

Executive Directors:

Mr. LAM Shing Tai (*Chairman*)
Ms. LI Shuang
Mr. KAO Jung
Mr. YIP Chi Man

Independent non-executive Directors:

Mr. WONG Chun Kwok
Mr. HO Kar Ming
Ms. SO Shuk Wan

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Head office and principal place
of business in Hong Kong:*

Shop B3, G/F, Block 3
Kwun Tong Industrial Centre
448-458 Kwun Tong Road
Kwun Tong, Hong Kong

9 January 2024

*To: the Qualifying Shareholders and, for information purpose only,
the Non-Qualifying Shareholder(s)*

Dear Sir or Madam,

**PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3)
RIGHTS SHARES FOR EVERY TWO (2) SHARES
HELD ON THE RECORD DATE
ON FULLY UNDERWRITTEN BASIS**

INTRODUCTION

References are made to the Announcements and the Circular. At the EGM convened and held on 21 December 2023, the necessary resolutions for approving, among other things, the Increase in Authorised Share Capital, the Share Consolidation, the Rights Issue, the Placing Agreement, the Supplemental Placing Agreements, the Underwriting Agreement, the Supplemental Rights Agreements and the Whitewash Waiver were duly passed by the Shareholders (or the Independent Shareholders, where applicable). The purpose of this Prospectus is to provide you with further information regarding the Rights Issue including (i) information on dealings in, transfer and acceptance of the Rights Shares; and (ii) financial and other information in respect of the Group.

PROPOSED RIGHTS ISSUE

The Rights Issue will be fully underwritten by New Metro. Set out below are the details of the Rights Issue statistics:

Rights Issue Statistics

Basis of the Rights Issue:	Three (3) Rights Shares for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price:	HK\$0.115 per Rights Share (with par value of HK\$0.05 each)
Number of Shares in issue as at the Latest Practicable Date:	199,600,000 Shares with par value of HK\$0.05 each (assuming there is no further allotment and issue or repurchase of the Shares up to the Record Date)
Number of Rights Shares:	299,400,000 Rights Shares (assuming there is no other change in the total number of issued Shares on or before the Record Date), representing (i) 150% of the total issued Shares as at the Latest Practicable Date; and (ii) 60% of the total number of issued Shares as enlarged immediately upon completion of the Rights Issue. The aggregate nominal value of the Rights Shares will be HK\$14,970,000
Enlarged issued share capital of the Company upon completion of the Rights Issue:	499,000,000 Shares
Right of excess applications:	Nil
Number of the Underwritten Shares:	New Metro shall underwrite up to 163,602,300 Rights Shares, being such number of Rights Shares to be issued pursuant to the Rights Issue less the 135,797,700 Rights Shares to be subscribed by New Metro, Mr. Tsang and Mr. Chiu pursuant to the Irrevocable Undertakings

Irrevocable Undertakings:	Each of (i) New Metro, being a controlling shareholder of the Company and the underwriter of the Rights Issue; (ii) Mr. Tsang; and (iii) Mr. Chiu, has unconditionally and irrevocably undertaken to the Company, among other things, that it/he will subscribe for the Rights Shares to which it/he is entitled under the Rights Issue in full. For details, please refer to the paragraph headed “The Irrevocable Undertakings” below in this Prospectus
Gross proceeds from the Rights Issue:	Approximately HK\$34.43 million (assuming there is no other change in the total number of issued Shares on or before the Record Date)

As at the Latest Practicable Date, the Company did not have any outstanding convertible securities, options or warrants in issue or similar rights which confer any right to subscribe for, convert or exchange into the Shares.

The Subscription Price

The Subscription Price is HK\$0.115 per Rights Share (with par value of HK\$0.05 each), which shall be payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 11.54% to the closing price of HK\$0.130 per Share as at the Latest Practicable Date;
- (ii) a discount of approximately 14.81% to the adjusted closing price of HK\$0.135 per Share on the Last Trading Day (based on the closing price of HK\$0.027 per Old Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Share Consolidation);
- (iii) a discount of approximately 18.44% to the adjusted average closing price of approximately HK\$0.141 per Share for the last five consecutive trading days up to and including the Last Trading Day (based on the average closing price of approximately HK\$0.0282 per Old Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day and adjusted for the effect of the Share Consolidation);

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)

- (iv) a discount of approximately 19.01% to the adjusted average closing price of approximately HK\$0.142 per Share for the last ten consecutive trading days up to and including the Last Trading Day (based on the average closing price of approximately HK\$0.0283 per Old Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day and adjusted for the effect of the Share Consolidation);
- (v) a discount of approximately 8.00% to the theoretical ex-entitlement price of approximately HK\$0.125 per Share on the Last Trading Day (based on the average closing price of HK\$0.0282 per Old Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of the Initial Announcement and the number of Shares as enlarged by the Rights Shares and adjusted for the effect of the Share Consolidation);
- (vi) theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) represented by a discount of approximately 11.06%, based on the theoretical diluted price of approximately HK\$0.125 per Share to the benchmarked price of approximately HK\$0.141 per Share (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the higher of (i) the closing price of the Old Shares as quoted on the Stock Exchange on the Last Trading Day and (ii) the average of the closing prices of the Old Shares as quoted on the Stock Exchange for the five (5) consecutive trading days prior to the date of the Initial Announcement and adjusted for the effect of the Share Consolidation);
- (vii) a premium over the audited consolidated net liabilities per Share attributable to the Shareholders as at 31 March 2023 of approximately HK\$0.0038 per Share calculated based on the audited consolidated net liabilities of the Group attributable to the owners of the Company of approximately HK\$680,817 as at 31 March 2023 as set out in the annual report of the Company for the year ended 31 March 2023 (the “**Annual Report**”) and 180,000,000 Shares in issue as at 31 March 2023 after adjusted for the effect of the Share Consolidation; and
- (viii) a premium over the unaudited consolidated net liabilities per Share attributable to the Shareholders as at 30 September 2023 of approximately HK\$0.0320 per Share calculated based on the unaudited consolidated net liabilities of the Group attributable to the owners of the Company of approximately HK\$6.38 million as at 30 September 2023 as set out in the interim report of the Company for the six months ended 30 September 2023 (the “**Interim Report**”) and 199,600,000 Shares in issue as at 30 September 2023 after adjusted for the effect of the Share Consolidation.

