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eprint GROUP LIMITED

eprint集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1884)

**DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO LOAN AGREEMENT**

THE LOAN AGREEMENT

The Board announces that on 27 September 2019 (after trading hours), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower in relation to the Loan in the principal amount of HK\$15,000,000 (including the outstanding principal amount of the Initial Loan of HK\$10,000,000 and an additional principal amount of HK\$5,000,000) for a period of one year commencing from the date of the Loan Agreement at an interest rate of 9% per annum.

LISTING RULES IMPLICATION

Mr. JH Li was the former director of e-banner who resigned on 4 September 2019. Mr. JH Li is the son of Mr. CK Li, who is a director of the Borrower and owns as to approximately 50% of the total issued shares of the Borrower. As such, each of Mr. JH Li, Mr. CK Li and the Borrower is a connected person at the subsidiary level. The transactions contemplated under the Loan Agreement constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As (i) each of Mr. JH Li, Mr. CK Li and the Borrower is a connected person at the subsidiary level; (ii) the Board has approved the transactions contemplated under the Loan Agreement; and (iii) all the independent non-executive Directors have confirmed that the Loan Agreement is on normal commercial terms, are fair and reasonable and in the interest of the Company and the Shareholders as a whole. The transactions contemplated under the Loan Agreement are subject to reporting and announcement requirements but is exempted from circular and the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As the relevant percentage ratios for the transactions under the Loan Agreement calculated in accordance with the Listing Rules are more than 5% but less than 25%, the Loan Agreement and the transactions contemplated thereunder also constitute a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

PROVISION OF LOAN

Reference is made to the announcement of the Company dated 27 September 2018 in respect of the provisions of the Initial Loan.

On 27 September 2018 (after trading hours), the Lender entered into the Initial Loan Agreement with the Borrower, pursuant to which the Lender agreed to provide the Initial Loan to the Borrower in the principal amount of HK\$10,000,000 for a period of one year commencing from the date of the Initial Loan Agreement at an interest rate of 10% per annum. The Initial Loan remained outstanding as at the date of this announcement.

The Board announces that on 27 September 2019 (after trading hours), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower in relation to the Loan in the principal amount of HK\$15,000,000 (including the outstanding principal amount of the Initial Loan of HK\$10,000,000 and an additional principal amount of HK\$5,000,000), for a period of one year commencing from the date of the Loan Agreement at an interest rate of 9% per annum.

THE LOAN AGREEMENT

Date	:	27 September 2019 (after trading hours)
Parties	:	(i) Promise Network Printing Limited as Lender; and (ii) Sun Cheong Paper Development Limited as Borrower

The Lender is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in provision of printing services.

The Borrower is a company incorporated in Hong Kong with limited liability and is principally engaged in the supply and sales of paper.

Principal terms of the Loan Agreement

Principal amount of the Loan	:	HK\$15,000,000, which includes the outstanding principal amount of the Initial Loan of HK\$10,000,000 and an additional principal amount of HK\$5,000,000.
Term	:	One year from the date of the Loan Agreement

Interest rate	:	9% per annum
Repayment	:	The outstanding balances of the Loan shall be repaid by the Borrower to the Lender on or before the date falling on the expiry of one year from the date of the Loan Agreement. The interest accrued thereon shall be paid by the Borrower to the Lender on a monthly basis
Early Repayment	:	The Borrower may prepay part or whole of the Loan or the remaining outstanding balance thereof at any time without penalty by giving not less than 1-week prior notice in writing to the Lender

The Group shall finance the Loan from its internal resources.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE LOAN AGREEMENT

The principal activity of the Company is investment holding. The principal activities of the Group are the provision of printing services and solutions on advertisement, bound books and stationeries, to a diversified customer base in Hong Kong.

The Loan Agreement was negotiated on an arm's length basis. The Loan's interest rate is higher than the interest rate received by the Group by placing cash deposits with commercial banks in Hong Kong. Taking into account the cash inflow and revenue to be generated from the expected interest income in connection with the Loan, the Directors (including all the independent non-executive Directors) are of the view that the Loan Agreement is on normal commercial terms, which are fair and reasonable having considered the current market norm in relation to similar transactions and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATION

Mr. JH Li was the former director of e-banner who resigned on 4 September 2019. Mr. JH Li is the son of Mr. CK Li, who is a director of the Borrower and owns as to approximately 50% of the total issued shares of the Borrower. As such, each of Mr. JH Li, Mr. CK Li and the Borrower is a connected person at the subsidiary level. The transactions contemplated under the Loan Agreement constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As (i) each of Mr. JH Li, Mr. CK Li and the Borrower is a connected person at the subsidiary level; (ii) the Board has approved the transactions contemplated under the Loan Agreement; and (iii) all the independent non-executive Directors have confirmed that the Loan Agreement is on normal commercial terms, are fair and reasonable and in the interest of the Company and the Shareholders as a whole. The transactions contemplated under the Loan Agreement are subject to reporting and announcement requirements but is exempted from circular and the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As the relevant percentage ratios for the transactions under the Loan Agreement calculated in accordance with the Listing Rules are more than 5% but less than 25%, the Loan Agreement and the transactions contemplated thereunder also constitute a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

None of the Directors have a material interest in the transactions contemplated under the Loan Agreement. As such, no Directors were required to abstain from voting on the board meeting to approve the transactions contemplated under the Loan Agreement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meaning:

“Board”	the board of Directors
“Borrower”	Sun Cheong Paper Development Limited, a company incorporated in Hong Kong with limited liability
“Company”	eprint Group Limited, an exempted company with limited liability incorporated under the Companies Law of the Cayman Islands whose shares are listed and traded on the main board of the Stock Exchange (Stock code: 1884)
“connected person at the subsidiary level”	has the meaning ascribed to this term under the Listing Rules
“Directors”	the directors of the Company
“e-banner”	e-banner Limited, a company incorporated in Hong Kong with limited liability and a 51% non wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Initial Loan”	the loan in the principal amount of HK\$10,000,000 made pursuant to the Initial Loan Agreement
“Initial Loan Agreement”	the loan agreement dated 27 September 2018 entered into between the Lender and the Borrower in relation to the provision of the Initial Loan

“Lender”	Promise Network Printing Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan in the principal amount of HK\$15,000,000, which includes the outstanding principal amount of the Initial Loan of HK\$10,000,000 and an additional principal amount of HK\$5,000,000, pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 27 September 2019 entered into between the Lender and the Borrower in relation to the provision of the Loan
“Mr. CK Li”	Mr. Li Cham Kuen, a director and a shareholder who owns as to approximately 50% of the total issued shares of the Borrower, the father of Mr. JH Li and a connected person at the subsidiary level
“Mr. JH Li”	Mr. Li Jian Hua, a former director of e-banner, the son of Mr. CK Li and a connected person at the subsidiary level
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 27 September 2019

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