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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)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO LEASE OF PREMISES**

#### **DISCLOSEABLE TRANSACTION IN RELATION TO LEASE OF PREMISES**

The Board is pleased to announce that on 20 November 2023 (after trading hours), UPHL (as lessee), an indirect wholly-owned subsidiary of the Company and Mutual Benefit (as lessor) entered into the Lease Agreement pursuant to which UPHL has agreed to lease the Premises, for a term of 26 months from 1 December 2023 to 31 January 2026 (both days inclusive).

#### **GEM LISTING RULES IMPLICATIONS**

Pursuant to HKFRS 16, the entering into of the Lease Agreement will require the Group to recognise right-of-use assets. It is expected that the total value of right-of-use assets to be recognised by the Group would be approximately HK\$5.1 million under the Lease Agreement calculated based on a discount rate of approximately 7.7% per annum which is equivalent to the incremental borrowing rate offered by a bank to the Group in relation to recent lease of asset.

As the highest applicable percentage ratio in respect of the Lease, on aggregate basis, exceeds 5% but is less than 25%, the Lease constitute a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

## DISCLOSEABLE TRANSACTION IN RELATION TO LEASE OF PREMISES

Reference is made to the announcement of the Company dated 19 November 2023 in relation to, among other things, the early termination of leases of certain premises in Kwun Tong and potential lease of premises in Tsing Yi. The Board is pleased to announce that on 20 November 2023 (after trading hours), UPHL (as lessee), an indirect wholly-owned subsidiary of the Company and Mutual Benefit (as lessor) entered into the Lease Agreement pursuant to which UPHL has agreed to lease the Premises. The principal terms of the Lease Agreement are set out below:

Date : 20 November 2023 (after trading hours)

Parties : Lease Agreement

(i) UPHL (as lessee); and

(ii) Mutual Benefit (as lessor)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Mutual Benefit and its respective ultimate beneficial owners is an Independent Third Party

Premises : The Premises under the Lease Agreement

(i) Godown A1 on 2nd floor, Tsing Yi Industrial Centre Phase 1, No. 1 to 33 Cheung Tat Road, Tsing Yi, New Territories, Hong Kong;

(ii) Godown A2 on 2nd floor including flat roof, Tsing Yi Industrial Centre Phase 1, No. 1 to 33 Cheung Tat Road, Tsing Yi, New Territories, Hong Kong;

(iii) Godown A3 on 2nd floor, Tsing Yi Industrial Centre Phase 1, No. 1 to 33 Cheung Tat Road, Tsing Yi, New Territories, Hong Kong; and

(iv) Godown A4 on 2nd floor including flat roof, Tsing Yi Industrial Centre Phase 1, No. 1 to 33 Cheung Tat Road, Tsing Yi, New Territories, Hong Kong

Gross floor area : Approximately 27,981 square feet

- Term : 26 months from 1 December 2023 to 31 January 2026 (both days inclusive)
- Rent and payment terms : UPHL shall pay monthly rents of HK\$230,000 to Mutual Benefit under Lease Agreement on the first day of each month after the rent free period during the term of the Lease (inclusive of rates and government rent (if applicable)).
- UPHL is responsible for paying property management fees.
- Rent free period : Two months from 1 December 2023 to 31 January 2024 (both days inclusive)
- Deposits : UPHL shall pay deposits in the amount of HK\$690,000 to Mutual Benefit under the Lease Agreement, equivalent to three months' rent under the Lease Agreement, upon entering into the Lease Agreement as a guarantee of the due performance and observance by UPHL of its obligations throughout the term of the Lease Agreement
- Conditions precedent : The Lease shall be conditional upon the fulfilment of the following conditions:
- (i) the warranties given by Mutual Benefit under the Lease Agreement remain true, accurate and complete and not misleading and compliant in all material respect and no events or circumstances causing any material adverse change during the term of the Lease Agreement; and
  - (ii) UPHL has obtained necessary approvals pursuant to its articles of association and the Company's compliance with the requirements under the GEM Listing Rules

The total rent under the Lease Agreement is approximately HK\$5.5 million and the terms of the Lease Agreement (including the rent payable) were determined after arm's length negotiations between UPHL and Mutual Benefit after considering the prevailing market rentals for comparable properties in the vicinity of the Premises. The rents and deposit under the Lease Agreement will be funded by internal resources and proceeds from the proposed rights issue of the Group.