The Subscription Price was determined by the Company with reference to (i) the general downward trend of the prevailing market prices of the Old Shares; (ii) the prevailing market conditions of the capital market in Hong Kong; (iii) the latest financial position of the Group; and (iv) the reasons for and benefits of the Rights Issue and the intended use of proceeds as set out in this Prospectus. As such, the Board considers that it is necessary and reasonable to set the Subscription Price at a discount to the recent market price of the Old Shares in order to attract Shareholders and investors to participate in the Rights Issue.

In view of the above, the Directors consider that the terms of the Rights Issue, including the Subscription Price which has been set at a discount to the recent closing prices of the Old Shares with an objective to encourage Qualifying Shareholders to take up their entitlements so as to participate in the potential growth of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions of the Rights Issue

The Rights Issue is conditional on each of the following conditions being fulfilled:

- (i) the passing of all necessary ordinary resolutions to be proposed at the EGM for the transactions contemplated thereunder (including but not limited to the Rights Issue, the Placing Agreement, the Supplemental Placing Agreements, the Underwriting Agreement and the Supplemental Rights Agreements) by the Independent Shareholders;
- (ii) the passing of the special resolution to be proposed at the EGM for the Whitewash Waiver by at least 75% of the votes cast by the Independent Shareholders;
- (iii) the Executive granting the Whitewash Waiver to New Metro and the satisfaction of all conditions (if any) attached to the Whitewash Waiver granted;
- (iv) the Increase in Authorised Share Capital and the Share Consolidation having become effective;
- (v) the issue by the Stock Exchange of a certificate authorising the registration of, and the registration with the Registrar of Companies in Hong Kong, respectively, of one copy of each of the Prospectus Documents not later than the Prospectus Posting Date and otherwise in compliance with the GEM Listing Rules and the Companies (WUMP) Ordinance;
- (vi) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus with Overseas Letter bearing a "For Information Only" stamp to the Non-Qualifying Shareholders, if any, for information purpose only on or before the Prospectus Posting Date;

- (vii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully paid forms (by no later than the first day of their dealings);
- (viii) the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) not having been terminated in accordance with the provisions thereof, including force majeure events;
- (ix) the obligations of New Metro becoming unconditional and the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements) not having been terminated in accordance with the provisions thereof, including force majeure events;
- (x) the compliance with and performance of all the undertakings and obligations under the Irrevocable Undertakings; and
- (xi) the compliance with any other mandatory requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands.

The above conditions are incapable of being waived and as at the Latest Practicable Date, conditions (i) to (iv) have been satisfied. If the above conditions are not satisfied in whole or in part by the Latest Time for Termination (or such other time stipulated above), the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements) shall be terminated and (save in respect of any provisions relating to, among other matters, notices and governing law and any rights or obligations which may accrue under the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements) prior to such termination) no party will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches, and the Rights Issue will not proceed. The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the Latest Time for Termination (or such other time stipulated above).

Status of the Rights Shares

The Rights Shares, when issued and fully-paid, will be free from all liens, charges, encumbrances and third-party rights, interests or claims of any nature whatsoever and shall rank *pari passu* in all respects with the Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of allotment of the fully-paid Rights Shares.

Qualifying Shareholders and Non-Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company on the Record Date and is not a Non-Qualifying Shareholder.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company.

The Qualifying Shareholders who take up their pro rata entitlement in full will not experience any dilution to their interests in the Company. Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted.

Basis of provisional allotment

Under the Rights Issue, the basis of the provisional allotment shall be three (3) Rights Shares for every two (2) Shares in issue held by the Qualifying Shareholders at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents and the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements).

Acceptance for all or any part of a Qualifying Shareholder's provisional allotment of the Rights Shares should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar at or before the Latest Time for Acceptance.

No fractional entitlements to the Rights Shares and odd lot matching service

No fractional entitlements to the Rights Shares shall be issued to the Shareholders and no entitlements of the Non-Qualifying Shareholders to the Rights Shares shall be issued to the Non-Qualifying Shareholders. All fractions of the Rights Shares shall be rounded down to the nearest whole number of Rights Shares and aggregated and, if a premium (net of expenses) can be achieved, sold in the market by the Company.

Rights of the Overseas Shareholders (if any)

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong.

In accordance with the compensatory arrangements under Rule 10.31(1)(b) of the GEM Listing Rules, arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and

before the last day for dealing in the nil-paid Rights Shares, if a premium (net of expenses) can be obtained. Any net proceeds of sale thereof, after deduction of expenses, will be paid in Hong Kong dollars to the Non-Qualifying Shareholders pro rata to their respective entitlements as at the close of business on the Record Date, provided that if any of such persons would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit.

