
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in eprint Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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 TRANSACTIONS IN RELATION TO 2023 TENANCY AGREEMENTS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser



Grande Capital Limited

A notice convening the extraordinary general meeting (the “EGM”) of eprint Group Limited (the “Company”) to be held at Units A & B, 4/F, Phase 3, Kwun Tong Industrial Centre, 448-458 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong on Monday, 6 March 2023 at 11:00 a.m., is set out on pages 58 to 59 of this circular.

Whether or not you intend to attend and/or vote at the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

In view of the ongoing Coronavirus Disease 2019 (COVID-19) epidemic, the Company strongly recommends Shareholders to exercise your voting rights by appointing the chairman of the EGM as your proxy to vote on the relevant resolution at the meeting as an alternative to attending the meeting in person.

17 February 2023

PRECAUTIONARY MEASURES FOR THE EGM

The Company will implement the following measures at the EGM, including:

1. Every attendee will be required to wear a surgical face mask at the meeting venue and throughout the meeting and to sit at a distance from the other attendees. Please note that no surgical face masks will be provided at the meeting venue and attendees should bring and wear their own masks;
2. No refreshment or drinks will be provided to the attendees at the meeting; and
3. No corporate gifts or gift coupons will be provided to the attendees at the meeting.

To the extent permitted under law, the Company reserves the right to deny entry into the meeting venue or require any person to leave the meeting venue so as to ensure the health and safety of the other attendees at the meeting. The number of attendees allowed in the meeting venue is subject to the requirements and restrictions under the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong).

Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

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DEFINITIONS

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

“2023 Tenancy Agreements”	collectively, the CTP Tenancy Agreements, the King Profit Tenancy Agreements, the Profit More Tenancy Agreement, the Promise Properties Tenancy Agreement and the VVV Tenancy Agreements
“Articles”	the articles of association of the Company
“Board”	the board of Directors of the Company
“close associate”	has the meaning as defined under the Listing Rules
“Company”	eprint Group Limited, a company incorporated in the Cayman Islands, whose shares are listed on the main board of the Stock Exchange (Stock Code: 1884)
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“CTP”	CTP Limited, a company incorporated in Hong Kong with limited liability
“CTP Tenancy Agreements”	the tenancy agreements dated 11 January 2023 entered into between Lucky Gainer and e-banner as the tenants and CTP as the landlord in respect of the tenancy of Unit W6 on 3rd Floor of Block 1; Units K2, L2, W1 and W2 on 2nd Floor of Block 2; Unit A3 on 1st Floor of Block 3; Units W1 to W5 and N3 on 2nd Floor of Block 3; Unit B3 on 3rd Floor of Block 3; Unit B3 on 4th Floor of Block 3; Unit R4 on 2nd Floor of Block 4; Unit A4 on 5th Floor of Block 4; and Units M4, N4, P4 and R4 on 6th Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“Director(s)”	the director(s) of the Company
“e-banner”	e-banner Limited, a company incorporated in Hong Kong with limited liability and is an indirect non wholly-owned subsidiary of the Company

DEFINITIONS

“EGM”	an extraordinary general meeting of the Company to be convened and held, to consider and, if thought fit, to approve the 2023 Tenancy Agreements and the transactions to be contemplated thereunder
“eprint”	eprint Limited, the controlling Shareholder holding 313,125,000 Shares, representing 56.93% of the entire issued share capital of the Company
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors
“Independent Financial Adviser”	Grande Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Group
“Independent Shareholders”	the Shareholders other than Mr. She, Mr. Chong, Mr. WM Leung, Mr. YP Leung and their respective associates or other connected persons who are interested in the 2023 Tenancy Agreements and the transactions contemplated thereunder
“Independent Third Party(ies)”	person(s) and/or company(ies) who/which is (are) independent of the Company and its connected persons
“Independent Valuer”	Vincorn Consulting and Appraisal Limited, the independent professional valuer engaged by the Group
“King Profit”	King Profit International Limited, a company incorporated in Hong Kong with limited liability

DEFINITIONS

“King Profit Tenancy Agreements”	the tenancy agreements dated 11 January 2023 entered into between Lucky Gainer and Promise Network as the tenants and King Profit as the landlord in respect of the tenancy of Unit A3 (including flat roof appurtenant thereto) on 4th Floor of Block 3, Unit L4 on 3rd Floor of Block 4 and Car Parking Space No. 36 on Basement, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“Latest Practicable Date”	13 February 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lucky Gainer”	Lucky Gainer Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“Mr. Chong”	Mr. Chong Cheuk Ki, an executive Director and a shareholder as to 21.62% of the entire issued share capital in eprint
“Mr. Lam”	Mr. Lam Shing Kai, a shareholder as to 21.62% of the entire issued share capital in eprint
“Mr. She”	Mr. She Siu Kee William, an executive Director, chairman of the Board and a shareholder as to 21.62% of the entire issued share capital in eprint
“Mr. WM Leung”	Mr. Leung Wai Ming, a non-executive Director and a shareholder as to 21.62% of the entire issued share capital in eprint
“Mr. YP Leung”	Mr. Leung Yat Pang, a shareholder as to 13.52% of the entire issued share capital in eprint
“Profit More”	Profit More Rich Limited, a company incorporated in Hong Kong with limited liability
“Profit More Tenancy Agreement”	the tenancy agreement dated 11 January 2023 entered into between Lucky Gainer as the tenant and Profit More as the landlord in respect of the tenancy of Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong

