CHEONG MING INVESTMENTS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1196)

ANNOUNCEMENT OF RESULTS
FOR THE YEAR ENDED 31 MARCH 2008

FINANCIAL HIGHLIGHTS

– Revenue increased by approximately 12.8% to HK$648.7 million which was contributed by the prosperous global economic climate during the first half of the financial year.

– Gross profit improved by 15.9% to HK$159.4 million. The Group exercised stringent cost control policies during the second half of the financial year and strengthened gross profit ratio from 23.9% for the year ended 31 March 2007 to 24.6% for the year ended 31 March 2008.

– Profit attributable to equity holders of the Company achieved 59.7% growth to HK$42.1 million. This was arising from the disposal of properties located at Level 26, Tower II, Metroplaza, 223 Hing Fong Road, Kwai Fong, New Territories, Hong Kong with a gain of approximately HK$15.0 million.

– Basic earning per share was increased by 42.3% to HK7.2 cents.

– With a view to reserving adequate bank and cash balances for future diversification into new business opportunities, final dividend was proposed to HK2 cents per share.

– The Group maintained healthy cash flow position. The cash and cash equivalents increased by 25.7% to HK$116.2 million. The gearing ratio has improved from 18.9% as at 31 March 2007 to 9.0% as at 31 March 2008. Total bank facilities available to the Group amounted at approximately HK$311.4 million.

RESULTS

The Board of Directors (the "Directors") of Cheong Ming Investments Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2008 together with the comparative figures for the previous year in 2007 as follows:

CONSOLIDATED INCOME STATEMENT

		Year ended 31 March	
		2008	2007
	Notes	***HK$'000***	*HK$'000*
REVENUE	4	**648,730**	574,882
Cost of sales		**(489,287)**	(437,267)
GROSS PROFIT		**159,443**	137,615
Other operating income	5	**37,187**	10,742
Selling and distribution costs		**(29,175)**	(28,160)
Administrative expenses		**(100,603)**	(86,385)
Other operating expenses		**(15,020)**	–
PROFIT FROM OPERATIONS	6	**51,832**	33,812
Finance costs	7	**(3,047)**	(2,182)
PROFIT BEFORE INCOME TAX		**48,785**	31,630
Income tax expense	8	**(6,687)**	(4,730)
PROFIT FOR THE YEAR		**42,098**	26,900
Attributable to:			
Equity holders of the Company		**42,098**	26,359
Minority interests		**–**	541
PROFIT FOR THE YEAR		**42,098**	26,900
DIVIDENDS	9	**18,275**	23,148
			(Restated)
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY DURING THE YEAR	10		
Basic		**HK7.20 cents**	HK5.06 cents

CONSOLIDATED BALANCE SHEET

	Notes	As at 31 March 2008 HK$'000	As at 31 March 2007 HK$'000
ASSETS AND LIABILITIES			
NON-CURRENT ASSETS			
Property, plant and equipment		**187,132**	183,941
Investment properties		**460**	19,430
Prepaid lease payments		**16,071**	16,472
		203,663	219,843
CURRENT ASSETS			
Properties held for sale		**24,632**	18,460
Inventories		**65,415**	72,726
Trade receivables	11	**109,233**	136,141
Prepayments, deposits and other receivables		**15,188**	14,211
Financial assets at fair value through profit or loss		**93,975**	49,756
Amount due from a related company	11	**–**	2,190
Cash and cash equivalents		**116,166**	92,385
		424,609	385,869
CURRENT LIABILITIES			
Trade payables	12	**78,307**	96,702
Accrued liabilities and other payables		**28,944**	20,398
Interest-bearing borrowings		**23,687**	46,017
Tax payable		**9,828**	13,784
		140,766	176,901
NET CURRENT ASSETS		**283,843**	208,968
TOTAL ASSETS LESS CURRENT LIABILITIES		**487,506**	428,811
NON-CURRENT LIABILITIES			
Interest-bearing borrowings		**17,837**	28,043
Deferred tax		**7,961**	4,599
		25,798	32,642
NET ASSETS		**461,708**	396,169
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**60,916**	48,733
Reserves		**388,609**	324,694
Proposed dividend		**12,183**	18,275
		461,708	391,702
Minority interests		**–**	4,467
TOTAL EQUITY		**461,708**	396,169