Any NQS Unsold Rights Shares will be placed by the Placing Agent at the price not less than the Subscription Price under the Placing together with the Untaken Shares. The proceeds of the sale as described above, less expenses and in the case of being sold by the Placing Agent, also less the Subscription Price and the Placing Agent's commission, will be paid pro-rata (but rounded down to the nearest cent) to the relevant Non-Qualifying Shareholders' and the No Action Shareholders' shareholdings held on the Record Date on the basis of all NQS Unsold Rights Shares and Untaken Shares in Hong Kong dollars. Any Untaken Shares and the NQS Unsold Rights Shares remain not placed after completion of the Placing will be taken up by New Metro pursuant to the terms of the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements).

Overseas Shareholders should note that they may or may not be entitled to participate in the Rights Issue, subject to the results of the enquiries to be made by the Company. The Company reserves the right to treat as invalid any acceptances of, or applications for, the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their own professional advisers.

Based on the register of members of the Company, as at the Latest Practicable Date, there was no Overseas Shareholder with registered addresses situated outside Hong Kong.

Share certificates and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be posted by Wednesday, 7 February 2024 to those entitled to them at their registered addresses by ordinary post at their own risk.

Refund cheques, if the Rights Issue is terminated, are expected to be posted on or before Wednesday, 7 February 2024 by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

Application for listing and dealing arrangements of the Rights Shares

The Company has applied to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange. The nil-paid and fully-paid Rights Shares will be traded in board lots of 20,000 Shares.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy and other applicable fees and charges in Hong Kong.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stock brokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Taxation

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

Procedures for acceptance and payment and/or transfer of the Rights Shares provisionally allotted

Qualifying Shareholders should find enclosed with this prospectus a PAL which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PALs, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:00 p.m. on Tuesday, 23 January 2024. All remittances must be made by cheques or banker's cashier orders in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "UNIVERSE PRINTSHOP HOLDINGS LIMITED" and must be crossed "ACCOUNT PAYEE ONLY".

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar for registration by no later than 4:00 p.m. on Tuesday, 23 January 2024, whether by the original allottee or any person to whom the provisional allotment has been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Company may (at its sole discretion but without obligation) treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage. It should be noted that Hong Kong ad valorem stamp duty is payable in connection with the transfer of a Qualifying Shareholder's rights to subscribe for the relevant Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL, or to transfer part or all of his/her/its rights to more than one person, the entire original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Monday, 15 January 2024 with the Registrar, who will cancel the original PAL and issue new PALs in the denominations as required. The new PALs will be available for collection at the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques and banker's cashier orders will be presented for payment following receipt and all interests earned on such application monies (if any) will be retained for the benefit of the Company. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque and/or banker's cashier order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. Completion and return of the PAL together with a cheque or banker's cashier order in payment of the Rights Shares, whether by a Qualifying Shareholder or by any nominated transferee, will constitute a warranty by such person that the cheque or banker's cashier order will be honoured upon first presentation.

No receipt will be issued in respect of any application monies received.

No action has been taken to permit the offering of the Rights Shares, or the distribution of the Prospectus Documents in any territory or jurisdiction other than Hong Kong. The Prospectus Documents should not be distributed, forwarded to or transmitted to, into or from any jurisdiction where to do so might constitute a violation of local securities laws and regulations. Accordingly, no person receiving a copy of any of the Prospectus Documents in any territory or jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares, unless in the relevant jurisdiction such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements thereof.

Completion and return of the PAL by anyone outside Hong Kong will be deemed to constitute a warranty and representation from such person to the Company that all legislation, legal and regulatory requirements of all relevant jurisdictions have been fully complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above warranty and representation. The Company reserves the right to refuse to accept any application for Rights Shares where it believes that doing so would violate the applicable securities legislation or other laws or regulations of any jurisdiction.

Procedures in respect of the Untaken Shares and the NQS Unsold Rights Shares and the Placing

The Company will make arrangements described in Rule 10.31(1)(b) of the GEM Listing Rule to dispose of the Untaken Shares and the NQS Unsold Rights Shares by offering the Untaken Shares and the NQS Unsold Rights Shares to independent placees for the benefit of the relevant No Action Shareholders and Non-Qualifying Shareholders.

The Company therefore appointed the Placing Agent to place the Untaken Shares and the NQS Unsold Rights Shares to independent placees on a best effort basis. Any premium over, the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related expenses/fees), that is realised will be paid to the No Action Shareholders and the Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will on a best effort basis, procure, by not later than 5:00 p.m. on the Placing End Date, acquirers for all (or as many as possible) of those Untaken Shares and the NQS Unsold Rights Shares if a premium over the Subscription Price and the expenses of procuring such acquirers (including any related commissions and any other related expenses/fees) can be obtained. Any Untaken Shares and the NQS Unsold Rights Shares remain not placed after completion of the Placing will be taken up by New Metro pursuant to the terms of the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements).

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Untaken Shares and NQS Unsold Rights Shares) to the No Action Shareholders and the Non-Qualifying Shareholders (but rounded down to the nearest cent). It is proposed that Net Gain to any of the No Action Shareholder(s) or the Non-Qualifying Shareholders of HK\$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders and the Non-Qualifying Shareholders may or may not receive any Net Gain.

No application for excess Rights Shares

Given that the Company has put in place the compensatory arrangements as required by Rule 10.31(1)(b) of the GEM Listing Rules, details of which are set out in the paragraph headed "Procedures in respect of the Untaken Shares and the NQS Unsold Rights Shares and the Placing" above, there will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 10.31(1)(a) of the GEM Listing Rules.