DEFINITIONS

“Promise Network”	Promise Network Printing Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“Promise Properties”	Promise Properties Limited, a company incorporated in Hong Kong with limited liability
“Promise Properties Tenancy Agreement”	the tenancy agreement dated 11 January 2023 entered into between Lucky Gainer as the tenant and Promise Properties as the landlord in respect of the tenancy of Unit W3 on 2nd Floor of Block 2; Unit K3 on 3rd Floor of Block 3; Unit H3 on 4th Floor of Block 3; Unit P4 on 2nd Floor of Block 4; and Unit A4 on 6th Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“Properties”	Properties located at: <ol style="list-style-type: none">Unit W6 on 3rd Floor of Block 1; Units J2, K2, L2, W1, W2, W3 on 2nd Floor of Block 2; Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2; Unit A3 on 1st Floor of Block 3; Units W1 to W5 and N3 on 2nd Floor of Block 3; Units B3 and K3 on 3rd Floor of Block 3; Unit A3 (including flat roof appurtenant thereto), Units B3 and H3 on 4th Floor of Block 3; Units P4 and R4 on 2nd Floor of Block 4; Units K4 and L4 on 3rd Floor of Block 4; Unit A4 on 5th Floor of Block 4; Units A4, M4, N4, P4, R4 on 6th Floor of Block 4; Car Parking Space No. 36 on Basement; and Car Parking Space No. 78 on Ground Floor, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong; andWorkshop No. 1 on Ground Floor, Trend Centre, No. 29 Cheung Lee Street, Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Tenants”	collectively, Lucky Gainer, Promise Network and e-banner
“Valuation Report”	the valuation report issued by the Independent Valuer as to the market rent of the Properties, a copy of which is set out in Appendix I to this circular
“VVV”	VVV Limited, a company incorporated in Hong Kong with limited liability
“VVV Tenancy Agreements”	the tenancy agreements dated 11 January 2023 entered into between Lucky Gainer and Promise Network as the tenants and VVV as the landlord in respect of the tenancy of (1) Unit J2 on 2nd Floor of Block 2; Unit K4 on 3rd Floor of Block 4; Car Parking Space No. 78 on Ground Floor, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong and (2) Workshop No. 1 on Ground Floor, Trend Centre, No. 29 Cheung Lee Street, Hong Kong
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



eprint GROUP LIMITED eprint 集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1884)

Executive Directors:

Mr. She Siu Kee, William

(Chairman and Chief Executive Officer)

Mr. Chong Cheuk Ki

Non-executive Director:

Mr. Leung Wai Ming

Independent non-executive Directors:

Mr. Poon Chun Wai

Mr. Fu Chung

Mr. Ma Siu Kit

Registered Office:

4th Floor, Harbour Place

103 South Church Street

George Town, P.O. Box 10240

Grand Cayman KY1-1002

Cayman Islands

Head Office and Principal Place of

Business in Hong Kong:

Flat A3, 1st Floor, Phase 3

Kwun Tong Industrial Centre

448-458 Kwun Tong Road

Kwun Tong, Kowloon

Hong Kong

17 February 2023

To the Shareholders

Dear Sir/Madam,

DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO 2023 TENANCY AGREEMENTS

INTRODUCTION

Reference is made to the announcement of the Company dated 11 January 2023 in respect of the discloseable and connected transactions in relation to the 2023 Tenancy Agreements. The purpose of this circular is to provide you with (i) details of the discloseable and connected transactions in relation to the 2023 Tenancy Agreements, (ii) the letter from the Independent Board Committee with its view on the 2023 Tenancy Agreements and the transactions contemplated thereunder, (iii) the letter from the Independent Financial Adviser with its advice on the terms of the 2023 Tenancy Agreements and the transactions contemplated thereunder to the Independent Board Committee and the Independent Shareholders, (iv) the Valuation Report issued by the Independent Valuer as to the market rent of the Properties and (v) the notice of the EGM to be convened.

