the best interests of the Company that Mr. Yum should hold these offices. The Board believes that it is effective to monitor and assess business performance in a manner that properly protects the interests of shareholders.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 of the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors have complied with the required standard set out in the Model Code, throughout the accounting period covered by the final results.

## AUDIT COMMITTEE

The audit committee of the Company has reviewed the final results for the year ended 31 December 2025 and the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters. The audit committee comprises three independent non-executive directors and a non-executive director of the Company.

## REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for year ended 31 December 2025 have been agreed by the Group's auditor, KPMG ("KPMG"), to the amounts set out in the Group's consolidated financial statements for the year ended 31 December 2025. The work performed by KPMG in this respect did not constitute an audit, review or other 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 KPMG on the preliminary announcement.

By Order of the Board
**Hung Hing Printing Group Limited**
**Yum Chak Ming, Matthew**
Executive Chairman

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises Mr. Yum Chak Ming, Matthew and Mr. Yum Christopher Carson as executive directors; Mr. Hirofumi Hori, Hitoshi Shibasaki, Ms. Aki Tsuge and Mr. Yam Hon Ming, Tommy (Mr. Yum Nicholas Kevin as his alternate), who are non-executive directors; Mr. Luk Koon Hoo, Mr. Tan Chuen Yan, Paul and Mr. Lee Danny Lap as independent non-executive directors.