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## **UNIVERSE PRINTSHOP HOLDINGS LIMITED**

**環球印館控股有限公司**

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

**(Stock Code: 8448)**

### **THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2020**

#### **CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “Directors”) of Universe Printshop Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

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# Financial Highlights

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The revenue of the Company and its subsidiaries (the “Group”) was approximately HK\$79.3 million for the nine months ended 31 December 2020 (“Q3 2020”), representing a decrease from approximately HK\$110.4 million for the nine months ended 31 December 2019 (“Q3 2019”). The decrease in revenue was caused by the decline in the demand for printing services. The demand for our printing service is highly reliant on the level of local business and market activities undertaken by our downstream customers, which is driven by market sentiment.

The gross profit of the Group decreased from HK\$21.8 million for Q3 2019 to HK\$16.4 million for Q3 2020, which was in tandem with the decline in revenue and cost of sales.

The profit attributable to owners of our Company was approximately HK\$2.0 million in Q3 2020 as compared to a loss of HK\$1.4 million recorded in Q3 2019. Excluding the impact of one-off items in the respective financial periods, there was a net operating loss of approximately HK\$6.7 million recorded in Q3 2020 as compared to HK\$4.6 million in Q3 2019. The one-off items in Q3 2020 included a gain on disposal of right-of-use assets of approximately HK\$0.9 million (Q3 2019: nil), a gain on disposal of property, plant and equipment of approximately HK\$4,800 (Q3 2019: HK\$3.2 million) and government subsidies of approximately HK\$7.8 million (Q3 2019: nil). The impact of the outbreak of the novel coronavirus (“COVID-19”), economic downturn and uncertainties towards future economic prospects have adversely affected our results of operations. The Board expects such negative impact to persist in near term. The Group will continue to streamline processes to control costs and drive efficiency to maintain our profitability and competitiveness in the market.

The board of Directors (the “Board”) does not recommend the payment of an interim dividend for Q3 2020 (Q3 2019: nil).

# Management Discussion and Analysis

## BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged in providing printing services to customers in Hong Kong. The printing services of the Group included offset printing, ink-jet printing and toner-based digital printing. Other than printing services, the Group also provided other services to customers, which included production of other printing-related products such as pre-ink stamps, plastic name-cards, printed eco-bags and printed plastic folders.

The Group recorded revenue of approximately HK\$79.3 million for Q3 2020, representing a decrease of approximately 28.2% as compared to the revenue of approximately HK\$110.4 million for Q3 2019. The profit attributable to owners of our Company was approximately HK\$2.0 million in Q3 2020 as compared to the loss of HK\$1.4 million recorded in Q3 2019. Excluding the impact of one-off items in the respective financial periods, there was a net operating loss of approximately HK\$6.7 million recorded in Q3 2020 as compared to HK\$4.6 million in Q3 2019. The one-off items in Q3 2020 includes a gain on disposal of right-of-use assets of approximately HK\$0.9 million (Q3 2019: nil), a gain on disposal of property, plant and equipment of approximately HK\$4,800 (Q3 2019: HK\$3.2 million) and government subsidies of approximately HK\$7.8 million (Q3 2019: nil). The impact of the outbreak of the COVID-19, economic downturn and uncertainties towards future economic prospects have adversely affected our results of operations. The Board expects such negative impact to persist in near term. As such, six underperformed stores were closed down during the period and up to the date of this report. The Group will continue to streamline processes to control costs and drive efficiency to maintain our profitability and competitiveness in the market.

Looking forward, in light of the unfavorable economic and market conditions, the Group is exploring market opportunities for horizontal expansion and services diversification. The Group will continue to implement our business plan to enhance the image, recognition and market reputation. In Q3 2020, the Group purchased printing-related machines of approximately HK\$2.0 million to achieve subcontracting cost reduction and sustain business growth. Meanwhile, the Group is developing a non-paper printing business, such as personalisation services. The Group is seeking to join forces with different designers, vendors, subcontractors and partners to tap into this new business segment to strive for sustainable growth of our business.

