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EAST NOVA 啟明東方
INSPIRING MIRACLES WITH PASSION

East Nova Holdings Limited
啟明東方控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3626)

DISCLOSEABLE TRANSACTION
IN RELATION TO THE 2026 RENTAL AGREEMENTS

THE 2026 RENTAL AGREEMENTS

On 8 June 2026, the Tenant, a wholly-owned subsidiary of the Company, and the Landlord entered into the 2026 Rental Agreements in respect of the lease of the Properties for the period from 1 May 2026 to 30 April 2028.

LISTING RULES IMPLICATION

In accordance with HKFRS 16 "Leases", the Group shall recognise right-of-use asset on its consolidated statement of financial position in connection with the Lease. Accordingly, the Lease would be regarded as an acquisition of asset.

As the highest applicable percentage ratio in respect of the amount of the right-of-use asset under the Lease is more than 5% but less than 25%, the Lease constitutes a discloseable transaction for the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules only.

THE 2026 RENTAL AGREEMENTS

Reference is made to the announcement of the Company dated 30 April 2024 in relation to the 2024 Rental Agreements. In light of the expiry of the 2024 Rental Agreements on 30 April 2026, on 8 June 2026, the Tenant, a wholly-owned subsidiary of the Company, and the Landlord entered into the 2026 Rental Agreements to renew the lease of the Properties. Prior to entering into the 2026 Rental Agreements, the Group has been using the Properties as its production bases, warehouse and office for over 20 years.

Save for the specific Property to be leased, the monthly rent, monthly management fee and the principal terms of each of the 2026 Rental Agreements are substantially the same and summarized below:

Date

8 June 2026

Parties

(i) Hang Sang (Siu Po) Press Company Limited (as the Tenant); and

(ii) Gee Hing Chang Investment Company Limited (as the Landlord)

Premises

All of the Properties are located in Gee Hing Chang Industrial Building, No. 16 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong, with each Property comprises specific industrial unit(s) on different floors as set out below:

Property A: Factories A/C and B/D on the 1/F
Property B: Factories B/D on the 2/F
Property C: Factory C on the 4/F
Property D: Factories C and D on the 5/F

Term

2 years, commencing from 1 May 2026 and expiring on 30 April 2028

Monthly rent

The monthly rent of each of the Properties is set out below:

Property A: HK$144,600
Property B: HK$70,500
Property C: HK$28,400
Property D: HK$53,700

The monthly rent is payable in advance on the first day of each calendar month.

The monthly rent of HK$297,200 in aggregate was determined after arm's length negotiations between the Landlord and the Tenant with reference to the Properties' monthly market rent as at 24 April 2026 (being the valuation date) according to a valuation report prepared by an independent valuer using market approach.

Management fee

The monthly management fee of each of the Properties is set out below:

Property A: HK$29,800
Property B: HK$14,400
Property C: HK$5,900
Property D: HK$11,200

The monthly management fee is payable in advance on the first day of each calendar month.

The Group intends to finance the rental and other amounts payable by the Tenant (including management fee and utility charges) under the 2026 Rental Agreements by internal resources of the Group.

DETAILS OF THE MARKET RENT VALUATION

The aggregate monthly rent (exclusive of management fees) under the 2026 Rental Agreements is approximately HK$297,200, with a total saleable area of approximately 18,933 square feet, comprising several industrial units with individual saleable areas ranging from 1,653 square feet to 9,398 square feet. This rental level represents a modest discount to the market rent of the Properties (exclusive of management fees, government rent, and rates) of HK$288,400, as determined by the valuation conducted by an independent valuer, Graval Consulting Limited.

In valuing the market rent of the Properties, the valuer has adopted the market approach. The market approach considers rents recently paid for similar assets, with adjustments made to the indicated market rents to reflect the condition and utility of the Properties relative to market comparables, assuming the lessor leases the Properties in its existing state to lessee for a term of 1 to 2 years under normal leases. The valuer have identified and analysed various comparables that have similar characteristics as the Properties. The comparables located at Tin On Industrial Building were selected based on the following criteria:

a. Normal transaction and duly registered in the Land Registry;

b. Date of instrument registered in the Land Registry within 4 months from the valuation date;

c. Industrial units located at Cheung Yue Street; and

d. Building completion date in between 1975 to 1980.

Based on the above criteria, three comparables were selected. The unit rent is calculated by dividing monthly rent by saleable area (measured from registered building plan) of these three comparables. Adjustments reflect the differences in various aspects between the comparable properties and the Properties, including time, floor, location, headroom, loading, building quality and quantum account for the adjusted unit rent. The general basis of adjustment is that if the comparable property is superior to the Properties, a downward adjustment is made, vice versa. The summary of the comparable properties and adjustments are as follows.

The comparison of three properties are all used for industrial purposes and were occupied in 1977. There were no comparables selected from the Gee Hing Chang Industrial Building as no rental transaction registered in the Land Registry within 4 months from the valuation date. The comparable properties have different floor numbers and units, with varying monthly rents, but same headroom and loading capacity. The lease terms for these properties range from 1 to 2 years. The saleable areas of the comparable properties also differ, ranging from 2,314 to 5,855 square feet. The unit rent per square foot were also provided, along with the date of the leasing agreements.

Each property undergoes adjustments that consider factors including time, floor level, available headroom, loading capacity, building construction quality, and overall size. The adjusted unit rent reflects the relative superiority or similarity of each property against the Properties. The total adjustments of factories A/C and B/D on the 1/F, range from -4.8% to -8.1%. The adopted unit rent of factories A/C and B/D on the 1/F, based on these adjustments, is HK$15.00 per square foot. The other units are then adjusted with floor and size based on the unit rent HK$15.00 per square foot of factories A/C and B/D on the 1/F. The total of floor and size adjustments of factories B/D on the 2/F is 1.96% and the adopted unit rent is HK$15.29. The total of floor and size adjustments of factories C on the 4/F is 2.44% and the adopted unit rent is HK$15.37. The total floor and size adjustments of factory C and D on the 5/F is 1.12% and the adopted unit rent is HK$15.17.