LETTER FROM THE BOARD

2023 TENANCY AGREEMENTS

The Board announces that on 11 January 2023 (after trading hours), Lucky Gainer, Promise Network and e-banner entered into the 2023 Tenancy Agreements with CTP, King Profit, Profit More, Promise Properties and VVV, pursuant to which Lucky Gainer, Promise Network and e-banner (as tenants) agreed to lease the Properties from CTP, King Profit, Profit More, Promise Properties and VVV (as landlords) for a term of three years from 1 April 2023 to 31 March 2026 (both days inclusive).

PRINCIPAL TERMS OF THE 2023 TENANCY AGREEMENTS

The principal terms of the 2023 Tenancy Agreements are as follows:

1. The CTP Tenancy Agreements

Date:	11 January 2023
Tenants:	Lucky Gainer and e-banner
Landlord:	CTP
Premises:	Unit W6 on 3rd Floor of Block 1; Units K2, L2, W1 and W2 on 2nd Floor of Block 2; Unit A3 on 1st Floor of Block 3; Units W1 to W5 and N3 on 2nd Floor of Block 3; Unit B3 on 3rd Floor of Block 3; Unit B3 on 4th Floor of Block 3; Unit R4 on 2nd Floor of Block 4; Unit A4 on 5th Floor of Block 4; and Units M4, N4, P4 and R4 on 6th Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 23,778 square feet
Lease term:	From 1 April 2023 to 31 March 2026 (both days inclusive)
Security deposit:	HK\$903,600, equivalent to 2 months' rent
Monthly rent:	HK\$451,800 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month

LETTER FROM THE BOARD

Usage: Industrial

Conditions precedent: The CTP Tenancy Agreements are conditional upon the following conditions precedent having been fulfilled:

- (a) all necessary consents and approvals in connection with the CTP Tenancy Agreements and the transactions contemplated thereunder having been obtained by the landlord and remain valid;
- (b) all necessary consents and approvals in connection with the CTP Tenancy Agreements and the transactions contemplated thereunder having been obtained by the tenants, including the consent from the Stock Exchange;
- (c) the Company having issued an announcement and a circular in relation to the CTP Tenancy Agreements and the transactions contemplated thereunder in accordance with the Listing Rules; and
- (d) the resolutions to approve the CTP Tenancy Agreements and the transactions contemplated thereunder having been obtained from the Independent Shareholders at the EGM in accordance with the Listing Rules, the Articles and the applicable laws and regulations.

None of the above conditions are waivable by any parties. If the above conditions have not been fulfilled on or before 31 March 2023 or such later date as the parties may otherwise agree in writing, all rights, obligations and liabilities of the parties pursuant to the CTP Tenancy Agreements shall cease to have effect and terminate and either party shall have no claim against the other party save for any antecedent breach or otherwise stipulated in the CTP Tenancy Agreements. In such event, the landlord shall forthwith return the relevant deposit to the tenants.

LETTER FROM THE BOARD

Break clause: At any time after the expiration of 12 months from the commencement date of the lease term, the landlord shall have the right to serve upon the tenants not less than 2 months' prior written notice given after the expiration of 12 months from the commencement date to terminate the CTP Tenancy Agreements.

2. The King Profit Tenancy Agreements

Date: 11 January 2023

Tenants: Lucky Gainer and Promise Network

Landlord: King Profit

Premises: Unit A3 (including flat roof appurtenant thereto) on 4th Floor of Block 3, Unit L4 on 3rd Floor of Block 4 and Car Parking Space No. 36 on Basement, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong

Saleable area: Approximately 3,251 square feet

Lease term: From 1 April 2023 to 31 March 2026 (both days inclusive)

Security deposit: HK\$133,400, equivalent to 2 months' rent

Monthly rent: HK\$66,700 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month

Usage: Industrial and carparking

Conditions precedent: The King Profit Tenancy Agreements are conditional upon the following conditions precedent having been fulfilled:

(a) all necessary consents and approvals in connection with the King Profit Tenancy Agreements and the transactions contemplated thereunder having been obtained by the landlord and remain valid;

LETTER FROM THE BOARD

- (b) all necessary consents and approvals in connection with the King Profit Tenancy Agreements and the transactions contemplated thereunder having been obtained by the tenants, including the consent from the Stock Exchange;
- (c) the Company having issued an announcement and a circular in relation to the King Profit Tenancy Agreements and the transactions contemplated thereunder in accordance with the Listing Rules; and
- (d) the resolutions to approve the King Profit Tenancy Agreements and the transactions contemplated thereunder having been obtained from the Independent Shareholders at the EGM in accordance with the Listing Rules, the Articles and the applicable laws and regulations.

None of the above conditions are waivable by any parties. If the above conditions have not been fulfilled on or before 31 March 2023 or such later date as the parties may otherwise agree in writing, all rights, obligations and liabilities of the parties pursuant to the King Profit Tenancy Agreements shall cease to have effect and terminate and either party shall have no claim against the other party save for any antecedent breach or otherwise stipulated in the King Profit Tenancy Agreements. In such event, the landlord shall forthwith return the relevant deposit to the tenants.