# Management Discussion and Analysis

## FINANCIAL REVIEW

### Revenue

The total revenue of the Group for Q3 2020 decreased by HK\$31.1 million or 28.2% to HK\$79.3 million as compared to HK\$110.4 million for Q3 2019. The decrease in revenue was caused by the decline in the demand for printing services. The demand for our printing service is highly reliant on the level of local business and market activities undertaken by our downstream customers, which is driven by market sentiment. These activities however reduced significantly due to the prolonged COVID-19 pandemic broken out since January 2020.

### Cost of sales

The cost of sales primarily consists of raw material cost, sub-contracting fee, manufacturing overhead and staff costs. The total cost of sales decreased from HK\$88.7 million in Q3 2019 to HK\$62.9 million in Q3 2020 due to the lower volume of sales orders, which was in tandem with the decline in revenue.

### Gross profit and gross profit margin

The gross profit of the Group decreased from HK\$21.8 million for Q3 2019 to HK\$16.4 million for Q3 2020, which was in tandem with the decline in revenue and cost of sales. The gross profit margin for Q3 2020 is about 20.7%. (Q3 2019: 19.7%)

### Other income

Other income in Q3 2020 mainly represent the government subsidies of approximately HK\$7.8 million (Q3 2019: nil) granted under the employment support scheme and the retail sector subsidy scheme in response to the COVID-19 pandemic.

### Other gains

Other gains or losses in Q3 2020 mainly represent gain on disposal of right-of-use assets amounting to approximately HK\$0.9 million, while the other gains in Q3 2019 of approximately HK\$3.2 million mainly represent gain on disposal of property, plant and equipment.

# Management Discussion and Analysis

## Selling and administrative expenses

Selling and administrative expenses primarily comprise staff costs (including directors' remuneration), depreciation, legal and professional fee, IT development fee, auditors' remuneration, marketing and entertainment, repair and maintenance, consultancy fee, utilities expenses, bank charges and other miscellaneous administrative expenses. The selling and administrative expenses amounted to HK\$23.4 million in Q3 2020, which represented a decrease of HK\$3.7 million as compared to HK\$27.1 million in Q3 2019. The decrease in selling and administrative expenses was mainly attributable to (i) decrease in depreciation due to the impairment losses made on the carrying amounts of certain assets of the Group; and (ii) a temporary reduction of salaries for two months from April to May 2020 as one of the major cost saving measures in light of the COVID-19 pandemic.

## Income Tax Credit

Income tax credit consist of current income tax and deferred income tax. The income tax credit were HK\$0.3 million for Q3 2020 (Q3 2019: HK\$0.1 million). This was mainly attributable to the change in deferred tax resulted from the acquisition of plant and equipment during the period.

## Profit/(Loss) for the period attributable to owners of the Company

The profit attributable to owners of our Company was approximately HK\$2.0 million in Q3 2020 as compared to a loss of HK\$1.4 million recorded in Q3 2019. Excluding the impact of one-off items in the respective financial periods, there was a net operating loss of approximately HK\$6.7 million recorded in Q3 2020 as compared to HK\$4.6 million in Q3 2019. The one-off items in Q3 2020 included a gain on disposal of right-of-use assets of approximately HK\$0.9 million (Q3 2019: nil), a gain on disposal of property, plant and equipment of approximately HK\$4,800 (Q3 2019: HK\$3.2 million) and government subsidies of approximately HK\$7.8 million (Q3 2019: nil). The economic downturn as a result of the prolonged COVID-19 pandemic had adversely affected our results of operations. It further imposed uncertainties towards future economic prospects from local to the global. The Board expects such negative impact to persist in near term which would continue to affect our financial performance. Notwithstanding this, the Group will continue to take actions to control costs and drive efficiency to maintain our profitability and competitiveness in the market.

## DIVIDENDS

The Board does not recommend the payment of an interim dividend for Q3 2020 (Q3 2019: Nil).