Notes:

1. **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants. The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. **ADOPTION OF NEW OR AMENDED HKFRSs**

Adoption of new or amended HKFRSs effective on or after 1 April 2007

From 1 April 2007, the Company and its subsidiaries (hereafter collectively referred to as the "Group") has adopted the new or amended HKFRSs which are first effective on 1 April 2007 and relevant to the Group. The adoption of these new or amended HKFRSs did not result in significant changes to the Group's or the Company's accounting policies but gave rise to additional disclosures.

As a result of the adoption of HKAS 1 (Amendment), Presentation of Financial Statements: Capital Disclosures and HKFRS 7, Financial Instruments: Disclosures, there have been some additional disclosures provided as follows:

The amendment to HKAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group's and the Company's objectives, policies and process for managing capital. These new disclosures are set out in the financial statements.

As a result of the adoption of HKFRS 7, the financial statements include expanded disclosure about the significance of the Group's financial instruments and the nature and extend of risks arising from those instruments, compared with the information previously required to be disclosed by HKAS 32, Financial Instruments: Disclosures and Presentation. These disclosures are provided throughout these financial statements.

The amendment to HKFRS 7 does not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial instruments.

New or amended HKFRSs that have been issued but are not yet effective

The Group has not early adopted the following HKFRSs that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 1 (Revised) (Amendment)	Presentation of Financial Statements – Puttable financial instruments and obligations arising on liquidation[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[4]
HKAS 32 (Amendment)	Financial Instruments: Presentation – Puttable financial instruments and obligations arising on liquidation[1]
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement – Puttable financial instruments and obligations arising on liquidation[1]
HKFRS 2 (Amendment)	Share-based Payment - Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combination[4]
HKFRS 7 (Amendment)	Financial Instruments: Disclosures – Puttable financial instruments and obligations arising on liquidation[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKFRS 8	Operating Segments[1]
HK (IFRIC) – Interpretation 12	Service Concession Arrangements[2]
HK (IFRIC) – Interpretation 13	Customer Loyalty Programmes[3]
HK (IFRIC) – Interpretation 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction[2]

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 January 2008
3 Effective for annual periods beginning on or after 1 July 2008
4 Effective for annual periods beginning on or after 1 July 2009

HKAS 1 (Revised) affects the presentation of owner changes in equity and introduces a statement of comprehensive income. Preparers will have the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals or in two separate statements (a separate income statement followed by a statement of other comprehensive income). This amendment does not affect the financial position or results of the Group but will give rise to additional disclosures. Management is currently assessing the detailed impact of these amendments on the Group's financial statements.

The revised HKFRS 3 introduced a number of changes in the accounting for business combinations that will impact the amount of goodwill recognised. The revised HKAS 27 requires that a change in the ownership interest of a subsidiary to be accounted for as an equity transaction. Furthermore, it changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The revised HKFRS 3 and HKAS 27 shall be applied prospectively and will affect future acquisition and transactions with minority interests.

The Group is in the process of assessing the impact of the other new or revised HKFRSs but is not yet in a position to state whether they would have material impact on the Group's financial statements.

3. SEGMENT INFORMATION

By business segments

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segment represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

(a) the manufacture and sale of paper cartons, packaging boxes and children's novelty books segment produces paper cartons, packaging boxes and children's novelty books for sale principally to manufacturers and publishers of consumer products;

(b) the manufacture and sale of hangtags, labels, shirt paper boards and plastic bags segment produces hangtags, labels, shirt paper boards and plastic bags products for sale principally to manufacturers of consumer products; and

(c) the commercial printing segment provides financial printing, digital printing and other related services.

