

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



eprint GROUP LIMITED

eprint 集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1884)

**DISCLOSEABLE TRANSACTION
ADDITIONAL CAPITAL INJECTION INTO A JOINT VENTURE**

Reference is made to the Company's announcement dated 17 March 2020 in relation to the formation of joint venture of Top Success BVI by E-Boss with Mr. Cheng.

On 17 May 2024, E-Boss, a wholly-owned subsidiary of the Company, signed the application to subscribe for 290,000 new shares in Top Success BVI at the consideration of HK\$14,500,000, representing 72.5% of the enlarged issued share capital of Top Success BVI whereas Mr. Cheng and Mr. Ma signed the respective application to subscribe for 60,000 new shares and 10,000 new shares in Top Success BVI at the respective consideration of HK\$3,000,000 and HK\$500,000, representing 15.0% and 2.5% of the enlarged issued share capital of Top Success BVI, respectively.

On 17 May 2024, E-Boss entered into the Shareholders Agreement with Mr. Cheng, Mr. Ma and Top Success BVI. The Shareholders Agreement sets out the rights and obligations of the shareholders of Top Success BVI which shall become effective upon the completion of the Capital Injection.

Immediately prior to the Capital Injection, Top Success BVI was held as to 50.0% by E-Boss and 50.0% by Mr. Cheng. Upon completion of the Capital Injection, Top Success BVI is held as to 77.5% by E-Boss, 20.0% by Mr. Cheng and 2.5% by Mr. Ma. Top Success BVI becomes a non-wholly owned subsidiary of the Company.

As the relevant percentage ratios for the Capital Injection calculated in accordance with the Listing Rules are more than 5% but less than 25%, the Capital Injection constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

INTRODUCTION

Reference is made to the Company's announcement dated 17 March 2020 in relation to the formation of joint venture of Top Success BVI by E-Boss with Mr. Cheng.

THE CAPITAL INJECTION

On 17 May 2024, E-Boss, a wholly-owned subsidiary of the Company, signed the application to subscribe for 290,000 new shares in Top Success BVI at the consideration of HK\$14,500,000, representing 72.5% of the enlarged issued share capital of Top Success BVI whereas Mr. Cheng and Mr. Ma signed the respective application to subscribe for 60,000 new shares and 10,000 new shares in Top Success BVI at the respective consideration of HK\$3,000,000 and HK\$500,000, representing 15.0% and 2.5% of the enlarged issued share capital of Top Success BVI, respectively.

Immediately prior to the Capital Injection, Top Success BVI was held as to 50.0% by E-Boss and 50.0% by Mr. Cheng. Upon completion of the Capital Injection, Top Success BVI is held as to 77.5% by E-Boss, 20.0% by Mr. Cheng and 2.5% by Mr. Ma. Top Success BVI becomes a non-wholly owned subsidiary of the Company.

The amount of the Capital Injection is determined after arm's length negotiation between E-Boss, Mr. Cheng, Mr. Ma and Top Success BVI with reference to, among other things, the funding needs for business development of Top Success Group in the foreseeable future.

The capital contribution to be made by E-Boss will be satisfied by the internal resources of the Group.

On 17 May 2024, E-Boss entered into the Shareholders Agreement with Mr. Cheng, Mr. Ma and Top Success BVI. The Shareholders Agreement sets out the rights and obligations of the shareholders of Top Success BVI which shall become effective upon the completion of the Capital Injection. The Shareholders Agreement supersedes the Previous Shareholders Agreement entered into between E-Boss, Mr. Cheng and Top Success BVI dated 17 March 2020.

THE SHAREHOLDERS AGREEMENT

Date: 17 May 2024

Parties: Company: Top Success BVI

Shareholders: E-Boss, a wholly-owned subsidiary of the Company

Mr. Cheng

Mr. Ma

Material terms of the Shareholders Agreement

The material terms of the Shareholders Agreement are substantially the same as the Previous Shareholders Agreement as stated in the Company's announcement dated 17 March 2020. The major differences in the material terms of the Shareholders Agreement are set out below.

Shareholder's Loan and guarantee

Shareholder's Loan of HK\$30 million was advanced by E-Boss to Top Success HK pursuant to the Shareholder Loan Agreement. On 8 April 2024, Yacht Easy on behalf of Top Success HK has repaid HK\$8 million to E-Boss for the partial early repayment of the Shareholder's Loan. As at the date of this announcement, the outstanding principal amount of the Shareholder's Loan is HK\$22 million.

The personal guarantee provided by Mr. Cheng for an amount not exceeding HK\$15 million to secure the Shareholder's Loan under the Previous Shareholders Agreement has been updated so that the amount guaranteed shall not exceed HK\$4.4 million, which is equal to 20% of the outstanding principal amount of the Shareholder's Loan of HK\$22 million. E-Boss and Top Success HK have signed a Supplemental Shareholder Loan Agreement dated 17 May 2024 for the amendment to the personal guarantee.