Break clause:

At any time after the expiration of 12 months from the commencement date of the lease term, the landlord shall have the right to serve upon the tenants not less than 2 months' prior written notice given after the expiration of 12 months from the commencement date to terminate the King Profit Tenancy Agreements.

LETTER FROM THE BOARD

3. The Profit More Tenancy Agreement

Date:	11 January 2023
Tenant:	Lucky Gainer
Landlord:	Profit More
Premises:	Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 2,895 square feet
Lease term:	From 1 April 2023 to 31 March 2026 (both days inclusive)
Security deposit:	HK\$107,000, equivalent to 2 months' rent
Monthly rent:	HK\$53,500 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial
Conditions precedent:	<p>The Profit More Tenancy Agreement is conditional upon the following conditions precedent having been fulfilled:</p> <ul style="list-style-type: none">(a) all necessary consents and approvals in connection with the Profit More Tenancy Agreement and the transaction contemplated thereunder having been obtained by the landlord and remain valid;(b) all necessary consents and approvals in connection with the Profit More Tenancy Agreement and the transaction contemplated thereunder having been obtained by the tenant, including the consent from the Stock Exchange;

LETTER FROM THE BOARD

- (c) the Company having issued an announcement and a circular in relation to the Profit More Tenancy Agreement and the transaction contemplated thereunder in accordance with the Listing Rules; and
- (d) the resolutions to approve the Profit More Tenancy Agreement and the transaction contemplated thereunder having been obtained from the Independent Shareholders at the EGM in accordance with the Listing Rules, the Articles and the applicable laws and regulations.

None of the above conditions are waivable by any parties. If the above conditions have not been fulfilled on or before 31 March 2023 or such later date as the parties may otherwise agree in writing, all rights, obligations and liabilities of the parties pursuant to the Profit More Tenancy Agreement shall cease to have effect and terminate and either party shall have no claim against the other party save for any antecedent breach or otherwise stipulated in the Profit More Tenancy Agreement. In such event, the landlord shall forthwith return the relevant deposit to the tenant.

Break clause: At any time after the expiration of 12 months from the commencement date of the lease term, the landlord shall have the right to serve upon the tenant not less than 2 months' prior written notice given after the expiration of 12 months from the commencement date to terminate the Profit More Tenancy Agreement.

4. The Promise Properties Tenancy Agreement

Date: 11 January 2023

Tenant: Lucky Gainer

Landlord: Promise Properties

LETTER FROM THE BOARD

Premises:	Unit W3 on 2nd Floor of Block 2; Unit K3 on 3rd Floor of Block 3; Unit H3 on 4th Floor of Block 3; Unit P4 on 2nd Floor of Block 4; and Unit A4 on 6th Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
Saleable area:	Approximately 8,235 square feet
Lease term:	From 1 April 2023 to 31 March 2026 (both days inclusive)
Security deposit:	HK\$312,400, equivalent to 2 months' rent
Monthly rent:	HK\$156,200 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
Usage:	Industrial
Conditions precedent:	<p>The Promise Properties Tenancy Agreement is conditional upon the following conditions precedent having been fulfilled:</p> <ul style="list-style-type: none">(a) all necessary consents and approvals in connection with the Promise Properties Tenancy Agreement and the transaction contemplated thereunder having been obtained by the landlord and remain valid;(b) all necessary consents and approvals in connection with the Promise Properties Tenancy Agreement and the transaction contemplated thereunder having been obtained by the tenant, including the consent from the Stock Exchange;(c) the Company having issued an announcement and a circular in relation to the Promise Properties Tenancy Agreement and the transaction contemplated thereunder in accordance with the Listing Rules; and

LETTER FROM THE BOARD

- (d) the resolutions to approve the Promise Properties Tenancy Agreement and the transaction contemplated thereunder having been obtained from the Independent Shareholders at the EGM in accordance with the Listing Rules, the Articles and the applicable laws and regulations.

None of the above conditions are waivable by any parties. If the above conditions have not been fulfilled on or before 31 March 2023 or such later date as the parties may otherwise agree in writing, all rights, obligations and liabilities of the parties pursuant to the Promise Properties Tenancy Agreement shall cease to have effect and terminate and either party shall have no claim against the other party save for any antecedent breach or otherwise stipulated in the Promise Properties Tenancy Agreement. In such event, the landlord shall forthwith return the relevant deposit to the tenant.

Break clause: At any time after the expiration of 12 months from the commencement date of the lease term, the landlord shall have the right to serve upon the tenant not less than 2 months' prior written notice given after the expiration of 12 months from the commencement date to terminate the Promise Properties Tenancy Agreement.

