

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



eprint GROUP LIMITED

eprint 集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1884)

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO TENANCY AGREEMENTS

The Board announces that on 10 June 2022, Lucky Gainer and Promise Network, being indirect wholly-owned subsidiaries of the Company, and e-banner, being an indirect non wholly-owned subsidiary of the Company entered into the Tenancy Agreements with CTP, King Profit, Profit More, Promise Properties and VVV, pursuant to which Lucky Gainer, Promise Network and e-banner (as tenants) agreed to lease the Properties from CTP, King Profit, Profit More, Promise Properties and VVV (as landlords).

LISTING RULES IMPLICATIONS

In accordance with HKFRS 16 Leases, the rental payment to be made by the Tenants under the Tenancy Agreements will be recognised as right-of-use assets and will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules.

CTP, King Profit, Profit More, Promise Properties and VVV are associates of Mr. She, Mr. Chong and Mr. WM Leung and are connected persons of the Company. As such, the Tenancy Agreements constitute a one-off connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

As the transactions contemplated under the Tenancy Agreements, when aggregated, have an applicable percentage ratio that exceeds 5% but is less than 25% and the total consideration of the transaction is less than HK\$10,000,000, the transactions constitute (i) a discloseable transaction on the part of the Company which is subject to the reporting and announcement requirements but is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules; and (ii) a connected transaction on the part of the Company which is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

The Board announces that on 10 June 2022, Lucky Gainer and Promise Network, being indirect wholly-owned subsidiaries of the Company, and e-banner, being an indirect non wholly-owned subsidiary of the Company entered into the Tenancy Agreements with CTP, King Profit, Profit More, Promise Properties and VVV, pursuant to which Lucky Gainer, Promise Network and e-banner (as tenants) agreed to lease the Properties from CTP, King Profit, Profit More, Promise Properties and VVV (as landlords).

PRINCIPAL TERMS OF THE TENANCY AGREEMENTS

The principal terms of the Tenancy Agreements are as follows:

1. The CTP (Full Year) Tenancy Agreements

Date:	10 June 2022
Tenants:	Lucky Gainer and e-banner
Landlord:	CTP
Premises:	Unit W6 on 3rd Floor of Block 1; Units K2, L2, W1 and W2 on 2nd Floor of Block 2; Unit A3 on 1st Floor of Block 3; Units W1 to W5 on 2nd Floor of Block 3; Unit B3 on 3rd Floor of Block 3; Unit B3 on 4th Floor of Block 3; Unit R4 on 2nd Floor of Block 4; Unit A4 on 5th Floor of Block 4; and Units M4, N4, P4 and R4 on 6th Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 22,584 sq. ft.
Lease term:	From 1 April 2022 to 31 March 2023 (both days inclusive)
Security deposit:	HK\$814,400, equivalent to two months' rent
Monthly rent:	HK\$407,200 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial

2. The CTP (Partial Year) Tenancy Agreement

Date:	10 June 2022
Tenant:	Promise Network
Landlord:	CTP
Premises:	Car Parking Space No. 142 on Basement, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
Lease term:	From 1 August 2022 to 31 March 2023 (both days inclusive)
Security deposit:	HK\$6,600, equivalent to two months' rent
Monthly rent:	HK\$3,300 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Carparking

3. The King Profit Tenancy Agreements

Date:	10 June 2022
Tenants:	Lucky Gainer and Promise Network
Landlord:	King Profit
Premises:	Unit A3 (including Flat Roof appurtenant thereto) on 4th Floor of Block 3, Unit L4 on 3rd Floor of Block 4 and Car Parking Space No. 36 on Basement, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 3,251 sq. ft.
Lease term:	From 1 April 2022 to 31 March 2023 (both days inclusive)
Security deposit:	HK\$126,600, equivalent to two months' rent
Monthly rent:	HK\$63,300 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial and carparking

4. The Profit More Tenancy Agreement

Date:	10 June 2022
Tenant:	Lucky Gainer
Landlord:	Profit More
Premises:	Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 2,895 sq. ft.
Lease term:	From 1 April 2022 to 31 March 2023 (both days inclusive)
Security deposit:	HK\$101,400, equivalent to two months' rent
Monthly rent:	HK\$50,700 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial

5. The Promise Properties Tenancy Agreement

Date:	10 June 2022
Tenant:	Lucky Gainer
Landlord:	Promise Properties
Premises:	Unit W3 on 2nd Floor of Block 2; Unit K3 on 3rd Floor of Block 3; Unit H3 on 4th Floor of Block 3; and Unit A4 on 6th Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 7,005 sq. ft.
Lease term:	From 1 April 2022 to 31 March 2023 (both days inclusive)
Security deposit:	HK\$251,200, equivalent to two months' rent
Monthly rent:	HK\$125,600 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial

6. The VVV (Full Year) Tenancy Agreements

Date:	10 June 2022
Tenants:	Lucky Gainer and Promise Network
Landlord:	VVV
Premises:	<ol style="list-style-type: none">1. Unit H2 on 2nd Floor of Block 2; Unit K4 on 3rd Floor of Block 4; and Car Parking Space No. 78 on Ground Floor, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong; and2. Workshop No. 1 on Ground Floor, Trend Centre, No. 29 Cheung Lee Street, Hong Kong
Saleable area:	Approximately 8,675 sq. ft.
Lease term:	From 1 April 2022 to 31 March 2023 (both days inclusive)
Security deposit:	HK\$333,400, equivalent to two months' rent
Monthly rent:	HK\$166,700 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial and carparking

7. The VVV (Partial Year) Tenancy Agreement 1

Date:	10 June 2022
Tenant:	Lucky Gainer
Landlord:	VVV
Premises:	Unit J2 on 2nd Floor of Block 2, Kwun Tong Industrial Centre, Nos. 460-470 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 1,796 sq. ft.
Lease term:	From 1 November 2022 to 31 March 2023 (both days inclusive)
Security deposit:	HK\$64,200, equivalent to two months' rent
Monthly rent:	HK\$32,100 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial

8. The VVV (Partial Year) Tenancy Agreement 2

Date:	10 June 2022
Tenant:	Lucky Gainer
Landlord:	VVV
Premises:	Unit G2 on 2nd Floor of Block 2, Kwun Tong Industrial Centre, Nos. 460-470 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 1,320 sq. ft.
Lease term:	From 11 March 2023 to 31 March 2023 (both days inclusive)
Security deposit:	HK\$47,600, equivalent to two months' rent
Monthly rent:	HK\$23,800 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial

ACCOUNTING TREATMENT

In accordance with HKFRS 16 Leases, the Group will recognise right-of-use assets and related lease liabilities within the consolidated statement of financial position of the Group in connection with the Tenancy Agreements. The total estimated value of the right-of-use assets to be recognised by the Group under the Tenancy Agreements amounts to approximately HK\$9,780,000, which is the present value of rental payment in accordance with HKFRS 16.

The above figure is unaudited and may be subject to adjustment in the future.

INFORMATION ON THE PARTIES

The Group is principally engaged in the provision of printing services and solutions on advertisement, bound books and stationeries.

Lucky Gainer and Promise Network, are indirect wholly-owned subsidiaries of the Company, and e-banner is an indirect non wholly-owned subsidiary of the Company. Lucky Gainer is principally engaged in the provision of management services in Hong Kong, whereas Promise Network is principally engaged in the provision of printing services in Hong Kong. e-banner is principally engaged in the provision of digital printing services in Hong Kong.

CTP is principally engaged in the business of property investment and is beneficially owned as to 25% by Mr. She, 25% by Mr. Chong, 25% by Mr. WM Leung and 25% by an independent third party respectively.

King Profit is principally engaged in the business of property investment and is a wholly-owned subsidiary of VVV.

Profit More is principally engaged in the business of property investment and is a wholly-owned subsidiary of CTP.

Promise Properties is principally engaged in the business of property investment and is beneficially owned as to approximately 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. WM Leung, 13.52% and 21.62% by two independent third parties, respectively.

VVV is principally engaged in the business of property investment, and is beneficially owned as to approximately 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. WM Leung, 13.52% and 21.62% by two independent third parties, respectively.