The segment information is presented below:

2008	SEGMENT REVENUE Sales to external customers	Intersegment sales	Total sales	SEGMENT RESULTS
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Manufacture and sale of paper cartons, packaging boxes and children's novelty books	486,549	16,509	503,058	12,606
Manufacture and sale of hangtags, labels, shirt paper boards and plastic bags	88,579	61	88,640	20,583
Commercial printing	73,602	581	74,183	11,912
Intersegment eliminations	–	(17,151)	(17,151)	–
	648,730	–	648,730	45,101
Interest income				6,731
Finance costs				(3,047)
Profit before income tax				48,785
Income tax expense				(6,687)
Profit for the year				42,098

2007	SEGMENT REVENUE Sales to external customers *HK$'000*	 Intersegment sales *HK$'000*	 Total sales *HK$'000*	SEGMENT RESULTS *HK$'000*
Manufacture and sale of paper cartons, packaging boxes and children's novelty books	449,156	13,447	462,603	9,872
Manufacture and sale of hangtags, labels, shirt paper boards and plastic bags	55,093	–	55,093	11,362
Commercial printing	70,633	425	71,058	8,008
Intersegment eliminations	–	(13,872)	(13,872)	–
	574,882	–	574,882	29,242
Interest income				4,570
Finance costs				(2,182)
Profit before income tax				31,630
Income tax expense				(4,730)
Profit for the year				26,900

By geographical segments

An analysis by geographical market is as follows:

	2008 **Segment revenue** ***HK$'000***	2007 Segment revenue *HK$'000*
Hong Kong	**486,616**	435,499
Elsewhere in the People's Republic of China	**46,100**	32,172
United Kingdom	**88,292**	83,160
Europe and other countries excluding United Kingdom	**27,722**	24,051
	648,730	574,882

4. REVENUE

Revenue, which is also the Group's turnover represents the invoiced value of goods sold, after allowances for returns and trade discounts, and services rendered arising from the principal activities of the Group during the year after eliminations of all significant intra-group transactions.

5. OTHER OPERATING INCOME

	2008	2007
	HK$'000	*HK$'000*
Gross rental income from investment properties	**2,214**	2,018
Interest income	**6,731**	4,570
Dividend income from listed investments	**458**	284
Gain on disposal of listed investments	**1,439**	644
Gain on disposal of unlisted investments	**2,532**	17
Gain on disposal of property, plant and equipment	**644**	233
Gain on disposal of properties held for sale	**14,959**	–
Fair value gain on investment properties	**80**	1,210
Gain on properties held for sale	**3,485**	–
Exchange gain, net	**1,123**	–
Fair value gain on financial assets at fair value through profit or loss	**–**	173
Surplus on revaluation of leasehold land and buildings	**1,214**	1,002
Sundry income	**2,308**	591
	37,187	10,742

6. PROFIT FROM OPERATIONS

The Group's profit from operations is arrived at after charging/(crediting):

	2008	2007
	HK$'000	*HK$'000*
Amortisation of prepaid lease payments	**401**	472
Auditors' remuneration	**1,086**	1,013
Cost of inventories sold	**458,820**	399,270
Cost of services rendered	**30,467**	37,997
Depreciation on property, plant and equipment	**24,964**	26,511
Exchange loss, net	**–**	667
Impairment loss of goodwill arising from acquisition of additional interests in a subsidiary (included in other operating expenses)	**2,958**	–
Gain on disposal of property, plant and equipment	**(644)**	(233)
Loss on disposal of a subsidiary (included in other operating expenses)	**875**	–
Fair value loss/(gain) on financial assets at fair value through profit or loss	**10,377**	(173)
Operating lease charges on land and buildings	**9,814**	6,597
Provision for impairment		
– trade receivables (included in administrative expenses)	**87**	443
– other receivables (included in other operating expenses)	**810**	–
Staff costs (excluding directors' remuneration)		
Wages and salaries	**108,725**	100,149
Provision for long services payment	**–**	965
Net pension scheme contributions	**9,002**	2,478
Rental income from investment properties, net of outgoings	**(1,322)**	(1,702)

7. FINANCE COSTS

	Group	
	2008	2007
	HK$'000	*HK$'000*
Interest charges on overdrafts, bank and other borrowings repayable within five years	**2,139**	2,116
Interest on bank loans not wholly repayable within five years	**908**	66
	3,047	2,182