The Placing

The Company and the Placing Agent entered into (i) the Placing Agreement on 5 October 2023; (ii) the First Supplemental Placing Agreement on 19 October 2023 (after trading hours); (iii) the Second Supplemental Placing Agreement on 3 November 2023 (after trading hours); and (iv) the Third Supplemental Placing Agreement on 16 November 2023 (after trading hours), pursuant to which the Company conditionally agreed to appoint the Placing Agent and the Placing Agent conditionally agreed to act as the placing agent for the Company to procure, on a best effort basis, places to subscribe for the Placing Shares (i.e. the Untaken Shares and/or the NQS Unsold Rights Share during the Rights Issue) on the terms and subject to the conditions set out in the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements). Under the terms of the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements), if all the Rights Shares are already fully taken up in the Rights Issue through the PAL(s), the Placing will not proceed.

The principal terms of the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) are summarised below:

Date:	The Placing Agreement:
	5 October 2023
	The First Supplemental Placing Agreement:
	19 October 2023 (after trading hours)
	The Second Supplemental Placing Agreement:
	3 November 2023 (after trading hours)
	The Third Supplemental Placing Agreement:
	16 November 2023 (after trading hours)
Placing Agent:	Sorrento Securities Limited
	To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

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)

- Placing commission and expenses:** 1.5% of the gross proceeds from the subscription of the Placing Shares successfully placed by the Placing Agent under the Placing Agreement. The Company shall also be responsible for all costs and expenses reasonably incurred in connection with or arising out of the Placing.
- Placing price:** The placing price of each of the Untaken Share and/or the NQS Unsold Rights Share (as the case maybe) shall be not less than the Subscription Price. The final price will be determined based on the demand for and market conditions of the Untaken Shares and the NQS Unsold Rights Shares during the process of Placing.
- Ranking:** The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue as at the date of allotment and issue of the Placing Shares.
- Placing Period:** The Placing Period shall commence on Friday, 26 January 2024, and end on the Placing End Date (i.e. Tuesday, 30 January 2024) or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Placing.
- Placees:** The Placing Agent shall ensure that the Placing Shares are placed (i) only to institutional, corporate or individual investors who and whose ultimate beneficial owner(s) shall be Independent Third Parties; (ii) such that no placee shall become a substantial Shareholder immediately following the Placing; (iii) such that the Placing will not have any implications under the Hong Kong Code on Takeovers and Mergers and no Shareholder will be under any obligation to make a general offer under the Hong Kong Code on Takeovers and Mergers as a result of the Placing; and (iv) such that the Placing will not result in the Company incapable to comply with the public float requirements under the GEM Listing Rules immediately following the Placing.

Conditions of the Placing

The obligations of the Placing Agent and the Company under the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) are conditional upon the following conditions being fulfilled:

- (i) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares, including the Placing Shares, in their nil-paid and fully paid forms (subject to customary conditions) and such approval not having been withdrawn or revoked;
- (ii) approval of the Rights Issue by the Independent Shareholders at the EGM;
- (iii) the passing of the special resolution to be proposed at the EGM for the Whitewash Waiver by at least 75% of the votes cast by the Independent Shareholders;
- (iv) the Executive granting the Whitewash Waiver to New Metro and the satisfaction of all conditions (if any) attached to the Whitewash Waiver granted;
- (v) none of the representations, warranties or undertakings contained in the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion of the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements); and
- (vi) the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfilment of all or any part of the conditions (other than those set out in paragraphs (i) to (iv) above) by notice in writing to the Company. As at the Latest Practicable Date, conditions (ii) to (iv) have been satisfied.

The timetable of the Placing is driven by the timetable of the Rights Issue. Under the terms of the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements), the Placing Period shall commence on Friday, 26 January 2024, or such other date as the Company may announce. The Placing Period shall end on Tuesday, 30 January 2024, or such other date as the Company may announce.

The long stop date for the fulfilment of conditions of the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) shall be 5:00 p.m. on Wednesday, 31 January 2024 (being the next Business Day after the Placing End Date) or such later date as may be announced by the Company. The Company shall use its reasonable endeavours to procure the fulfilment of the conditions and if the said conditions are not fulfilled on or before the Placing Long Stop Date, the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) will lapse and become null and void and the Company and the Placing Agent shall be released from all rights and obligations under the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements), save for the liabilities for any antecedent breaches thereof.

Termination

The Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) can only be terminated by mutual written confirmations by the Company and the Placing Agent.

Completion of the Placing

Subject to the fulfilment of conditions of the Placing as set out in the paragraph headed “Conditions of the Placing” of this Prospectus, the completion of the Placing is expected to take place on the Placing Long Stop Date (or such later date as the Company may announce).

The engagement between the Company and the Placing Agent of the Untaken Shares and the NQS Unsold Rights Shares was determined after arm’s length negotiation between the Placing Agent and the Company and is on normal commercial terms. In particular, the Directors, taking into account the range of placing commissions from 0.6% to 4.0% with median of 1.5% for recent rights issue conducted by listed issuers according to their then latest publication on the Stock Exchange, consider that the terms of the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements), including the placing commission at the median market rate, are on normal commercial terms. Given that the Placing would provide (i) a distribution channel of the Untaken Shares and the NQS Unsold Rights Shares; and (ii) a compensatory mechanism for the No Action Shareholders and Non-Qualifying Shareholders, the Directors consider that the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) is fair and reasonable and in the interest of the Company and its shareholders as a whole.

Given that the compensatory arrangements would provide a compensatory mechanism for the relevant No Action Shareholders and Non-Qualifying Shareholders, the Directors consider that the terms of the compensatory arrangements are fair and reasonable and the compensatory arrangements are in the interest of the minority Shareholders.

THE IRREVOCABLE UNDERTAKINGS

As at the Latest Practicable Date, New Metro, the controlling shareholder of the Company, held 70,931,800 Shares, representing approximately 35.54% of the existing issued Shares. On 3 October 2023 (after trading hours), New Metro entered into the NMI Irrevocable Undertaking in favour of the Company. Pursuant to the NMI Irrevocable Undertaking, New Metro unconditionally and irrevocably undertakes, among other things, that it will not dispose of the 70,931,800 Shares comprising the current shareholding in the Company owned by it up to and including the Record Date and it will subscribe for the Rights Shares to which he is entitled under the Rights Issue in full.