5. The VVV Tenancy Agreements

Date: 11 January 2023

Tenants: Lucky Gainer and Promise Network

Landlord: VVV

Premises:

1. Unit J2 on 2nd Floor of Block 2; Unit K4 on 3rd Floor of Block 4; and Car Parking Space No. 78 on Ground Floor, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong; and
2. Workshop No. 1 on Ground Floor, Trend Centre, No. 29 Cheung Lee Street, Hong Kong

LETTER FROM THE BOARD

- Saleable area: Approximately 9,353 square feet
- Lease term: From 1 April 2023 to 31 March 2026 (both days inclusive)
- Security deposit: HK\$434,200, equivalent to 2 months' rent
- Monthly rent: HK\$217,100 per month (exclusive of management fee, air-conditioning charges, government rent and rates and other outgoings), payable in advance on the first day of each calendar month
- Usage: Industrial and carparking
- Conditions precedent: The VVV Tenancy Agreements are conditional upon the following conditions precedent having been fulfilled:
- (a) all necessary consents and approvals in connection with the VVV Tenancy Agreements and the transactions contemplated thereunder having been obtained by the landlord and remain valid;
 - (b) all necessary consents and approvals in connection with the VVV Tenancy Agreements and the transactions contemplated thereunder having been obtained by the tenants, including the consent from the Stock Exchange;
 - (c) the Company having issued an announcement and a circular in relation to the VVV Tenancy Agreements and the transactions contemplated thereunder in accordance with the Listing Rules; and
 - (d) the resolutions to approve the VVV Tenancy Agreements and the transactions contemplated thereunder having been obtained from the Independent Shareholders at the EGM in accordance with the Listing Rules, the Articles and the applicable laws and regulations.

LETTER FROM THE BOARD

None of the above conditions are waivable by any parties. If the above conditions have not been fulfilled on or before 31 March 2023 or such later date as the parties may otherwise agree in writing, all rights, obligations and liabilities of the parties pursuant to the VVV Tenancy Agreements shall cease to have effect and terminate and either party shall have no claim against the other party save for any antecedent breach or otherwise stipulated in the VVV Tenancy Agreements. In such event, the landlord shall forthwith return the relevant deposit to the tenants.

Break clause:

At any time after the expiration of 12 months from the commencement date of the lease term, the landlord shall have the right to serve upon the tenants not less than 2 months' prior written notice given after the expiration of 12 months from the commencement date to terminate the VVV Tenancy Agreements.

ACCOUNTING TREATMENT

In accordance with HKFRS 16 Leases, the Group will recognise the rental payments to be made by the Tenants as right-of-use assets and related lease liabilities within the consolidated statement of financial position of the Group in connection with the 2023 Tenancy Agreements. The total estimated value of the right-of-use assets to be recognised by the Group under the 2023 Tenancy Agreements amounts to approximately HK\$31,958,000, which is the present value of aggregated rental payments to be made in accordance with HKFRS 16. Discount rate of 4.125%, being the Company's incremental borrowing rate, is applied to compute the present value of aggregated rental payments.

Shareholders should note that the above estimated value of right-of-use assets is unaudited and may be subject to adjustment in the future.

INFORMATION ON THE PARTIES

The Group principally engages in the provision of printing services and solutions on advertisement, bound books and stationeries.

Lucky Gainer and Promise Network, are indirect wholly-owned subsidiaries of the Company, and e-banner is an indirect non wholly-owned subsidiary of the Company. Lucky Gainer is principally engaged in the provision of management services in Hong Kong, whereas Promise Network is principally engaged in the provision of printing services in Hong Kong. e-banner is principally engaged in the provision of digital printing services in Hong Kong.

LETTER FROM THE BOARD

CTP is principally engaged in the business of property investment and is beneficially owned as to 25% by Mr. She, 25% by Mr. Chong, 25% by Mr. WM Leung and 25% by Mr. Chow Yuk Kau, Michael, an Independent Third Party, respectively.

King Profit is principally engaged in the business of property investment and is wholly owned by VVV.

Profit More is principally engaged in the business of property investment and is wholly owned by CTP.

Promise Properties is principally engaged in the business of property investment and is beneficially owned as to approximately 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. WM Leung, 13.52% by Mr. YP Leung and 21.62% by Mr. Chow Yuk Kau, Michael, an Independent Third Party, respectively.

VVV is principally engaged in the business of property investment, and is beneficially owned as to approximately 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. WM Leung, 13.52% by Mr. YP Leung and 21.62% by Mr. Chow Yuk Kau, Michael, an Independent Third Party respectively.

Based on the above, CTP, King Profit, Profit More, Promise Properties and VVV are associates of Mr. She, Mr. Chong and Mr. WM Leung and connected persons of the Company.