Based on the above, CTP, King Profit, Profit More, Promise Properties and VVV are connected persons of the Company.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TENANCY AGREEMENTS

The Tenants, being the Group's subsidiaries, have been using the Properties historically, the Directors consider that it would be commercially beneficial to the Group if the production plants and ancillary offices of the Group are situated in the same industrial building or in close proximity to each other. In addition, given the Group's continuous effort to control its operating costs in order to maintain its competitiveness, the Group is expecting a decrease in the use of subcontractors for its paper printing and banner printing businesses, which will be substituted with self-production and storage. The terms of the Tenancy Agreements were arrived at an arm's length negotiation between the parties. The rent payable under the Tenancy Agreements was determined after taking into account the prevailing market conditions and the prevailing market rent for similar properties in the vicinity according to the valuation conducted by an independent professional valuer. Therefore, the Directors (including the independent non-executive Directors) are of the view that the Tenancy Agreements are entered into in the ordinary course of business of the Group and on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and that the rent under the Tenancy Agreements are fair and reasonable and no less favourable than those offered by independent third parties. The rent will be funded from the Group's general working capital.

Each of Mr. She, Mr. Chong and Mr. WM Leung is regarded as having a material interest in the transactions contemplated under the Tenancy Agreements, and therefore each of Mr. She, Mr. Chong and Mr. WM Leung has abstained from voting on the Board resolutions to approve the transactions contemplated under the Tenancy Agreements. Save and except for the aforesaid, none of the Directors has any material interest in the Tenancy Agreements and was required to abstain from voting on the Board resolutions in relation to the transactions contemplated under the Tenancy Agreements.

IMPLICATIONS OF THE LISTING RULES

In accordance with HKFRS 16 Leases, the rental payment to be made by the Tenants under the Tenancy Agreements will be recognised as right-of-use assets and lease liabilities measured at the present value of the remaining lease payments, discounted by the lessees' incremental borrowing rate of 3.50%. The right-of-use assets will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules.

CTP, King Profit, Profit More, Promise Properties and VVV are associates of Mr. She, Mr. Chong and Mr. WM Leung and connected persons of the Company. As such, the Tenancy Agreements constitute a one-off connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

As the right-of-use assets acquired by the Company under the Tenancy Agreements, when aggregated, have an applicable percentage ratio that exceeds 5% but is less than 25% and the total consideration of the transaction is less than HK\$10,000,000, the transactions constitute (i) a discloseable transaction on the part of the Company which is subject to the reporting and announcement requirements but is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules; and (ii) a connected transaction on the part of the Company which is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Board”	the board of Directors
“Company”	eprint Group Limited, a company incorporated in the Cayman Islands, the issued shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“connected transaction”	has the same meaning ascribed to it under the Listing Rules

“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“CTP”	CTP Limited, a company incorporated in Hong Kong with limited liability
“CTP (Full Year) Tenancy Agreements”	the tenancy agreements dated 10 June 2022 and entered into between Lucky Gainer and e-banner as tenants and CTP as landlord in respect of the tenancy of Unit W6 on 3rd Floor of Block 1; Units K2, L2, W1 and W2 on 2nd Floor of Block 2; Unit A3 on 1st Floor of Block 3; Units W1 to W5 on 2nd Floor of Block 3; Unit B3 on 3rd Floor of Block 3; Unit B3 on 4th Floor of Block 3; Unit R4 on 2nd Floor of Block 4; Unit A4 on 5th Floor of Block 4; and Units M4, N4, P4 and R4 on 6th Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“CTP (Partial Year) Tenancy Agreement”	the tenancy agreement dated 10 June 2022 and entered into between Promise Network as tenant and CTP as landlord in respect of the tenancy of Car Parking Space No. 142 on Basement, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“Director(s)”	the director(s) of the Company
“e-banner”	e-banner Limited, a company incorporated in Hong Kong with limited liability and is an indirect non wholly-owned subsidiary of the Company
“eprint”	eprint Limited, a company incorporated in the British Virgin Islands with limited liability and is a controlling Shareholder
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“independent third party”	person(s) and/or company(ies) who/which is (are) independent of the Company and its connected persons
“King Profit”	King Profit International Limited, a company incorporated in Hong Kong with limited liability