As at the Latest Practicable Date, Mr. Tsang held 9,800,000 Shares, representing approximately 4.91% of the existing issued Shares. On 3 October 2023 (after trading hours), Mr. Tsang entered into the Tsang Irrevocable Undertaking in favour of the Company. Pursuant to the Tsang Irrevocable Undertaking, Mr. Tsang unconditionally and irrevocably undertakes, among other things, that he will not dispose of the 9,800,000 Shares comprising the current shareholding in the Company owned by him up to and including the Record Date and he will subscribe for the Rights Shares to which he is entitled under the Rights Issue in full.

As at the Latest Practicable Date, Mr. Chiu held 9,800,000 Shares, representing approximately 4.91% of the existing issued Shares. On 3 October 2023 (after trading hours), Mr. Chiu entered into the Chiu Irrevocable Undertaking in favour of the Company. Pursuant to the Chiu Irrevocable Undertaking, Mr. Chiu unconditionally and irrevocably undertakes, among other things, that he will not dispose of the 9,800,000 Shares comprising the current shareholding in the Company owned by him up to and including the Record Date and he will subscribe for the Rights Shares to which he is entitled under the Rights Issue in full.

Save for the above, the Company had not received any information from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted or offered to them under the Rights Issue as at the Latest Practicable Date.

THE UNDERWRITING AGREEMENT AND THE SUPPLEMENTAL RIGHTS AGREEMENTS

On 3 October 2023 (after trading hours), the Company entered into the Underwriting Agreement with New Metro for the Rights Issue. The Company entered into the First Supplemental Rights Agreement on 5 October 2023, the Second Supplemental Rights Agreement on 19 October 2023 (after trading hours), the Third Supplemental Rights Agreement on 3 November 2023 (after trading hours) and the Fourth Supplemental Rights Agreement on 16 November 2023 (after trading hours) with New Metro to amend and supplement certain terms

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)

and conditions of the Underwriting Agreement. The principal terms of the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements) are as follows:

Date:	The Underwriting Agreement: 3 October 2023 (after trading hours) The First Supplemental Rights Agreement: 5 October 2023 The Second Supplemental Rights Agreement: 19 October 2023 (after trading hours) The Third Supplemental Rights Agreement: 3 November 2023 (after trading hours) The Fourth Supplemental Rights Agreement: 16 November 2023 (after trading hours)
Parties:	The Company as the issuer and New Metro as the underwriter New Metro is a controlling shareholder of the Company which beneficially held 70,931,800 Shares, representing approximately 35.54% of the entire issued share capital of the Company as at the Latest Practicable Date. As such, New Metro complies with Rule 10.24A(2) of the GEM Listing Rules and New Metro is a connected person of the Company under Chapter 20 of the GEM Listing Rules. It is not in the ordinary course of business of New Metro to underwrite securities

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)

Number of the Underwritten Shares:	The total number of the Underwritten Shares shall be in maximum 163,602,300 Rights Shares, being such number of Rights Shares to be issued pursuant to the Rights Issue less the 135,797,700 Rights Shares to be subscribed by New Metro, Mr. Tsang and Mr. Chiu pursuant to the Irrevocable Undertakings
Underwriting commission:	Nil

The terms of the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements) including the commission rate were determined after arm's length negotiations between the Company and New Metro with reference to the financial position of the Group, the size of the Rights Issue, and the prevailing market conditions, taking into consideration the intention of New Metro to facilitate the Company's fund-raising efforts. In cases where the underwriter is a substantial/controlling shareholder, the Company noted that it appears to be a common practice that no underwriting commission would be charged.

The Directors are of the view that the terms of the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements), including the commission rate, are fair and reasonable and the transactions contemplated under the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements) are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND INTENDED USE OF PROCEEDS

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.

New Metro is a company incorporated in the British Virgin Islands with limited liability and its principal business activity is holding the Shares. As at the Latest Practicable Date, New Metro beneficially holds 70,931,800 Shares, representing approximately 35.54% of the entire issued share capital of the Company.

As disclosed in the Annual Report, the Company had an audited net liabilities position of approximately HK\$681,000 and cash and cash equivalents of approximately HK\$4.96 million as at 31 March 2023. The current liabilities of the Company as at 31 March 2023 comprised mainly (i) trade and other payables and accruals of approximately HK\$19.87 million; (ii) contract liabilities of approximately HK\$1.81 million; and (iii) lease liabilities of approximately HK\$7.79 million. The non-current liabilities of the Company as at 31 March 2023 comprised mainly lease liabilities of approximately HK\$3.50 million. During the six months ended 30 September 2023, the Company recorded an unaudited total comprehensive loss attributable to owners of the Company of approximately HK\$9.43 million.

Recently, the Company acquired two sets of brand new four-colour digital inkjet printing machine manufactured by FUJIFILM (model: Jet Press 750S) accompanied with servers and FUJIFILM XMF Workflow system with a view to enhance its printing management for higher efficiency and consistency as well as to reduce unit fixed costs while reducing its carbon footprint. For details, please refer to the circular of the Company dated 31 May 2023. In order to expand the Group's business scale, the Group has leased certain premises in Tsing Yi at the same building of the existing logistics centre of the Group with a view to enhance the overall business efficiency and reduce operational costs of the Group. For details, please refer to the announcement of the Company dated 20 November 2023.