REASONS AND BENEFITS OF ENTERING INTO THE 2023 TENANCY AGREEMENTS

The Tenants, being the Group's subsidiaries, have been using certain of the Properties historically, the Directors consider that it would be commercially beneficial to the Group if the production plants and ancillary offices of the Group are situated in the same industrial building or in close proximity to each other. In addition, the Board is of the view that the entering into of the 2023 Tenancy Agreements will (i) maintain the stability and efficiency of the operations of the Group; and (ii) avoid unnecessary disruption to the operations of the Group. The terms of the 2023 Tenancy Agreements were arrived at an arm's length negotiation between the parties. The rent payable under the 2023 Tenancy Agreements was determined after taking into account the prevailing market conditions and the prevailing market rent for similar properties according to the valuation of market rent of the Properties prepared by the Independent Valuer.

The Directors have assessed the qualification, experience and the track record of the Independent Valuer and are of the view that Mr. Vincent Cheung, the managing director of the Independent Valuer and the signor of the Valuation Report who has more than 25 years of experience in the valuation profession and has been engaged as the valuer for a wide range of services covering tangible and intangible assets, including but not limited to property valuation and have conducted valuation for similar properties in Hong Kong, is qualified, experienced and competent in performing the valuation for the Properties.

LETTER FROM THE BOARD

Based on the discussion with the Independent Valuer, the Directors understood that the valuation of market rent of the Properties was performed using the market approach, which is generally considered as the most accepted valuation approach for valuing most forms of property, by making reference to comparable market rent evidences in similar locations in its market rent assessment. The Directors also understood from the Independent Valuer that the rentals of comparable properties as set out in the Valuation Report were selected based on the criteria that (i) the comparable properties were of the similar usage, condition and age to the Properties; (ii) the comparable properties were located in similar locality as the Properties which were regarded as industrial districts in Hong Kong; and (iii) the rental transactions of the comparable properties were undertaken within 12 months from the valuation date of the Properties, which the Independent Valuer considered is fair and representative in assessing the market rent of the Properties, and the Independent Valuer confirmed that the aforesaid selection criteria are fair and reasonable, and the list of rentals of comparable properties are exhaustive. The Independent Valuer has made relevant adjustments to the unit rents of comparable properties to account for the differences between the attributes of the Properties and the comparable properties, which the Independent Valuer confirmed as necessary in adopting the market approach and to conform to the market practice.

In view of the above, the Directors consider that the rentals of comparable properties and adjustments made by the Independent Valuer are reasonable and appropriate for determining the rents of the 2023 Tenancy Agreements.

Therefore, the Directors (including the independent non-executive Directors whose views are set out in the letter of the Independent Board Committee after taking into account the advice from the Independent Financial Adviser) are of the view that the 2023 Tenancy Agreements are entered into in the ordinary course of business of the Group and on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The total rent payable under the 2023 Tenancy Agreements throughout the lease term is approximately HK\$34.0 million and will be financed by the Group's internal resources.

Each of Mr. She, Mr. Chong and Mr. WM Leung is regarded as having a material interest in the transactions contemplated under the 2023 Tenancy Agreements, and therefore each of Mr. She, Mr. Chong and Mr. WM Leung has abstained from voting on the Board resolutions to approve the transactions contemplated under the 2023 Tenancy Agreements. Save and except for the aforesaid, none of the Directors has any material interest in the 2023 Tenancy Agreements and was required to abstain from voting on the Board resolutions in relation to the transactions contemplated under the 2023 Tenancy Agreements.

LETTER FROM THE BOARD

IMPLICATIONS OF THE LISTING RULES

In accordance with HKFRS 16 Leases, the rental payment to be made by the Tenants under the 2023 Tenancy Agreements will be recognised as right-of-use assets and the right-of-use assets will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules.

CTP, King Profit, Profit More, Promise Properties and VVV are associates of Mr. She, Mr. Chong and Mr. WM Leung and are connected persons of the Company. As such, the 2023 Tenancy Agreements constitute a one-off connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

As the right-of-use assets acquired by the Company under the 2023 Tenancy Agreements, when aggregated, have an applicable percentage ratio that exceeds 5% but is less than 25% and the total consideration of the transactions exceeds HK\$10,000,000, the transactions constitute (i) a discloseable transaction on the part of the Company which is subject to the reporting and announcement requirements but is exempted from the Shareholders' approval requirement under Chapter 14 of the Listing Rules; and (ii) a connected transaction on the part of the Company which is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Poon Chun Wai, Mr. Fu Chung and Mr. Ma Siu Kit, has been established to advise the Independent Shareholders, in respect of the 2023 Tenancy Agreements and the transactions contemplated thereunder.

No member of the Independent Board Committee has any interest in the 2023 Tenancy Agreements. A letter from the Independent Board Committee is set out on pages 22 to 23 of this circular.