8. INCOME TAX EXPENSE

The tax charge comprises:

	Group	
	2008	2007
	HK$'000	*HK$'000*
Current tax – Hong Kong		
Tax for the year	**5,531**	3,300
(Over)/Under provision in respect of prior years	**(356)**	177
	5,175	3,477
Current tax – overseas		
Tax for the year	**1,175**	1,520
Over provision in respect of prior years	**–**	(328)
	1,175	1,192
Deferred tax		
Current year – tax charge	**337**	61
	6,687	4,730

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profits for the year. Taxes on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

Deferred tax is accounted for using the balance sheet liability method at the rate of 17.5% (2007: 17.5%) in Hong Kong or the tax rates prevailing on the countries in which the Group operates.

9. DIVIDENDS

(a) Dividends attributable to the year

	2008	2007
	HK$'000	*HK$'000*
Interim dividend of HK1 cent (2007: HK1 cent) per ordinary share	**6,092**	4,873
Proposed final dividend of HK2 cents (2007: HK3 cents) per ordinary share	**12,183**	18,275
	18,275	23,148

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date, but reflected as an appropriation of retained profits for the year ended 31 March 2008.

The proposed final dividend for the year is subject to the approval of the Company's equity holders at the forthcoming annual general meeting.

(b) Dividends attributable to the previous financial year, approved and paid during the year

	2008	2007
	HK$'000	*HK$'000*
Final dividend in respect of the previous financial year	**18,275**	14,598

10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's consolidated profit attributable to equity holders of the Company for the year ended 31 March 2008 of approximately HK$42,098,000 (2007: HK$26,359,000) and on the weighted average of 584,951,519 (2007: 520,913,019 (restated)) ordinary shares in issue as adjusted to reflect the rights issue during the year and as if the event had occurred at the beginning of the earlier year reported.

No diluted earnings per share has been presented as there had been no dilutive potential shares in both years of 2008 and 2007.

11. TRADE RECEIVABLES AND AMOUNT DUE FROM A RELATED COMPANY

	Group	
	2008	2007
	HK$'000	*HK$'000*
Trade receivables	**114,189**	141,010
Less: provision for impairment of receivables	**(4,956)**	(4,869)
Trade receivables – net	**109,233**	136,141
Amount due from a related company	**–**	2,190
	109,233	138,331

Trade receivables generally have credit terms of 30 to 120 days.

The amount due from a related company was trading in nature. At 31 March 2008, the aging analysis of the trade receivables including amount due from a related company, based on invoiced date, is as follows:

	Group	
	2008	2007
	HK$'000	*HK$'000*
Current to 30 days	**74,569**	106,173
31 to 60 days	**8,047**	11,005
61 to 90 days	**6,280**	5,202
Over 90 days	**20,337**	15,951
	109,233	138,331

At each of the balance sheet date, the Group's trade receivables were individually determined for impairment purposes. The individually impaired receivables are recognised based on the credit history of its customers, indication of financial difficulties, default in payments, and current market conditions. Consequently, specific impairment provision was recognised. The Group does not hold any collateral over these balances.

12. TRADE PAYABLES

	Group	
	2008	2007
	HK$'000	*HK$'000*
Trade payables	**78,307**	96,702

At 31 March 2008, the aging analysis of the trade payables, based on invoiced date, is as follows:

	Group	
	2008	2007
	HK$'000	*HK$'000*
Current to 30 days	**28,806**	51,264
31 to 60 days	**13,605**	17,310
61 to 90 days	**10,798**	11,506
Over 90 days	**25,098**	16,622
	78,307	96,702

BUSINESS REVIEW

The Group achieved consistent revenue growth in a year of challenges and volatility. The continuing acceleration of inflationary pressure in surge of fuel, labour and raw material costs, and appreciation of Renminbi eroded the business environment within the printing industry. For the year under review, the Group recorded a total revenue of approximately HK$648.7 million, which represented a growth of about 12.8% to that of last corresponding year of approximately HK$574.9 million. Gross profit margin of the Group has improved to 24.6% for the year under review from that of the corresponding year of 23.9%. The Group's profit attributable to equity holders has enhanced by about 59.7% from that of last corresponding year of approximately HK$26.4 million, to approximately HK$42.1 million, which was mainly attributable by approximately HK$15.0 million gain on disposal of commercial properties during the year.