Although the Company has been proactively optimising its resources to capture business opportunities, such business strategies would take time to reflect in the financial performance of the Group and the Group has imminent need of capital to support its business operation and expansion. As at 30 September 2023, the Company had an unaudited cash and cash equivalents of approximately HK\$2.51 million.

Based on the Subscription Price of HK\$0.115 per Rights Share and 299,400,000 Rights Shares (being Consolidated Shares) to be issued under the Rights Issue, the gross proceeds from the Rights Issue would be approximately HK\$34.43 million. The estimated net proceeds from the Rights Issue after deduction of all estimated expenses would be approximately HK\$32.81 million (equivalent to a net price of approximately HK\$0.110 per Rights Share). The Group intends to apply the net proceeds from the Rights Issue for (i) repayment of trade and other payables and accruals; (ii) partial repayment of the Shareholder's Loan; and (iii) general working capital.

(i) Repayment of trade and other payables and accruals

As at 31 July 2023, the unaudited trade and other payables and accruals of the Company was approximately HK\$9.76 million which are generally payable within one month from relevant dates of invoices. Since the Group will continue to incur these payables in ordinary course of business and it is necessary for the Group to secure stable supply of goods and services, the Group intends to utilise approximately HK\$8.65 million from the net proceeds of the Rights Issue to ensure settlement of these payables as soon as practicable and any similar payables to be incurred in near future, among which (i) approximately HK\$7.77 million will be used to settle an amount due to a subcontractor of the Group in relation to production of printing products; and (ii) approximately HK\$0.88 million will be used to settle the professional fee and premium of medical scheme of the Group and expenses relating to renovation and engineering work of the Group's leased premises.

(ii) Repayment of the Shareholder's Loan

As at the Latest Practicable Date, the outstanding principal amount of the Shareholder's Loan incurred by the Company due to Mr. Lam, the controlling shareholder of the Company, was approximately HK\$22.45 million which are non-interest bearing. The Company intends to utilise HK\$16.25 million of the net proceeds from the Rights Issue to repay part of the Shareholder's Loan in the first quarter of 2024. The Board considers that the partial repayment of the Shareholder's Loan can alleviate the liquidity pressure of the Company and reduce its debt level and gearing ratio.

(iii) General working capital

The Board intends to apply approximately HK\$7.91 million for the general working capital of the Group, among which (i) approximately HK\$4.65 million will be applied for additional staff salary of production and customer services team for around 13 months from the completion of the Rights Issue; and (ii) approximately HK\$3.26 million will be applied for rental payments of the Group's new retail store and a premises located in Tsing Yi leased by the Group for expansion of its production base for around 13 months from the completion of the Rights Issue which is expected to take place in February 2024.

Having considered the recent trading prices of the Shares in open market and the existing share capital of the Company, the Company is of the view that the capital to be raised by the Rights Issue at a ratio of three (3) Rights Shares for every two (2) Shares held on the Record Date would meet the abovementioned capital need of the Group whereas (i) a larger ratio would require the Qualifying Shareholders to take up more entitlements to avoid being diluted and increase underwriting effort of New Metro; and (ii) a smaller ratio would not cater for sufficient capital meeting the Group's requirement as detailed above.

The Board considers that the Rights Issue provides a good opportunity for the Group to strengthen its capital base and to enhance its financial position, while at the same time the Rights Issue will enable all Qualifying Shareholders to participate in the future development of the Company on equal terms. Since the Rights Issue will allow the Qualifying Shareholders to maintain their respective pro rata shareholdings in the Company and therefore avoid dilution, the Board considers that it is in the interests of the Company and the Shareholders as a whole to raise capital through the Rights Issue on a 3-to-2 ratio.

Alternative fund-raising methods considered

The Directors have considered other financing alternatives including (i) additional debt financing, (ii) equity fund raising such as placement of new Shares and open offer, and (iii) realisation of existing assets. The Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole, for the reasons as follows:

- (i) As for additional debt financing, the Board has attempted to obtain loan financing from its principal bankers and was advised that it is not feasible for the Company to obtain loan facilities in an amount comparable to gross proceeds from the Rights Issue under the recent financial status of the Company. Furthermore, the Company has also compared the existing interest rate of over 7% per annum offered by a bank for the Group's recent hire purchase arrangement of printing machines with the implied cost of capital of the Rights Issue of approximately 4.72% (being the total estimated expenses of the Rights Issue as percentage of gross proceeds) and noted that it would not be commercially justifiable to conduct debt financing when general interest rates of banks remain high at this moment and debt financing may result in a higher gearing ratio of the Group and this will also increase the ongoing interest expenses of the Group and in turn affect the profitability of the Company.
- (ii) As for placement of new Shares, it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company.

As for open offer, similar to a rights issue, it also offers qualifying shareholders to participate, but it does not allow the trading of rights entitlements in the open market.

The Directors are of the view that the Rights Issue provides better financial flexibility for the Company as it will strengthen the capital base of the Company, thus enhancing its net asset position without the ongoing burden of interest expenses, and also offers all the Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company and avoid dilution for those Shareholders who take up their entitlement under the Rights Issue in full.

- (iii) As for realisation of existing assets, the Company's assets comprises mainly (i) plant and machinery; (ii) right-of-use assets; (iii) trade receivables; and (iv) cash and cash equivalents and the Group has already disposed of certain offset press which was considered no longer relevant to the Group's operation. For details, please refer to the announcement of the Company dated 18 April 2023. As the remaining machineries are necessary for the Group's operation, the Directors are of the view that it is not advisable at this moment for the Company to further realise its assets unless due to replacement or business needs.

