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## **SUN HING PRINTING HOLDINGS LIMITED**

**新興印刷控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1975)**

### **VOLUNTARY ANNOUNCEMENT — BUSINESS UPDATES**

This announcement is made by Sun Hing Printing Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) on a voluntary basis.

Reference is made to the prospectus of the Company dated 2 November 2017 (the “Prospectus”), which contained the future plans and uses of net proceeds from the Global Offering of the Company. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus.

On 10 January 2017, the Group have entered into a legally binding memorandum of understanding (the “MOU”) with an Independent Third Party (the “New Landlord”). Pursuant to the MOU, we have the right to lease, and the New Landlord shall lease to us, for three years (with an option to renew granted for us for further three years), some of the area as our new plant (the “New Plant”) within the piece of land located at Xiangang Community, Dongguan City, Guangdong Province, the PRC (中華人民共和國廣東省東莞市廈崗社區) for industrial use (the “Xiangang Land”).

As set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus, the Group intended to apply approximately HK\$30 million or approximately 25.0% of the net proceeds to relocate our Shenzhen Factory to the New Plant. It is expected that the capital expenditure for refurbishing the new plant will be at approximately HK\$25 million and the logistic expenses will be at approximately HK\$5 million. We planned to spend such expenditure by stages for the year ending 30 June 2019 after the Listing.

The board (the “Board”) of the directors (the “Director(s)”) of the Company would like to update the shareholders of the Company that the New Landlord has sold the land together with the New Plant to an independent third party, and hence there is a delay for the relocation plan and the Company may not be able to relocate the factory as original scheduled as mentioned in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

Pursuant to the MOU, if the New Landlord failed to lease the New Plant to us, it will constitute a breach of the MOU and the New Landlord shall need to bear our consequential loss and damage, which include, among others (i) the additional capital expenditure in relation to search, lease and relocation to the alternative factory premises; and (ii) the loss of profit as a result of failing to relocate as scheduled, under the PRC laws and regulations. The Company is seeking for legal advice on the breach of the MOU and the potential consequential loss and damage.

On the other hand, the Company is actively looking for another new plant with all the required certificates and with all relevant standards and safety regulations for its relocation and expansion plan. If necessary, we will seek legal advice from the legal advisers of the PRC laws in this aspect.

The Board expects that there will be a delay for the use of proceeds of approximately HK\$33.9 million in relation to the relocation of our Shenzhen Factory to the New Plant until the Company has found a proper site for relocation.

The Company will make announcement(s), as and when appropriate, in relation to the status of the relocation plan of the Group in accordance with the Listing Rules.

By Order of the Board  
**Sun Hing Printing Holdings Limited**  
**Mr. CHAN Peter Tit Sang**  
*Chairman and Executive Director*

Hong Kong, 11 July 2018

*As at the date of this announcement, the Board comprises Mr. Chan Peter Tit Sang, Mr. Chan Kenneth Chi Kin, Mr. Chan Chi Ming and Mr. Chan Chun Sang Desmond as executive directors, Mr. Ng Sze Yuen Terry, Dr. Chu Po Kuen Louis and Mr. Ho Yuk Chi as independent non-executive directors.*