Grande Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders regarding the terms of the 2023 Tenancy Agreements and the transactions contemplated thereunder. A letter from the Independent Financial Adviser is set out on pages 24 to 36 of this circular.

LETTER FROM THE BOARD

EGM

Set out on pages 58 to 59 of this circular is a notice convening the EGM to consider and, if thought fit, to approve the ordinary resolution relating to the 2023 Tenancy Agreements and the transactions contemplated thereunder.

A form of proxy for use at the EGM is enclosed herewith. Whether or not you intend to attend and/or vote at the EGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all the resolution set out in the notice of the EGM will be voted by poll.

In view of the interests of Mr. She, Mr. Chong, Mr. WM Leung and Mr. YP Leung in CTP, King Profit, Profit More, Promise Properties and VVV, each of Mr. She, Mr. Chong, Mr. WM Leung, Mr. YP Leung and their respective associates will abstain from voting in relation to the resolution to approve the 2023 Tenancy Agreements at the EGM. As at the Latest Practicable Date, 550,000,000 Shares were in issue, among which, 313,125,000 Shares (representing approximately 56.93% of the issued Shares) were held by eprint, which is held as to 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung respectively. Mr. She is beneficially interested in 1,584,000 Shares (representing approximately 0.29% of the issued Shares), Mr. Chong is also deemed to be interested in 712,000 Shares held by his spouse, Ms. Yip Fei (representing approximately 0.13% of the issued Shares). Mr. WM Leung and Mr. YP Leung save for their interests in the Shares held through eprint, they do not have any other interests in the Shares of the Company. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has any material interest in the 2023 Tenancy Agreements and therefore no other Shareholder is required to abstain from voting at the EGM.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the identity of the Shareholders entitled to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 28 February 2023 to Monday, 6 March 2023, both days inclusive, during which period no transfer of Shares will be registered. All transfers of Shares accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 27 February 2023.

RECOMMENDATIONS

Your attention is drawn to the letter from the Independent Board Committee set out on pages 22 to 23 of this circular which contains its recommendation to the Independent Shareholders and the letter of advice from the Independent Financial Adviser as set out on pages 24 to 36 of this circular which contains, among others, its advice to the Independent Board Committee and the Independent Shareholders in connection with the 2023 Tenancy Agreements and the transactions contemplated thereunder.

The Directors (including the independent non-executive Directors whose views have been set out in this circular after considering the advice of the Independent Financial Adviser) consider that the terms of the 2023 Tenancy Agreements are in the interests of the Company and the Shareholders as a whole and accordingly recommend the Independent Shareholders to vote in favour of the relevant ordinary resolution to be proposed at the EGM for approving the 2023 Tenancy Agreements and the transactions contemplated thereunder.

Yours faithfully
For and on behalf of the Board
eprint Group Limited
She Siu Kee, William
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter from the Independent Board Committee setting out its recommendations to the Independent Shareholders in connection with the entering into of the 2023 Tenancy Agreements for inclusion in this circular.



eprint GROUP LIMITED

eprint 集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1884)

17 February 2023

To the Independent Shareholders

DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO 2023 TENANCY AGREEMENTS

We have been appointed as the members of the Independent Board Committee to advise the Independent Shareholders in respect of the resolution to approve the transactions contemplated under the 2023 Tenancy Agreements, the details of which are set out in the “Letter from the Board” contained in the circular of the Company dated 17 February 2023 (the “**Circular**”) of which this letter forms part. Unless the context otherwise requires, terms defined in the Circular shall have the same meanings when used in this letter.

Your attention is drawn to the “Letter from the Board”, the advice of Grande Capital Limited in its capacity as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of whether the terms and conditions of the 2023 Tenancy Agreements are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and are in the ordinary and usual course of business of the Company as set out in the “Letter from the Independent Financial Adviser” as well as other additional information set out in other parts of the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the advice of, and the principal factors and reasons considered by Grande Capital Limited in relation thereto as stated in its letter, we consider the terms and conditions of the transactions contemplated under the 2023 Tenancy Agreements are on normal commercial terms and are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and the transactions contemplated thereunder are in the ordinary and usual course of business of the Company. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the 2023 Tenancy Agreements and the transactions contemplated thereunder.

Yours faithfully

For and on behalf of

Independent Board Committee of

eprint Group Limited

Mr. Poon Chun Wai

Independent

non-executive Director

Mr. Fu Chung

Independent

non-executive Director

Mr. Ma Siu Kit

Independent

non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of the letter from the Independent Financial Adviser appointed to advise the Independent Board Committee and the Independent Shareholders, in connection with the transactions contemplated under the 2023 Tenancy Agreements for the purpose of incorporation into this Circular.