E-Boss and Top Success HK have also updated the repayment arrangement of the outstanding principal amount and the accrued interest in the Supplemental Shareholder Loan Agreement so that the outstanding principal amount would be due for repayment between July 2025 to December 2025 based on the actual drawdown date of respective parts of the Shareholder's Loan.

Board of directors and management

The board of directors of each of Top Success Group Companies shall be comprised of up to five directors, of which (i) three shall be appointed and removed at the request of E-Boss; and (ii) two shall be appointed and removed at the request of Mr. Cheng.

Dividend

Subject to obtaining the approval of the board of Top Success BVI and the relevant laws, dividends shall be declared and distributed to the shareholders of Top Success BVI by the board of Top Success BVI within 45 Business Days after the last day of each calendar year when there is Distributable Profits.

When there is Distributable Profits and subject to the relevant laws, a dividend of 5% of the Distributable Profits (after deduction of applicable amounts under the Shareholders Agreement, if any) shall first be declared and distributed to each of E-Boss, Mr. Cheng and Mr. Ma by the board of Top Success BVI and dividends shall be declared on the remaining Distributable Profits as determined by the board of Top Success BVI.

Further subscription

Within three years immediately following the Capital Injection, by giving not less than 14 Business Days' written notice to the board of Top Success BVI, each of E-Boss and Mr. Cheng shall be entitled to further subscribe for 10% of the issued shares of Top Success BVI (based on the enlarged number of shares of Top Success BVI issued upon completion of the Capital Injection) at the consideration of HK\$2,000,000 and Mr. Ma shall be entitled to further subscribe for 2.5% of the issued shares of Top Success BVI (based on the enlarged number of shares of Top Success BVI issued upon completion of the Capital Injection) at the consideration of HK\$500,000.

Matters requiring unanimous shareholders' consent

The Shareholders Agreement removes, among others, the following matters which require the prior unanimous written consent of the shareholders of Top Success BVI under the Previous Shareholders Agreement: making any advance, extending any loan or issuing any bond or any other debt instrument to any third party either with aggregate principal and interest exceeding HK\$2,000,000 or outside the ordinary course of business.

Staff equity participation

The staff equity participation provided in the Previous Shareholders Agreement is removed in the Shareholders Agreement.

INFORMATION ON TOP SUCCESS GROUP

Top Success BVI is a company incorporated in the British Virgin Islands on 14 August 2018. Top Success HK, being a direct wholly-owned subsidiary of Top Success BVI, is a company incorporated in Hong Kong on 22 November 2016. Yacht Easy, being a direct wholly-owned subsidiary of Top Success BVI, is a company incorporated in Hong Kong on 11 August 2020. Top Success BVI is principally engaged in investment holding whereas Top Success HK and Yacht Easy are principally engaged in provision of financing of yacht in Hong Kong.

Immediately upon completion of the Capital Injection, each of E-Boss, Mr. Cheng and Mr. Ma is the beneficial owner of 310,000 shares, 80,000 shares and 10,000 shares in Top Success BVI, representing 77.5%, 20.0% and 2.5% of the issued shares of Top Success BVI respectively. Top Success BVI becomes a non-wholly owned subsidiary of the Company and the financial information of Top Success Group will be consolidated into that of the Company.

Set out below is certain financial information of Top Success Group, as extracted from the unaudited pro-forma consolidated management accounts of Top Success BVI for the two financial years ended 31 March 2023 and 2024.

	For the financial year ended	
	31 March	
	2023	2024
	<i>approximately</i>	<i>approximately</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Revenue	4,504	5,487
Net profit before taxation	114	915
Net profit after taxation	110	915

As at
31 March
2024
approximately
HK\$'000
(Unaudited)

Net asset value 3,151

Mr. Cheng has around 10 years' experience in the management of financing and trading of yacht business and has over 20 years' experience in financial reporting. Prior to founding Top Success BVI, Mr. Cheng had served as an executive director in Epower Finance Group Limited (“**Epower**”), a company engaging in yacht financing in Hong Kong from 2015 to 2020. Mr. Cheng had also been engaged by Simpson Marine Limited, a leading yacht sales and services company in Asia, as the group chief operation officer cum chief financial officer from 2013 to 2019. During 2007 to 2013, Mr. Cheng has worked as the financial controller in Hufcor Asia Pacific Limited. Between 2005 to 2007, Mr. Cheng worked as the group accounting manager in Bonso Electronics Limited. Prior to the Capital Injection, Mr. Cheng is the shareholder of Top Success BVI holding 50% of the issued share capital of Top Success BVI. Mr. Cheng is the chief executive officer of Top Success Group and is mainly responsible for overseeing the operations and management of its business.