## **Reasons for and benefits of the Lease**

As disclosed in the announcement of the Company dated 19 November 2023, the Group has early terminated the lease of several premises in Kwun Tong. As the Premises is located at the same building of the existing logistics centre of the Group, the Board is of the view that the lease of Premises for expansion instead of the previous one in Kwun Tong would enhance the overall business efficiency and reduce operational costs of the Group.

The Board considers that the Lease has been entered into in the ordinary and usual course of business of the Group and the terms of the Lease Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE PARTIES**

### **The Company and UPHL**

The Company is an investment holding company. 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 digital printing.

UPHL is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. The principal business activities of UPHL are provision of general printing services and trading of printing products in Hong Kong.

### **Mutual Benefit**

Mutual Benefit is a company incorporated in Hong Kong with limited liability and owns the Premises. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Mutual Benefit is owned as to 50% by Modern Victory Holdings Limited; 45% by Billion Fortune International Limited; and 5% by Regent Gold Business Limited as at the date of this announcement. Modern Victory Holdings Limited is owned as to 60% by Champion Glory Enterprises Limited; 20% by Diamond Glow Investments Limited; and 20% by Greater Success Ventures Limited. These companies are ultimately owned by Ms. Luk Ngai Si, Icy and Ms. Luk Ngai Ling, Irene.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Mutual Benefit and their respective ultimate beneficial owners is an Independent Third Party.

## **GEM LISTING RULES IMPLICATIONS**

Pursuant to HKFRS 16, the entering into of the Lease Agreement will require the Group to recognise right-of-use assets. It is expected that the total value of right-of-use assets to be recognised by the Group would be approximately HK\$5.1 million under the Lease Agreement calculated based on a discount rate of approximately 7.7% per annum which is equivalent to the incremental borrowing rate offered by a bank to the Group in relation to recent lease of asset.

As the highest applicable percentage ratio in respect of the Lease, on aggregate basis, exceeds 5% but is less than 25%, the Lease constitutes discloseable transactions for the Company and are subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

## **DEFINITIONS**

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

“Board”	the board of Directors
“Company”	Universe Printshop Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange (stock code: 8448)
“Director(s)”	the director(s) of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	any person(s) or company(ies) who/which, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, is/are third party(ies) independent of the Company and its connected persons (as defined in the GEM Listing Rules)
“Lease”	the lease of the Premises pursuant to the Lease Agreement
“Lease Agreement”	the agreement dated 20 November 2023 entered into between UPHL (as lessee) and Mutual Benefit (as lessor) in relation to the lease of the Premises
“Ms. Icy Luk”	Ms. Luk Ngai Si, Icy
“Ms. Irene Luk”	Ms. Luk Ngai Ling, Irene
“Mutual Benefit”	Mutual Benefit Limited, a company incorporated in Hong Kong with limited liability, being the owner of the Premises
“Premises”	the premises are subject to lease under the Lease Agreement (details of which are set out in this announcement)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“UPHL”	Universe Printing Holdings Limited, an indirect wholly-owned subsidiary of the Company
“%”	per cent.

By order of the Board  
**UNIVERSE PRINTSHOP HOLDINGS LIMITED**  
**Lam Shing Tai**  
*Chairman and Executive Director*

Hong Kong, 20 November 2023

*As at the date of this announcement, the executive Directors are Mr. Lam Shing Tai, Ms. Li Shuang, Mr. Kao Jung and Mr. Yip Chi Man and the independent non-executive Directors are Mr. Wong Chun Kwok, Mr. Ho Kar Ming and Ms. So Shuk Wan.*

*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.*

*This announcement will remain on the website of the Stock Exchange at [www.hkexnews.hk](http://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](http://www.uprintshop.hk).*