The Group's major business continued to comprise printing and manufacture of packaging boxes, which included accompanying brochures, manuals and catalogues, together with the manufacture of children's novelty books. For the year under review, the aggregate revenue contributed from this major business segment has increased by about 8.3% to approximately HK$486.5 million when compared to last corresponding year of approximately HK$449.2 million. For the year under review, the revenue from this segment represented about 75% of the Group's revenue. This was resulted from the rise in customer demand through diversifying into value added products and moderate increase in product price.

However, the advent of challenges from inflationary pressure in rising energy, freight and material costs, appreciation of Renminbi currency, and tightening of PRC labour regulations have pushed up operating costs and eroded profit margin. Subject to the consumer safety issue in the United States concerning China sourced consumer products, the Group has incurred additional production cost and extended manufacturing lead time in the areas of product quality control and product inspection. In view of the deterioration of the macro-economic environment, the directors have adopted immediate stringent cost control measures to slim operating scale and converted fixed cost components into variable cost items. The gradual reduction in fixed production costs have neutralised a portion of the inflationary drawback. With the growth in revenue, the segment result from this business segment was slightly improved from last corresponding year of approximately HK$9.9 million to approximately HK$12.6 million for the year ended 31 March 2008.

The manufacture and distribution of hangtags, labels, shirt paper boards and plastic bags segment achieved substantial growth through consistent organic expansion into the Eastern China market and Hong Kong market during the year under review. The Group reported an increase in revenue of about 60.8% in this segment for the year under review as compared to that of last corresponding year. For the year ended 31 March 2008, the revenue from this segment represented about 13.7% of the Group's total revenue.

The segment result was increased from last corresponding year of approximately HK$11.4 million to HK$20.6 million for the year ended 31 March 2008. The improvement in performance of this business segment was mainly due to the increase in contribution from 上海發絲達印刷有限公司 (for identification purpose only, in English, Shanghai Fastabs Printing Company Limited ("Shanghai Fastabs")) through the acquisition of additional equity interest of Shanghai Fastabs from Fastabs Limited, at a consideration of approximately £0.5 million (equivalent to approximately HK$7.4 million) in cash during the year. With a view to centralising manufacturing capacity in Guangdong province to achieve economies of scale and execute comprehensive cost control strategy, the Group disposed Shanghai Fastabs to an independent third party at a consideration of RMB13 million (equivalent to approximately HK$14 million) on 30 November 2007 and a loss of approximately HK$0.9 million was recorded.

The Group's business in the commercial printing reported steady growth. The revenue and segment result for the year ended 31 March 2008 was approximately HK$73.6 million and HK$11.9 million, respectively as compared to last corresponding year of approximately HK$70.6 million and HK$8.0 million, respectively. The increase was mainly resulted from the prosperity of the Hong Kong financial market which promoted listed companies' corporate finance activities and offered the Group's commercial printing business with increasing numbers of commercial opportunities in provision of design, printing and translation of brochure and circular services. The expansion of business volume has superseded the business drawback arising from changes in statutory requirement which provided listed companies with options to have announcements to be either advertised in newspapers or hosted in websites.

For better jobs alliance and coordination in order to strengthen operational efficiency and cost effectiveness, the Group has been taking steps relocating part of its back offices to the Mainland China. The Group has established a brand new office in a commercial building namely, Excellence Times Square, situated in Shenzhen, the PRC. Taking into account the recent prevailing economic boom and encouraging property market sentiment within Hong Kong, and consistent with the long-term development strategy of the Group to relocate part of its back offices to the PRC in various stages, the Group entered into an agreement to dispose of its office units situated in Metroplaza, Kwai Fong, Hong Kong for approximately HK$33.6 million. Under the agreement, the Group will lease back the office units for a fixed term of two years commencing from 21 May 2007 to 20 May 2009. The disposal of the office units at Metroplaza was completed on 21 May 2007 and the gain on the disposal was approximately HK$15.0 million after deducting relevant expenses.