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)

The Board considers that the Rights Issue, which is on a fully underwritten basis, can enable the Company to raise sufficient funds to satisfy its imminent demands on funds as aforementioned. In addition, the Rights Issue would give the Qualifying Shareholders the opportunity to maintain their respective prorata shareholding interest in the Company and provide an opportunity to all Qualifying Shareholders to participate in the growth of the Company in proportion to their shareholdings. Although there will be dilution to shareholdings of the Qualifying Shareholders who do not take up all the Rights Shares to which they are entitled and the Non-Qualifying Shareholders, the Rights Issue requires the Independent Shareholders' approval so that the Independent Shareholders are given an opportunity to decide whether the Company shall proceed to the Rights Issue by voting for or against at the EGM to approve the Rights Issue.

The Company has also contacted certain securities firms for the feasibility of conducting underwritten fund-raising exercise but has received negative feedbacks from those securities firms for acting as underwriter for the Rights Issue in view of the recent market sentiment. Therefore, the Company considers that with New Metro as the underwriter to fully underwrite the committed Rights Shares, the Company would be able to secure necessary fund to satisfy its imminent capital needs on one hand and save underwriting commission on the other hand which is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND-RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company had carried out the following equity fund-raising activities in the 12 months immediately preceding the Latest Practicable Date:

Date of completion	Description of fund raising activities	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
3 May 2023	Issue of 98,000,000 Old Shares under general mandate at the subscription price of HK\$0.04 per Old Share. Such subscription price represented a premium of approximately 53.85% over the closing price per Old Share on the date of relevant subscription agreement.	All net proceeds would be used to settle the Group's current liabilities such as trade and other payables and accruals	All net proceeds had been utilised as intended
	The net proceeds from the subscription was approximately HK\$3.73 million		

Save for the above, the Company had not conducted any other equity fund-raising activities in the past 12 months immediately preceding the Latest Practicable Date.

INFORMATION ON NEW METRO

New Metro is a company incorporated in the British Virgin Islands with limited liability and its principal business activity is holding of the Shares. As at the Latest Practicable Date, Mr. Lam, the chairman of the Board and an executive Director, is the sole shareholder and director of New Metro which beneficially held 70,931,800 Shares, representing approximately 35.54% of the entire issued share capital of the Company.

FUTURE INTENTIONS OF NEW METRO REGARDING THE GROUP

Upon completion of the Rights Issue, New Metro remains to be a controlling shareholder (within the meaning of the GEM Listing Rules) of the Company. New Metro confirms that:

- (a) it is intended that the Group will continue its existing business following the completion of the Rights Issue;
- (b) it shares the view of the Company that the Rights Issue is in the interests of the Group, as the net proceeds from the Rights Issue would reduce the liabilities of the Group and replenish working capital of the Group as detailed in this Prospectus; and
- (c) there is no intention to introduce any major changes to the existing business of the Group or the continued employment of the Group's employees, and there is no intention to redeploy or dispose of the fixed assets of the Group other than in its ordinary course of business.

RISK FACTORS

In compliance with the GEM Listing Rules, the Company sets out below the risk factors of the Group for the attention of the Shareholders and potential investors. The Directors believe that there are certain risks involved in the operations of the Group, which includes but are not limited to, the following:

- (i) the Group generally does not enter into any long-term contract with its customers and sales of the Group are derived on an order-by-order basis and may fluctuate from time to time. Hence, the growth and success of the Group relies on the Group's ability to retain its existing customers and attract new customers, which is affected by various factors such as sales coverage, service quality, marketing strategies, market demand and the degree of competition in the market. There is no assurance that the Group's customers will continue to place orders with the Group in the future;

- (ii) to deliver printing services with fast turnaround time and meet the expectation of customers, the Group has to be able to procure raw materials in a timely manner. The Group did not enter into any long-term contract with its suppliers. There is no assurance that the Group will continue to be able to secure a stable supply of raw materials at competitive prices in a timely manner or at all. Failure to do so will cause disruption in production or delayed delivery, thereby adversely affecting the Group's business, results of operation and reputation;
- (iii) the business of the Group is subject to fluctuations of purchase costs for raw materials and staff costs. The profitability of the Group depends on the control of cost of production and ability to anticipate and respond to fluctuations in purchase costs of raw materials. The availability and costs of our principal raw materials may be affected due to factors beyond the Group's control such as policies of the government, economic conditions and market competition. In addition, as the labour costs in Hong Kong continue to increase in recent years, the salary level of employees has generally increased as well. The Group cannot guarantee that it can anticipate and respond to the changes in prices of principal raw materials and staff costs or transfer the increase in costs to the Group's customers effectively. In that case, the operation and financial performances may be adversely affected;
- (iv) the Group sub-contracts certain production procedures and printing services to sub-contractors who are printing service providers. It cannot be assured that the management of the Group can monitor the performance of these sub-contractors as directly and effectively as monitoring the staff members of the Group. In case these sub-contractors fail to meet the deadlines or required standards, the business and reputation of the Group may be adversely affected. In addition, if these sub-contractors are in breach of any laws, rules or regulations in matters such as health and safety, environment and employment, they may be subject to prosecution and unable to perform the work for the Group. The Group may then have to locate and appoint other sub-contractors for replacement at an additional cost, which would lower the profit margin of the Group;
- (v) as at 30 September 2023, the Group had unaudited net current liabilities of approximately HK\$8.42 million and net liabilities of approximately HK\$6.38 million. The net current liabilities position exposes the Group to liquidity risks. The Group's future liquidity, the payment of trade and other payables and repayment of outstanding debts will primarily depend on the Group's ability to generate adequate cash inflows from operations and sufficient external financing. The Group cannot assure that it will not have net current liabilities in the future. If the Group fails to secure adequate funds as working capital, financial conditions and results of operations of the Group may be adversely affected; and
- (vi) the Group's business depends on the macro-economic situation in Hong Kong and may be adversely affected by the change in demand of the Group's printing services and products as a result of downturns in the local economy, inflation and social and/or political development.

