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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)

EARLY TERMINATION OF THE TENANCY AGREEMENTS

Reference is made to the announcement of the Company dated 18 February 2022 (the “**Announcement**”) in respect of, among others, the lease of Premises A and Premises B by UPHL (a wholly-owned subsidiary of the Company) from Universe Printing Company Limited (環球印刷有限公司) (“**UPCL**”) and Universe Samfine Limited (“**Universe Samfine**”) respectively for one year commencing from 1 April 2022 pursuant to the Tenancy Agreements. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

On 30 August 2022, UPHL, a wholly-owned subsidiary of the Company, as tenant, entered into (i) a surrender deed (“**Surrender Deed A**”) with UPCL, as landlord of Premises A; and (ii) a surrender deed (“**Surrender Deed B**” and together with Surrender Deed A, the “**Surrender Deeds**”) with Universe Samfine, as landlord of Premises B respectively to early terminate the remaining lease term of the Tenancy Agreements.

SURRENDER DEED A

On 30 August 2022, UPHL (as tenant) and UPCL (as landlord) entered into Surrender Deed A to early terminate Tenancy Agreement A. Principal terms of Surrender Deed A are set out as follows:

Date: 30 August 2022

Parties: UPHL, as tenant; and

UPCL, as landlord

Premises A: Basement A4, Units A, M, N and R on the 8th Floor and Unit A on the 9th Floor, Block 4, Kwun Tong Industrial Centre, 436–446 Kwun Tong Road, Kowloon, Hong Kong

Date of surrender: Unit A on the 8th Floor (31 August 2022)

Units M and N on the 8th Floor (29 September 2022)

Basement A4, Unit R on the 8th Floor and Unit A on the 9th Floor (both parties have the right to early terminate these three units with one month's notice in writing. In the event that such notice is not issued on or before 28 February 2023, the lease of the relevant units will expire on 31 March 2023, being the original expiry date of Tenancy Agreement A)

Other terms: UPHL (as tenant) shall deliver vacant possession of the relevant units of Premises A according to the respective dates of surrender set out in Surrender Deed A.

UPCL (as landlord) shall refund the relevant rental deposit to UPHL (as tenant) in accordance with the terms of Tenancy Agreement A.

Each of UPHL (as tenant) and UPCL (as landlord) shall have no claim or demand whatsoever against the other party in respect of the lease of the relevant units of Premises A upon the respective dates of surrender.

SURRENDER DEED B

On 30 August 2022, UPHL (as tenant) and Universe Samfine (as landlord) entered into Surrender Deed B to early terminate Tenancy Agreement B. Principal terms of Surrender Deed B are set out as follows:

Date: 30 August 2022

Parties: UPHL, as tenant; and

Universe Samfine, as landlord

Premises B: Unit B on the 8th Floor, Block 4, Kwun Tong Industrial Centre, 436–446 Kwun Tong Road, Kowloon, Hong Kong

Date of surrender: 31 August 2022

Other terms: UPHL (as tenant) shall deliver vacant possession of Premises B according to the date of surrender set out in Surrender Deed B.

Universe Samfine (as landlord) shall refund the rental deposit to UPHL (as tenant) in accordance with the terms of Tenancy Agreement B.

Each of UPHL (as tenant) and Universe Samfine (as landlord) shall have no claim or demand whatsoever against the other party in respect of the lease of Premises B upon the date of surrender.

REASONS FOR THE EARLY TERMINATION OF THE TENANCY AGREEMENTS

In view of the geographical dispersion of the Properties of the Group which are located in various units in Kwun Tong Industrial Centre, the Directors consider that the early termination of the Tenancy Agreements will enhance the overall business efficiency and reduce operational costs of the Group.

Having reviewed the terms of the Surrender Deeds, the Directors (including the independent non-executive Directors) are of the view that the terms of the Surrender Deeds are fair and reasonable, the transactions contemplated thereunder are on normal commercial terms or better to the Company, and that the entering into of the Surrender Deeds is in the interests of the Company and the Shareholders as a whole. The Directors believe that the entering into of the Surrender Deeds will not have any adverse impact on the operation, business and financial position of the Group.

GEM LISTING RULES IMPLICATIONS

In accordance with HKFRS 16 applicable to the Company, following the entering into of the Surrender Deeds, the Company shall derecognise the right-of-use asset in the consolidated financial statements of the Company. Therefore, the transactions contemplated under the Surrender Deeds will be regarded as disposal of the right-of-use assets by the Group under the GEM Listing Rules. The maximum value of the right-of-use assets to be derecognised by the Group under the Surrender Deeds (i.e. assuming the lease of all units of the Properties by

the Group are early terminated) amounted to approximately HK\$1.7 million. As all of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the transactions contemplated under the Surrender Deeds are less than 5%, the early termination of the Tenancy Agreements does not constitute notifiable transactions for the Company under Chapter 19 of the GEM Listing Rules.

As disclosed in the Announcement, as Mr. Chau Man Keung (an executive Director) and Mr. Hsu Ching Loi (an executive Director) are both connected persons of the Company and 30% or more of the voting shares of UPCL and Universe Samfine are held by each of Mr. Chau and Mr. Hsu (please refer to the Announcement for further details on shareholding structure of UPCL and Universe Samfine), UPCL and Universe Samfine are associates of Mr. Chau and Mr. Hsu and hence connected persons of the Company. Accordingly, the transaction contemplated under each of the Surrender Deeds constitutes a connected transaction for the Company under Chapter 20 of the GEM Listing Rules. As all of the applicable percentage ratios are less than 5% and the total consideration of the remaining lease payments is less than HK\$3,000,000, the entering into of the Surrender Deeds and the transactions contemplated thereunder constitute de minimis transactions under Rule 20.74(1)(c) of the GEM Listing Rules and are fully exempt from the shareholders' approval, annual review and all disclosure requirements under Chapter 20 of the GEM Listing Rules.

This announcement is made pursuant to the Note to Rule 20.33 of the GEM Listing Rules in relation to the termination of the connected transaction as disclosed in the Announcement and to keep the Shareholders informed of the recent development of the lease arrangement of the Group.

By Order of the Board
Universe Printshop Holdings Limited
Lam Shing Tai
Chairman and Executive Director

Hong Kong, 30 August 2022

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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.

As at the date of this announcement, the executive Directors are Mr. Lam Shing Tai, Mr. Chau Man Keung and Mr. Hsu Ching Loi and the independent non-executive Directors are Mr. Wong Chun Kwok, Mr. Ho Kar Ming and Ms. So Shuk Wan.

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the “Latest Listed Company Information” 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.