Mr. Ma has around 13 years' experience in financing business. Prior to joining Top Success Group in May 2021, Mr. Ma has worked in Hitachi Capital (Hong Kong) Limited and Epower between 2011 to 2021. Mr. Ma currently serves as a sale director of Top Success Group.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Mr. Cheng and Mr. Ma are third parties independent of the Company and its connected persons.

INFORMATION ON THE COMPANY AND E-BOSS

The Company is an investment holding company principally engaged in the provision of printing services to a diversified customer base in Hong Kong. The Company is also engaged in the provision of solutions on advertisement, bound books and stationeries. E-Boss is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding.

REASONS FOR AND BENEFITS OF THE CAPITAL INJECTION

Top Success Group is principally engaged in provision of financing of yacht in Hong Kong. Over the past few years, the business of Top Success Group was steady amid Covid-19 pandemic and contributed a stable interest income to the Company. If the annual interest expense of HK\$1.8 million paid to E-Boss was excluded, the unaudited net profit after taxation of Top Success Group will be approximately HK\$1.9 million and HK\$2.7 million for the year ended 31 March 2023 and 2024, respectively. Upon partial early repayment of the Shareholder's Loan of HK\$8 million, it is expected that the financial conditions of Top Success Group will be improved. The Capital Injection will enable the Company to consolidate its control over Top Success Group and also provide additional financial resources to Top Success Group to capture more business and grasp potential market opportunities. It is expected that through organic growth of the business of Top Success Group, it could provide a stable stream of revenue and return to the Company in the long run.

Taking into account the above, the Directors consider that the Capital Injection and the entering into of the Shareholders Agreement and the Supplemental Shareholder Loan Agreement are beneficial to the Group.

The Directors also consider that the Capital Injection, the Shareholders Agreement and the Supplemental Shareholder Loan Agreement have been entered into on normal commercial terms and that such terms are fair and reasonable so far as the Company and its shareholders are concerned and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the relevant percentage ratios for the Capital Injection calculated in accordance with the Listing Rules are more than 5% but less than 25%, the Capital Injection constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours

“Capital Injection”	(i) the additional capital contribution of HK\$14,500,000 made by E-Boss to subscribe for 290,000 new shares in Top Success BVI, representing 72.5% of the enlarged issued share capital of Top Success BVI; and (ii) the additional capital contribution of HK\$3,000,000 and HK\$500,000 made by Mr. Cheng and Mr. Ma, respectively to subscribe for 60,000 new shares and 10,000 new shares in Top Success BVI, representing 15.0% and 2.5% of the enlarged issued share capital of Top Success BVI, respectively
“Company”	eprint Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Distributable Profits”	earnings after interest and taxes of Top Success Group (comprising final audited net profits (profits after interest, finance cost and relevant taxes) of the Top Success Group Companies for the relevant financial year)
“E-Boss”	E-Boss Co., Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Cheng”	Cheng Hiu Man, Elliott
“Mr. Ma”	Ma Lok Kan
“Previous Shareholders Agreement”	the shareholders’ agreement dated 17 March 2020 and entered into among E-Boss, Mr. Cheng and Top Success BVI
“Shareholder Loan Agreement”	the shareholder loan agreement dated 17 March 2020 and entered into between E-Boss and Top Success HK in respect of the provision of the Shareholder’s Loan by E-Boss to Top Success HK
“Shareholders Agreement”	the shareholders’ agreement dated 17 May 2024 entered into among E-Boss, Mr. Cheng, Mr. Ma and Top Success BVI

“Shareholder’s Loan”	the shareholder’s loan in the aggregate principal amount of HK\$30,000,000 advanced by E-Boss to Top Success HK pursuant to the terms of the Shareholder Loan Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Shareholder Loan Agreement”	the supplement agreement to the Shareholder Loan Agreement dated 17 May 2024 entered into between E-Boss and Top Success HK
“Top Success BVI”	Top Success Investment Group Limited, a company incorporated in the British Virgin Islands with limited liability
“Top Success Group”	Top Success BVI, Top Success HK, Yacht Easy and any other subsidiaries of Top Success BVI as may exist from time to time
“Top Success Group Companies”	members of Top Success Group
“Top Success HK”	Top Success Investment (Hong Kong) Limited, a direct wholly-owned subsidiary of Top Success BVI and a company incorporated in Hong Kong with limited liability
“Yacht Easy”	Yacht Easy International Limited, a direct wholly-owned subsidiary of Top Success BVI and a company incorporated in Hong Kong with limited liability
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 17 May 2024

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