## Other Information

### INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATE CORPORATIONS

As at 31 December 2020, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required to be notified to the Company and the Stock Exchange: (a) pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein (the “Register”); or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange were as follows:

#### Long position in Shares as at 31 December 2020

| Name of Director      | Capacity         | Number of shares held/ interested | Percentage of the issued share capital of the Company (approximate) |
|-----------------------|------------------|-----------------------------------|---------------------------------------------------------------------|
| Mr. Chau Man Keung    | Beneficial Owner | 280,400,000                       | 31.16%                                                              |
| Mr. Hsu Ching Loi     | Beneficial Owner | 110,500,000                       | 12.28%                                                              |
| Mr. Leung Yuet Cheong | Beneficial Owner | 66,460,000                        | 7.38%                                                               |
| Mr. Wong Man Hin Joe  | Beneficial Owner | 30,380,000                        | 3.38%                                                               |

Save as disclosed above and so far as is known to the Directors, immediate following the Listing, none of the Directors nor chief executive of the Company had or was deemed to have any other interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing by directors as referred to in Rules 5.46 of the GEM Listing Rules.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware of, as at 31 December 2020, the following persons/entities other than a Director or the chief executive of the Company had interests or short positions in the shares and underlying shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of the Company:

#### Long position in Shares as at 31 December 2020

| Name of Shareholders       | Capacity           | Number of shares held/ interested | Percentage of the issued share capital of the Company (approximate) |
|----------------------------|--------------------|-----------------------------------|---------------------------------------------------------------------|
| Ms. Siu Man Yam (Note 1)   | Interest of spouse | 280,400,000                       | 31.16%                                                              |
| Ms. Ng Lai Nga (Note 2)    | Interest of spouse | 110,500,000                       | 12.28%                                                              |
| Ms. Mok Chun Ngor (Note 3) | Interest of spouse | 66,460,000                        | 7.38%                                                               |

Notes:

1. Ms. Siu is the spouse of Mr. Chau Man Keung, an executive Director. By virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time ("SFO"), Ms. Siu is deemed to be interested in all the Shares in which Mr. Chau is interested or deemed to be interested under the SFO.
2. Ms. Ng Lai Nga is the spouse of Mr. Hsu Ching Loi, an executive Director. By virtue of the SFO, Ms. Ng Lai Nga is deemed to be interested in all the Shares in which Mr. Hsu is interested or deemed to be interested under the SFO.
3. Ms. Mok is the spouse of Mr. Leung Yuet Cheong, an executive Director. By virtue of the SFO, Ms. Mok is deemed to be interested in all the Shares in which Mr. Leung is interested or deemed to be interested under the SFO.

Save as disclosed above and so far as is known to the Directors, immediate following the Listing, the Directors were not aware of any other persons who had or deemed or taken to have any interests or short positions in the shares or underlying shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of the Company.

### SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) on 26 February 2018 and no options have been granted, exercised, lapsed or cancelled since then and up to the date of this report.

The Share Option Scheme shall be valid and effective for a period of 10 years from the adoption date, after which no further options may be issued. A summary of the principal terms of the Share Option scheme is set out in Appendix IV to the prospectus of the Company dated 13 March 2018.

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance in emphasising a quality board of directors, sound internal control, transparency and accountability with a view to safeguard the interests of all the Shareholders. The Board has adopted the principles and the code provisions of Corporate Governance Code (the “CG Code”) contained in Appendix 15 to the GEM Listing Rules. During the nine months ended 31 December 2020, the Company has complied with all the code provisions of the CG Code as set out in Appendix 15 to the GEM Listing Rules.

### CODE OF CONDUCT FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings concerning securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “Model Code”) as its own code governing securities transactions of the Directors. Having made specific enquiry of all the Directors, all of them confirmed that they had fully complied with the required standard of dealings as set out in the Model Code during the nine months ended 31 December 2020.

Pursuant to Rule 5.66 of the Model Code, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he would be prohibited from dealing by the Model Code as if he were a Director.

### PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the nine months ended 31 December 2020.

### COMPETING BUSINESS

For the nine months ended 31 December 2020, none of the Directors, controlling shareholder or their respective close associates (as defined in the GEM Listing Rules) has any interests in a business that competes or is likely to compete either directly or indirectly with the business of the Group.

### AUDIT COMMITTEE AND REVIEW OF UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Company established an audit committee (“Audit Committee”) with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and paragraph C.3 of the CG Code as set out in Appendix 15 to the GEM Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Mr. Chan Chun Kit (“Mr. Chan”), Dr. Sun Yongjing and Mr. Wan Aaron Chi Keung, BBS, JP. Mr. Chan is the chairman of the Audit Committee. The primary duties of the Audit Committee include reviewing and supervising the Group’s financial reporting system, monitoring the internal control procedures and risk management, reviewing the Group’s financial information and the relationship with the external auditor of the Company, ensuring compliance with the relevant laws and regulations. In addition, the Audit Committee is responsible for the initial establishment and the maintenance of a framework of internal controls and ethical standards for the Group’s management.

The unaudited condensed consolidated financial statements have not been audited. The Audit Committee has reviewed with the management of the Group the unaudited condensed consolidated financial statements, the quarterly report, the accounting principles and policies adopted by the Group, and other financial reporting matters. The Audit Committee is satisfied that the unaudited condensed consolidated financial statements complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

By order of the Board of  
**Universe Printshop Holdings Limited**  
**Chau Man Keung**  
*Chairman and Executive Director*

Hong Kong, 8 February 2021

*As at the date of this report, the executive Directors are Mr. Chau Man Keung, Mr. Hsu Ching Loi, Mr. Wong Man Hin Joe and Mr. Leung Yuet Cheong and the independent non-executive Directors are Mr. Wan Aaron Chi Keung, BBS, JP, Mr. Chan Chun Kit and Dr. Sun Yongjing.*

# Third Quarterly Results

The Board of the Company is pleased to present the unaudited condensed consolidated results of the Group for the nine months ended 31 December 2020 together with the unaudited comparative figures for the corresponding periods in 2019 as follows:

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 31 December 2020

|                                                                                                   |      | Unaudited<br>Three months ended<br>31 December |              | Unaudited<br>Nine months ended<br>31 December |              |
|---------------------------------------------------------------------------------------------------|------|------------------------------------------------|--------------|-----------------------------------------------|--------------|
|                                                                                                   | Note | 2020<br>HK\$                                   | 2019<br>HK\$ | 2020<br>HK\$                                  | 2019<br>HK\$ |
| Revenue                                                                                           | 3    | 31,400,709                                     | 36,564,678   | 79,267,140                                    | 110,421,965  |
| Cost of sales                                                                                     |      | (24,354,600)                                   | (29,936,904) | (62,874,400)                                  | (88,668,937) |
| Gross profit                                                                                      |      | 7,046,109                                      | 6,627,774    | 16,392,740                                    | 21,753,028   |
| Other income                                                                                      |      | 2,301,212                                      | 420,109      | 8,501,242                                     | 1,172,509    |
| Other gains                                                                                       |      | 3                                              | 996          | 919,480                                       | 3,244,742    |
| Selling and administrative expenses                                                               |      | (7,837,945)                                    | (9,069,748)  | (23,414,720)                                  | (27,122,239) |
| Loss from operations                                                                              |      | 1,509,379                                      | (2,020,869)  | 2,398,742                                     | (951,960)    |
| Finance costs                                                                                     |      | (242,777)                                      | (190,696)    | (698,458)                                     | (555,612)    |
| Profit/(Loss) before taxation                                                                     |      | 1,266,602                                      | (2,211,565)  | 1,700,284                                     | (1,507,572)  |
| Income tax credit                                                                                 | 4    | 752,288                                        | 289,754      | 308,660                                       | 138,273      |
| Profit/(Loss) and total comprehensive income for the period attributable to owners of the Company |      | 2,018,890                                      | (1,921,811)  | 2,008,944                                     | (1,369,299)  |
|                                                                                                   |      | HK cents                                       | HK cents     | HK cents                                      | HK cents     |
| Profit/(Loss) per share Basic and diluted                                                         | 5    | 0.22                                           | (0.21)       | 0.22                                          | (0.15)       |

