



中大印刷集團 CHUNG TAI PRINTING HOLDINGS LIMITED

For Immediate Release

CHUNG TAI PRINTING HOLDINGS LIMITED ANNOUNCES ANNUAL RESULTS FOR THE 12 MONTHS ENDED 31 MARCH 2009 TURNOVER RECORDS HK\$ 691,500,000

**ACHIEVED STRONG CASH POSITION
DEVELOPING MUSIC AND ENTERTAINMENT BUSINESSES TO MEET GROWTH ASPIRATIONS**

<u>Financial Highlights</u>	For 12 months ended 31 March (HK\$)		
	2009	2008	Change
Turnover	691,500,000	728,600,000	- 5.1%
Gross Profit (Gross Profit Margin)	123,500,000 (17.9%)	124,800,000 (17.1%)	- 1.0 %
(Loss) Profit attributable to equity holders*	(17,900,000)	39,00,000	NA

* The Group has recorded a loss for the year due to the following significant changes:

1. Finance cost of HK\$8.3 million attributed to the effective interest expenses on convertible notes issued in November 2007;
2. Loss of HK\$1.5 million on redemption of convertible notes mentioned above;
3. An amount of HK\$5.7 million, being the value of printing materials and finished goods that became obsolete during the year, were written-down;
4. Exchange loss amounting to HK\$27.3 million brought by the fall in value of the AUD time deposit held by the Group as a result of the current adverse financial and economic conditions.

(Hong Kong, 20 July 2009)- Chung Tai Printing Holdings Limited (“Chung Tai Printing” or the “Group”) (SEHK: 00055), today announced its annual results for the 12 months ended 31 March, 2009 (the “Year”).

During the Year, Chung Tai Printing recorded a turnover of approximately HK\$691.5 million, representing a slight decrease of 5.1% compared with the corresponding period in 2008. The Group recorded 1% decrease in gross profit of HK\$123.5 million from HK\$124.8 million in the same period of 2008. Loss attributable to equity holders of the Group for the Year amounted to approximately HK\$17.9 million (2008: Profit at HK\$39 million). The decrease was mainly attributable to exchange losses of HK\$27.3 million on the Australian dollars (“AUD”) time deposit held by the Group.

Solid Liquidity Position

As at 31 March 2009, the Group had approximately HK\$ 379.7 million bank balances and cash and short-term bank deposits (31 March 2008: HK\$407.7 million), after deducting bank borrowings of HK\$1.1 million (31 March 2008: HK\$6.0 million). The current ratio stood at 11.1, reflecting ample cash flow and maintaining a stable liquidity position over the year. Building on the strong fundamental of solid balance sheet and financial flexibility, the Group is well positioned to seize and capture any new growth opportunities.

Mr. Suek Ka Lun, Ernie, Chief Executive Officer of Chung Tai Printing, said, “The global financial crisis has affected market worldwide and many sectors are addressing enormous challenges. During the Year, the Group’s performance was also affected by an exchange loss on the AUD. Despite that, the Group will continue to implement vigilant cost-control measures across our printing business operations and improve operational efficiency. In addition, Chung Tai Printing has also made a significant move in venturing into the music and entertainment

businesses through the acquisition of Neway Entertainment Group in June 2009. Being one of the leading players in the music and entertainment market, Chung Tai Printing will leverage its valuable experience in Mainland China and Hong Kong. We believe the dual business model will bring profits for shareholders.”

Outlook

Mr. Suek continued, “Looking forward, the Group’s growth momentum remains strong as Asia’s economies remain fundamentally sound and the Mainland China is on its way towards a swift recovery. The acquisition of Neway Entertainment Group will deliver benefits to the Group and create the platform to pioneer the music and entertainment businesses in Hong Kong and Mainland China in the long run. The Group is optimistic about the future prospects and the business potential of artistes management, music production and/or distribution of music albums. In conjunction with the business development, the change of the company’s name to ‘Neway Group Holdings Limited’ is approved at the special general meeting on 17 July 2009. The Group is now enjoying an exciting growth phase and will continue to deliver growth in all business segments in the future.”

Printing business

In the coming year, the Group will continue its cautious but aggressive business and financial strategies to tackle the potential adverse effects and weakened economies caused by the prolonged financial crisis. It is anticipated that the demand in Europe and North America will continue to be weak in the days ahead. Therefore the Group cannot be overly optimistic about the outlook for the export business. However, the PRC government is continuing to pursue effective policies to expand domestic demand to reduce its dependence on exports and to achieve sustained economic growth. The Group expects that domestic demand as a proportion of our printing business will grow from the current level of 28% to even higher levels.

Qingyuan Project

The Group will speed up the development project in Qingyuan and expect phase I of the plant development will be completed at the beginning of 2011. The estimated usable area of the phase I of the Qingyuan project is about twice the existing plant areas of the Group in Hengguan, Shenzhen. This huge investment not only signifies a new phase of the Group’s development, but also improves its production capabilities.

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About Chung Tai Printing Holdings Ltd (SEHK: 00055)

Chung Tai Printing Holdings Limited (SEHK: 00055) specializes in label, advertising and offset printing. The Group mainly focuses on the production and sales of label and water decal, packaging boxes, paper products and the production of advertising and cards. The Group also actively participates in the music and entertainment businesses through the acquisition of Neway Entertainment Group in June 2009. The main businesses of Neway Entertainment Group include artistes’ management, production and/or distribution of music albums performed by the artists managed by Neway Entertainment Group and other record companies.

Issued by PR ASIA Consultants Limited on behalf of Chung Tai Printing Holdings Limited.

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