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)

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) upon the completion of the Rights Issue in different scenarios, in each case assuming there is no change in the issued share capital of the Company as at the Latest Practicable Date and up to and including the Record Date:

Shareholders	As at the Latest Practicable Date		Upon the completion of the Rights Issue assuming full acceptance by all Shareholders under the Rights Issue		Upon the completion of the Rights Issue assuming no subscription by the Shareholders (other than those subscriptions pursuant to the Irrevocable Undertakings) and all the Placing Shares are placed to the places under the compensatory arrangements		Upon the completion of the Rights Issue assuming no subscription by the Shareholders (other than those subscriptions pursuant to the Irrevocable Undertakings) and none of the Placing Shares are placed to the places under the compensatory arrangements	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
New Metro and parties acting in concert with it								
New Metro ^(Notes 1 & 2)	70,931,800	35.54	177,329,500	35.54	177,329,500	35.54	340,931,800	68.32
Mr. Lam ^(Notes 1 & 2)	-	-	-	-	-	-	-	-
Mr. Chau ^(Note 2)	8,273,200	4.14	20,683,000	4.14	8,273,200	1.66	8,273,200	1.66
Mr. Hsu ^(Note 2)	22,100,000	11.07	55,250,000	11.07	22,100,000	4.43	22,100,000	4.43
Ms. Au ^(Note 3)	1,900,000	0.95	4,750,000	0.95	1,900,000	0.38	1,900,000	0.38
Sub-total	103,205,000	51.71	258,012,500	51.71	209,602,700	42.00	373,205,000	74.79
Public Shareholders								
Mr. Tsang	9,800,000	4.91	24,500,000	4.91	24,500,000	4.91	24,500,000	4.91
Mr. Chiu	9,800,000	4.91	24,500,000	4.91	24,500,000	4.91	24,500,000	4.91
Placees	-	-	-	-	163,602,300	32.79	-	-
Other Public Shareholders	76,795,000	38.47	191,987,500	38.47	76,795,000	15.39	76,795,000	15.39
Sub-total	96,395,000	48.29	240,987,500	48.29	289,397,300	58.00	125,795,000	25.21
Total	199,600,000	100.00	499,000,000	100.00	499,000,000	100.00	499,000,000	100.00

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)

Notes:

1. New Metro beneficially held 70,931,800 Shares as at the Latest Practicable Date. As New Metro is beneficially wholly owned by Mr. Lam, the chairman of the Board and an executive Director, Mr. Lam is deemed to be interested in the Shares which New Metro beneficially holds.
2. New Metro, Mr. Lam (the sole ultimate beneficial owner of New Metro), Mr. Chau (a former executive Director) and Mr. Hsu (a former executive Director) entered into the Deed of Acting in Concert Undertaking dated 4 April 2022, pursuant to which the parties have agreed to consolidate their respective interests in the Company and control directly and/or indirectly in the Company and to vote on any resolution to be passed at any shareholders' meeting of the Company in an unanimous manner, and each of them is deemed to be interested in the Shares held by the others.
3. Ms. Au is the spouse of Mr. Yip, an executive Director who is presumed to be acting in concert with other Directors by virtue of class (6) of the definition of acting in concert.

As disclosed in the table above, by virtue of the SFO, (i) Mr. Yip, an executive Director, was deemed to be interested in the 1,900,000 Shares (representing approximately 0.95% of the issued share capital of the Company) in which his spouse, Ms. Au, beneficially held; and (ii) Mr. Lam, a chairman of the Board and an executive Director, was deemed to be interested in (a) 70,931,800 Shares (representing approximately 35.54% of the issued share capital of the Company) held by New Metro; and (b) 30,373,200 Shares (representing approximately 15.22% of the issued share capital of the Company) held by Mr. Chau and Mr. Hsu (the former executive Directors), both being the parties acting in concert with Mr. Lam and New Metro, as at the Latest Practicable Date. Save as disclosed above, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares as at the Latest Practicable Date.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Shares. Further announcements will be made by the Company in accordance with the GEM Listing Rules following the completion of the Rights Issue upon which the Rights Shares are allotted and issued.

If a Qualifying Shareholder does not accept the Rights Shares provisionally allotted to him/her/it in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND/OR THE NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions including, among other things, the Placing Agreement (as amended and supplemented by the Supplemental Placing Agreements) and the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements) becoming unconditional and not being terminated in accordance with its terms, the granting of the Whitewash Waiver by the Executive and the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If these conditions are not fulfilled, the Rights Issue will not proceed, in which case a further announcement will be made by the Company at the relevant time.

Shareholders should note that the Shares have been dealt in on an ex-rights basis commencing from Thursday, 28 December 2023 and that dealing in the Shares will take place while the conditions to which the Underwriting Agreement (as amended and supplemented by the Supplemental Rights Agreements) are subject remain unfulfilled.

Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Rights Issue is subject are fulfilled (which is expected to be on 5:00 p.m. on Wednesday, 31 January 2024), will accordingly bear the risk that the Rights Issue cannot become unconditional and may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities, the Shares and/or nil-paid Rights Shares of the Company. Any Shareholder or other person contemplating any dealings in the Shares and/or nil-paid Rights Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional advisers.

Your attention is drawn to the additional information set out in the appendices to this Prospectus.

By order of the Board
UNIVERSE PRINTSHOP HOLDINGS LIMITED



Lam Shing Tai
Chairman and Executive Director