# Unaudited Condensed Consolidated Statement of Changes in Equity

For the nine months ended 31 December 2020

|                                                         | Share<br>capital<br>HK\$ | Share<br>premium<br>HK\$ | Capital<br>reserve<br>HK\$ | Accumulated<br>losses<br>HK\$ | Total<br>HK\$ |
|---------------------------------------------------------|--------------------------|--------------------------|----------------------------|-------------------------------|---------------|
| At 1 April 2019 (audited)                               | 9,000,000                | 29,644,379               | 20,077,867                 | (6,405,984)                   | 52,316,262    |
| Loss and total comprehensive<br>income for the period   | –                        | –                        | –                          | (1,369,299)                   | (1,369,299)   |
| At 31 December 2019 (unaudited)                         | 9,000,000                | 29,644,379               | 20,077,867                 | (7,775,283)                   | 50,946,963    |
| At 1 April 2020 (audited)                               | 9,000,000                | 29,644,379               | 20,077,867                 | (21,917,176)                  | 36,805,070    |
| Profit and total comprehensive<br>income for the period | –                        | –                        | –                          | 2,008,944                     | 2,008,944     |
| At 31 December 2020 (unaudited)                         | 9,000,000                | 29,644,379               | 20,077,867                 | (19,908,232)                  | 38,814,014    |

# Notes to the Unaudited Condensed Consolidated Financial Statements

## 1 GENERAL INFORMATION

The Company is a public limited company incorporated in the Cayman Islands on 27 April 2017 as an exempted company and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 March 2018. The Company was incorporated in the Cayman Islands under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Office F, 12/F Legend Tower, No. 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong. Its controlling shareholder is Mr. Chau Man Keung, who is also an executive director of the Company.

The Company acts as an investment holding company. The subsidiaries of the Company (together, the "Group") are principally engaged in the provision of general printing services and trading of printing products.

The unaudited condensed consolidated financial information of the Group for the nine months ended 31 December 2020 which has not been audited but has been reviewed by the audit committee of the Company. The unaudited condensed consolidated financial information was approved for issue by the Board of directors on 8 February 2021.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basic of preparation and presentation

The unaudited condensed consolidated financial statements for the nine months ended 31 December 2020 have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules and the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The unaudited condensed consolidated financial statements should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2020.

The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are same as those applied in the preparation of the Group's annual financial statements for the year ended 31 March 2020, except for the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") and interpretations issued by HKICPA that are first effective for the current accounting period of the Company. There has been no significant change to the accounting policy applied in these unaudited condensed consolidated financial statements for the period presented as a result of adoption of these amendments.

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$") unless otherwise stated.

## 3 REVENUE AND SEGMENT INFORMATION

### (a) Revenue

The principal activities of the Group are the provision of general printing services and trading of printing products. The amount of each significant category of revenue is as follows:

|                                                                  | Unaudited<br>Three months ended<br>31 December<br>2020<br>HK\$ |            | Unaudited<br>Nine months ended<br>31 December<br>2020<br>HK\$ |             |
|------------------------------------------------------------------|----------------------------------------------------------------|------------|---------------------------------------------------------------|-------------|
| Revenue from contracts with customers<br>within scope of HKFRS15 |                                                                |            |                                                               |             |
| Timing of revenue recognition – At a point<br>of time            |                                                                |            |                                                               |             |
| – Offset printing                                                | 22,279,979                                                     | 27,937,117 | 58,382,435                                                    | 84,030,132  |
| – Toner-based digital printing                                   | 1,911,233                                                      | 1,823,603  | 5,258,921                                                     | 6,574,599   |
| – Ink-jet printing                                               | 3,751,293                                                      | 5,520,567  | 10,388,068                                                    | 15,797,139  |
| – Other services                                                 | 3,458,204                                                      | 1,283,391  | 5,237,716                                                     | 4,020,095   |
|                                                                  | 31,400,709                                                     | 36,564,678 | 79,267,140                                                    | 110,421,965 |

The Group's customer base is diversified with no customer with whom transactions have exceeded 10% of the Group's revenue.