On 11 July 2007, 121,832,765 new shares was issued and approximately HK$40 million after expenses was raised from the Group's rights issue engagement announced on 25 May 2007 in which 1 rights share was allotted provisionally for every 4 shares held by qualifying shareholders. The net proceeds of the rights issue of HK$15 million had been used to repay bank indebtedness, expansion of production capacity of approximately HK$10 million, construction of environmental protection structures in Dongguan factories and commercial building renovation in Shenzhen office and working capital of approximately HK$15 million.

FINANCIAL REVIEW

Liquidity and financial resources

The Group generally finances its operations with internally generated cashflow and banking facilities provided by its principal bankers in Hong Kong. The Group is financially sound and its cash position remains healthy. As at 31 March 2008, the Group has available aggregate banking facilities of approximately HK$311.4 million which were secured by legal charges on certain properties owned by the Group. The Group's cash and bank balances and short term bank deposits as at 31 March 2008 amounted to approximately HK$116.2 million.

The Group's gearing ratio as at 31 March 2008 was 9.0% (31 March 2007: 18.9%), basing on the short term and long term interest bearing bank borrowings of HK$41.5 million (31 March 2007: HK$74.1 million) and the equity attributable to equity holders of the Company of HK$461.7 million (31 March 2007: HK$391.7 million). It is believed that the Group's cash holding, liquid asset value, future revenue and available facilities will be sufficient to fulfill working capital requirements of the Group.

Exchange rate exposure

Most of the transactions of the Group were made in Hong Kong dollars, Renminbi and US dollars. For the year ended 31 March 2008, the Group was not exposed to any material exchange risk as the exchange rate of Hong Kong dollars and US dollars were relatively stable under the current peg system. With the natural hedging of the revenue and costs denominated in Renminbi, the Group's foreign exchange exposure was insignificant in this respect.

During the year, the Group has entered into a structured forward instrument in relation to US dollars and RMB which is included in financial assets at fair value through profit or loss. As stipulated in the contract, the Group endured exchange loss when the exchange rate of RMB against US dollars falls within certain range due to depreciation of RMB.

Financial guarantees and charges on assets

As at 31 March 2008, corporate guarantees amounting to approximately HK$127.2 million were given to banks by the Company for the provision of general banking facilities granted to the Group's subsidiaries, which were secured by legal charges on certain properties owned by the Group with a total net book value of approximately HK$46.5 million.

POST BALANCE SHEET EVENTS

On 2 June 2008, Capital Asset Management Limited and Cheong Ming Press Factory Limited ("Vendors"), subsidiaries of the Company, entered into sale and purchase agreements ("Agreements") with Mr Lui Shing Ming Brian ("Purchaser"), an executive director of the Company, respectively. Pursuant to the Agreements, Vendors should sell and the Purchaser or companies nominated by him shall acquire from Vendors the certain properties located in Mai Sik Industrial Building, Nos 1/11 Kwai Ting Road, Kwai Chung, New Territories, Hong Kong at an aggregated consideration of HK$24,740,000. Save for the professional fees and expenses incurred, the completion of agreements will not give rise to material gain or loss of disposal. The disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and connected transaction of the Company pursuant to Chapter 14A of the Listing Rules as the Purchaser is an executive Director and therefore, a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. Please refer to circular dated 23 June 2008 for details. The aforesaid disposal was approved by independent shareholders at special general meeting on 9 July 2008 and the completion of agreements will be on or before 31 July 2008.

PROSPECTS

In anticipation of subsisting serve price competition within printing industry, continuous labour and raw material costs rising pressure, and consistent appreciation of the Renminbi currency, the Group implements stringent cost controls and effectiveness strategies for the purpose of sustaining profitability. The Group re-centralises its resources and production capacity in the Guangdong province with a view to strengthening its cost effectiveness controls through economies of scale and adopts measures in conversion of the PRC fixed manufacturing and operating costs into flexible and variable components. On the other hand, the Group strives to transfer part of the cost to customers by increasing product price, and strengthening customer base and loyalty through implementation of value added activities targeted to satisfy specific customer needs.