Based on the adopted unit rent and the approximate saleable area of the Properties, the total market rent, excluding management fees, government rent, and rates, is calculated to be HK$288,400.

INFORMATION ON THE PARTIES TO THE 2026 RENTAL AGREEMENTS

The Landlord

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Landlord is principally engaged in property investment for the purpose of generating rental income.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries,

(i) the Landlord is owned as to

(a) approximately 42% by Yeung Kwok Keung (also known as Yeung Kwok Keung Roger);

(b) approximately 3% by Yeung Ching May;

(c) approximately 3% by Yeung Ching Yee;

(d) approximately 12% by Rayland Developments Limited which is ultimately owned by Yeung Kwok Yui and Yeung Amy Gee Hang;

(e) approximately 12% by Yeung Yiu Yuk Company Limited which is ultimately owned by Yeung Kwok Yui and Yeung Amy Gee Hang;

(f) approximately 12% by Yeung Yiu Yuk Enterprises Limited which is ultimately owned by Yeung Kwok Yui and Yeung Amy Gee Hang;

(g) approximately 12% by Yeung Yiu Yuk Resources Limited which is ultimately owned by Yeung Kwok Yui and Yeung Amy Gee Hang;

(h) approximately 2% by Funny Ventures Limited which is ultimately owned by Yeung Wai Fun; and

(i) approximately 2% by Helen Ventures Limited which is ultimately owned by Yeung Wai Ping Helen.

(ii) the Landlord and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (with meaning ascribed thereto under the Listing Rules).

The Group

The Company is an investment holding company and the Group is principally engaged in manufacturing and sale of apparel labels and packaging printing products, sale and distribution of food, daily necessities and utility products, restaurant operation and sale of vaping devices/E-cigarette outside Hong Kong.

The Tenant is an indirect wholly-owned subsidiary of the Company and is principally engaged in manufacturing and sale of apparel labels and packaging printing product.

REASON FOR AND BENEFITS OF THE LEASE

The Group had been using the Properties as its production bases, warehouse and office for over 20 years. It is beneficial for the Group to continue leasing of the Properties as it will enable the Group to secure stable operation at the Properties without incurring additional relocation costs and expenses or any disruption to the Group's operations. In light of the expiry of the 2024 Rental Agreements on 30 April 2026, the Tenant negotiated the renewal of the 2026 Rental Agreements and entered into the 2026 Rental Agreements with the Landlord. The 2026 Rental Agreements allow the continuity of the Group's operation at the Properties on substantially the same terms as the 2024 Rental Agreements.

Having taken into account the above reasons and benefits, the Directors (including all the independent non-executive Directors) consider that the terms of the 2026 Rental Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

In accordance with HKFRS 16 "Leases", the Group shall recognise right-of-use asset (approximately HK$6.7 million based on the Company's estimation with reference to a valuation report prepared by an independent valuer using the present value of the aggregate lease payments under the 2026 Rental Agreements) on its consolidated statement of financial position in connection with the Lease. Accordingly, the Lease would be regarded as an acquisition of asset.

As the highest applicable percentage ratio in respect of the amount of the right-of-use asset under the Lease is more than 5% but less than 25%, the Lease constitutes a discloseable transaction for the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules only.

DEFINITIONS

Unless the context requires otherwise, the following words and phrases used in this announcement have the following meanings:

"2024 Rental Agreements"	collectively, the four rental agreements entered into between the Landlord and the Tenant in relation to the leasing of the Properties for a term of two years commencing from 1 May 2024 to 30 April 2026, the details of which are set out in the announcement of the Company dated 30 April 2024
"2026 Rental Agreements"	collectively, the four rental agreements entered into between the Landlord and the Tenant in relation to the leasing of the Properties for a term of two years commencing from 1 May 2026 to 30 April 2028
"Board"	the board of the directors of the Company
"Company"	East Nova Holdings Limited (啟明東方控股有限公司), 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 in the Listing Rules
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKFRS"	Hong Kong Financial Reporting Standards

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Landlord"	Gee Hing Chang Investment Company Limited (志興昌置業有限公司), a company incorporated in Hong Kong with limited liability
"Lease"	lease of the Properties from the Landlord pursuant to the 2026 Rental Agreements
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"percentage ratio(s)"	the percentage ratio(s) calculated based on the requirements under Rule 14.07 of the Listing Rules
"Properties"	collectively, factories A/C and B/D on the 1/F (Property A), factories B/D on the 2/F (Property B), factory C on the 4/F (Property C) and factories C and D on the 5/F (Property D), of Gee Hing Chang Industrial Building, No. 16 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong, and each a "Property"
"Share(s)"	the ordinary share(s) of HK$0.01 each in the capital of the Company
"Shareholder(s)"	holder(s) of the issued Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tenant"	Hang Sang (Siu Po) Press Company Limited (恒生(兆保)印務有限公司), a company incorporated in Hong Kong with limited liability on 12 November 1999 and a wholly-owned subsidiary of the Company
"%"	per cent.

By order of the Board
East Nova Holdings Limited
Xin Yue Jasmine Geffner
Chief Executive Officer and Executive Director

Hong Kong, 8 June 2026

As at the date of this announcement, the executive Directors of the Company are Mr Lu Xiaoma and Ms Xin Yue Jasmine Geffner and the independent non-executive Directors of the Company are Mr Ye Changqing, Ms Heidi Verrill Pickett and Mr Huang Walter.