### (b) Segment reporting

Segment information represents those information reported to the Group's senior executive management who are the chief operating decision makers for the purposes of resources allocation and assessment of performance. In the past, provision of offset printing services, provision of toner-based digital printing services, provision of ink-jet printing services and provision of other services were separately identified as reportable segments. Starting from the current period, the Group is managed based on the financial information of the Group as a whole as reported under HKFRS. Such information does not contain profit or loss information of particular product or service line or geographical area. The Group's senior executive management allocate resources and assess performance of the Group on an aggregated basis based on such information. Therefore, the Group's senior executive management have determined that starting from the current period, the Group has only one single reportable segment which is provision of printing services and trading of printing products.

The Group's revenue is solely derived from external customers based in Hong Kong, which is the location at which products are delivered, and the Group's non-current assets excluding deferred tax assets are located in Hong Kong.

## 4 INCOME TAX CREDIT

|                                                    | Unaudited<br>Three months ended<br>31 December |           | Unaudited<br>Nine months ended<br>31 December |           |
|----------------------------------------------------|------------------------------------------------|-----------|-----------------------------------------------|-----------|
|                                                    | 2020                                           | 2019      | 2020                                          | 2019      |
|                                                    | HK\$                                           | HK\$      | HK\$                                          | HK\$      |
| <b>Current tax</b>                                 |                                                |           |                                               |           |
| Provision for Hong Kong Profits Tax for the period | –                                              | –         | –                                             | 20,623    |
| <b>Deferred tax</b>                                |                                                |           |                                               |           |
| Credited to profit or loss                         | (752,288)                                      | (289,754) | (308,660)                                     | (158,896) |
|                                                    | (752,288)                                      | (289,754) | (308,660)                                     | (138,273) |

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

The provision for Hong Kong Profits Tax is calculated at 16.5% (2019: 16.5%) of the estimated assessable profits for the period. On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax regime, the first HK\$2 million of profits of qualifying entities will be taxed at 8.25% whereas profits above HK\$2 million will be taxed at 16.5%. The profits of entities not qualifying for the two-tiered tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime is applicable to a nominated qualifying entity in the Group for its annual reporting period beginning on 1 April 2018.

## 5 EARNINGS/(LOSS) PER SHARE

### (a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share was based on the profit/(loss) attributable to ordinary equity shareholders of the Company of HK\$2,008,944 (31 December 2019: loss of HK\$1,369,299) and the weighted average of 900,000,000 ordinary shares (31 December 2019: 900,000,000 ordinary shares) in issue during the period.

The weighted average number of ordinary shares in issue during the nine months ended 31 December 2020 and 2019 have been retrospectively adjusted for the effect of the capitalisation issue pursuant to the reorganisation as stated in the prospectus of the Company dated 13 March 2018.

### (b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share as the Group did not have dilutive potential ordinary shares for both periods.

By order of the Board of  
**Universe Printshop Holdings Limited**  
**Chau Man Keung**  
*Chairman and Executive Director*

Hong Kong, 8 February 2021

*As at the date of this announcement, the executive Directors are Mr. Chau Man Keung, Mr. Hsu Ching Loi, Mr. Wong Man Hin Joe and Mr. Leung Yuet Cheong and the independent non-executive Directors are Mr. Wan Aaron Chi Keung, BBS, JP, Mr. Chan Chun Kit and Dr. Sun Yongjing.*

*This announcement will remain on the website of the GEM at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be published and remains on the website of the Company at [www.uprintshop.hk](http://www.uprintshop.hk).*