Dealing with the deteriorating business environment in the printing industry, the Group will continuously devote efforts in improving the operation performance in accordance with the principle of caution and prudence while actively identifying potential investment opportunities for diversification. It is believed that the Group is gearing on its long-established foundation and well-positioned to capture new investment opportunities for the enhancement of shareholders' value.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31 March 2008, the Group had an available workforce of 2,433, of which 2,241 were based in the People's Republic of China.

Remuneration packages are generally structured by reference to market terms and individual merits. Salaries are normally reviewed on an annual basis and bonuses paid, if any, will be based on performance appraisals and other relevant factors. Staff benefits plans maintained by the Group include mandatory provident fund scheme, share option scheme and medical insurance.

FINAL DIVIDEND

In order to maintain sufficient funds for potential investment opportunities and dealing with the deteriorating business environment, less final dividend was recommended this year. The Directors recommended the payment of a final dividend of HK2 cents (2007: HK3 cents) per share for the year ended 31 March 2008 to all shareholders whose names appear on the register of members of the Company on 19 August 2008, which is expected to be paid on or about 27 August 2008. This, together with the interim dividend of HK1 cent per share already paid on 30 January 2008, will bring the total dividend for the year to HK3 cents per share (2007: HK4 cents).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 15 August 2008 to Tuesday, 19 August 2008 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 pm on Thursday, 14 August 2008.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the year ended 31 March 2008.

AUDIT COMMITTEE

The audit committee comprises three independent non-executive directors, namely Dr. Ng Lai Man, Carmen, Dr. Lam Chun Kong and Mr. Lo Wing Man. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting matters and internal controls.

The audit committee has reviewed with the management about the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters in connection with the preparation of the audited consolidated financial statements of the Company for the year ended 31 March 2008. This preliminary announcement of the Group's results for the year ended 31 March 2008 has been agreed with the Company's external auditors.

REMUNERATION COMMITTEE

The remuneration committee comprises three independent non-executive directors, namely Mr. Lo Wing Man, Dr. Lam Chun Kong, Dr. Ng Lai Man Carmen and one executive director, Mr. Lui Shing Ming Brian. The terms of reference of the Remuneration Committee have been determined with reference to the Code on Corporate Governance Practices (the "CG Codes") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Remuneration Committee has reviewed and determined the Group's remuneration policy, including the policy for the remuneration of executive directors, the levels of remuneration paid to executive directors and senior management of the Group.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the applicable code provisions of the CG Codes as set out in Appendix 14 of the Listing Rules throughout the year ended 31 March 2008, except for the deviation from code provision A.4.1 in that the independent non-executive directors were not appointed for a specific term but are subject to retirement by rotation in general meetings of the Company in accordance with the bye-laws of the Company. However, as the bye-laws of the Company stipulate that one-third of the directors, including executive and independent non-executive directors, shall retire from office by rotation so that each director shall be subject to retirement at least once every three years, the Company considers that sufficient measures have been taken to essence that the corporate governance practices of the Company are no less exacting than those in the CG Codes.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have fully complied with the required standard as set out in the Model Code throughout the period under review.

PUBLICATION OF FINAL RESULTS AND REPORT

This results announcement is published on the Company's website (http://www.cheongming.com) and the Stock Exchange's website (http://www.hkexnews.hk). The final report containing all the information required by the Listing Rules will be dispatched to the shareholders and available on the same websites in due course.

By Order of the Board
Lui Chi
Chairman

Hong Kong, 18 July 2008

As at the date of this announcement, the executive directors of the Company are Mr. Lui Chi, Mr. Lui Shing Ming, Brian, Mr. Lui Shing Cheong and Mr. Lui Shing Chung, Victor and the independent non-executive directors of the Company are Dr. Lam Chun Kong, Mr. Lo Wing Man and Dr. Ng Lai Man, Carmen.