“King Profit Tenancy Agreements”	the tenancy agreements dated 10 June 2022 and entered into between Lucky Gainer and Promise Network as tenants and King Profit as landlord in respect of the tenancy of Unit A3 (including Flat Roof appurtenant thereto) on 4th Floor of Block 3, Unit L4 on 3rd Floor of Block 4 and Car Parking Space No. 36 on Basement, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lucky Gainer”	Lucky Gainer Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“Mr. Chong”	Mr. Chong Cheuk Ki, an executive Director and a shareholder as to approximately 21.62% of the entire issued share capital of eprint
“Mr. She”	Mr. She Siu Kee William, an executive Director, chairman of the Board and a shareholder as to approximately 21.62% of the entire issued share capital of eprint
“Mr. WM Leung”	Mr. Leung Wai Ming, a non-executive Director and a shareholder as to approximately 21.62% of the entire issued share capital of eprint
“Profit More”	Profit More Rich Limited, a company incorporated in Hong Kong with limited liability
“Profit More Tenancy Agreement”	the tenancy agreement dated 10 June 2022 and entered into between Lucky Gainer as tenant and Profit More as landlord in respect of the tenancy of Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“Promise Network”	Promise Network Printing Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“Promise Properties”	Promise Properties Limited, a company incorporated in Hong Kong with limited liability

“Promise Properties Tenancy Agreements”	the tenancy agreements dated 10 June 2022 and entered into between Lucky Gainer as tenant and Promise Properties as landlord in respect of the tenancy of Unit W3 on 2nd Floor of Block 2; Unit K3 on 3rd Floor of Block 3; Unit H3 on 4th Floor of Block 3; and Unit A4 on 6th Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“Properties”	properties located at: <ol style="list-style-type: none"> Unit W6 on 3rd Floor of Block 1; Units G2, H2, J2, K2, L2, W1, W2, W3 on 2nd Floor of Block 2; Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2; Unit A3 on 1st Floor of Block 3; Units W1 to W5 on 2nd Floor of Block 3; Units B3 and K3 on 3rd Floor of Block 3; Unit A3 (Including Flat Roof appurtenant thereto), Units B3 and H3 on 4th Floor of Block 3; Unit R4 on 2nd Floor of Block 4; Units K4 and L4 on 3rd Floor of Block 4; Unit A4 on 5th Floor of Block 4; Units A4, M4, N4, P4, R4 on 6th Floor of Block 4; Car Parking Space Nos. 36 and 142 on Basement; and Car Parking Space No. 78 on Ground Floor, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong; and Workshop No. 1 on Ground Floor, Trend Centre, No. 29 Cheung Lee Street, Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreements”	collectively, the CTP (Full Year) Tenancy Agreements, the CTP (Partial Year) Tenancy Agreement, the King Profit Tenancy Agreements, the Profit More Tenancy Agreement, the Promise Properties Tenancy Agreement, VVV (Full Year) Tenancy Agreements, VVV (Partial Year) Tenancy Agreement 1 and VVV (Partial Year) Tenancy Agreement 2
“Tenants”	collectively, Lucky Gainer, Promise Network and e-banner
“VVV”	VVV Limited, a company incorporated in Hong Kong with limited liability

“VVV (Full Year) Tenancy Agreements”	the tenancy agreements dated 10 June 2022 and entered into between Lucky Gainer and Promise Network as tenants and VVV as landlord in respect of the tenancy of (1) Unit H2, on 2nd Floor of Block 2; Unit K4 on 3rd Floor of Block 4; Car Parking Space No. 78 on Ground Floor, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong; and (2) Workshop No. 1 on Ground Floor, Trend Centre, No. 29 Cheung Lee Street, Hong Kong
“VVV (Partial Year) Tenancy Agreement 1”	the tenancy agreement dated 10 June 2022 and entered into between Lucky Gainer as tenant and VVV as landlord in respect of the tenancy of Unit J2 on 2nd Floor of Block 2, Kwun Tong Industrial Centre, Nos. 460-470 Kwun Tong Road, Kowloon, Hong Kong
“VVV (Partial Year) Tenancy Agreement 2”	the tenancy agreement dated 10 June 2022 and entered into between Lucky Gainer as tenant and VVV as landlord in respect of the tenancy of Unit G2 on 2nd Floor of Block 2, Kwun Tong Industrial Centre, Nos. 460-470 Kwun Tong Road, Kowloon, Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“sq. ft.”	square feet
“%”	per cent.

By Order of the Board
eprint Group Limited
She Siu Kee William
Chairman

Hong Kong, 10 June 2022

As at the date of this announcement, the executive Directors are Mr. She Siu Kee William and Mr. Chong Cheuk Ki; the non-executive Director is Mr. Leung Wai Ming; and the independent non-executive Directors are Mr. Poon Chun Wai, Mr. Fu Chung and Mr. Ma Siu Kit