Room 2701, 27/F., Tower 1, Admiralty Centre,
18 Harcourt Road, Admiralty
Hong Kong

17 February 2023

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO 2023 TENANCY AGREEMENTS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the 2023 Tenancy Agreements, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 17 February 2023 (the “**Circular**”), of which this letter forms part. Unless otherwise stated, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

Reference is made to the announcement dated 11 January 2023 in relation to the 2023 Tenancy Agreements pursuant to which Lucky Gainer, Promise Network and e-banner (as tenants) agreed to lease the Properties from CTP, King Profit, Profit More, Promise Properties and VVV (as landlords) for a term of three years from 1 April 2023 to 31 March 2026 (both days inclusive).

CTP, King Profit, Profit More, Promise Properties and VVV are associates of Mr. She, Mr. Chong and Mr. WM Leung and are connected persons of the Company. As such, the 2023 Tenancy Agreements constitute a one-off connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In accordance with HKFRS 16 Leases, with the rental payments to be made by the Tenants under the 2023 Tenancy Agreements will be recognised as right-of-use assets and the right-of-use assets will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules. The total estimated value recognised by the Group under the 2023 Tenancy Agreements amounts to approximately HK\$31,958,000, which is the present value of aggregated rental payments to be made in accordance with HKFRS 16.

As the right-of-use assets acquired by the Company under the 2023 Tenancy Agreements, when aggregated, have an applicable percentage ratio that exceeds 5% but is less than 25% and the total consideration of the transactions exceeds HK\$10,000,000, the transactions constitute (i) a discloseable transaction on the part of the Company which is subject to the reporting and announcement requirements but is exempted from the Shareholders' approval requirement under Chapter 14 of the Listing Rules; and (ii) a connected transaction on the part of the Company which is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee, comprising all the independent non-executive Directors, namely, Mr. Poon Chun Wai, Mr. Fu Chung and Mr. Ma Siu Kit, has been established to advise and provide recommendation to the Independent Shareholders on the 2023 Tenancy Agreements and the transactions contemplated thereunder and to advise the Independent Shareholders on how to vote. We, Grande Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the 2023 Tenancy Agreements and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole. Our appointment as the Independent Financial Adviser in relation to the 2023 Tenancy Agreements has been approved by the Independent Board Committee.

We are not associated or connected with the directors, chief executives and substantial shareholders of the Company or any of their respective subsidiaries or associates or parties acting in concert with any of them and do not have any shareholding, directly or indirectly, in any members of the Company or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Company. We are therefore considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders.

During the last two years, save for this appointment as the Independent Financial Adviser to the Independent Board Committee with respect to the 2023 Tenancy Agreements, there was no engagement between the Company and us. Apart from normal professional fees payable to us in connection with this appointment which is not conditional upon the outcome of the 2023 Tenancy Agreements, no arrangement exists whereby we will receive any fees or benefits from the Group or the directors, chief executive and substantial shareholders of the Group or the Group or any of their respective associates and our appointment is on normal commercial terms. Accordingly, we consider ourselves eligible to act as the independent financial adviser to the Company under the requirements of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR OPINIONS

In formulating our opinion, we have relied on the statements, information, opinions and representations contained or referred to in the Announcement, the Circular and/or information provided to us by the Company, the Directors and the management of the Company (collectively, the “**Management**”). We have also relied on our discussion with the Management on the terms of the 2023 Tenancy Agreements, including the information and representations contained in the Circular. We have assumed that all statements, information, opinions and representations contained or referred to in the Announcement, the Circular and/or information provided to us were true, accurate and complete at the time they were made and continued to be so as at the Latest Practicable Date. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have reviewed sufficient information to reach an informed view, to justify our reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have no reason to believe that any statement, information, opinion or representation relied on by us in forming our opinions is untrue, inaccurate or misleading, nor are we aware of any material fact the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading. We have not, however, conducted any independent in-depth investigation into the business, financial conditions and affairs or the future prospects of the Group nor have we carried out any independent verification of the information supplied to us.

We have not made any independent evaluation or appraisal of the Properties, and we have not been furnished with any such evaluation or appraisal, save and except for the Valuation Report prepared by an Independent Valuer which set out their assessment of market rent for the Properties. Since we are not experts in the valuation of land and property, we have relied solely on the Valuation Report for the market rent of the Properties.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion regarding the terms of the 2023 Tenancy Agreements and giving our independent financial advice to the Independent Board Committee and the Independent Shareholders, we have taken into account the following principal factors and reasons:

1. Background of and reasons for entering into of the 2023 Tenancy Agreements

Background information of the parties of the 2023 Tenancy Agreements

The Group principally engages in the provision of printing services and solutions on advertisement, bound books and stationeries.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Lucky Gainer and Promise Network, are indirect wholly-owned subsidiaries of the Company, and e-banner is an indirect non wholly-owned subsidiary of the Company. Lucky Gainer is principally engaged in the provision of management services in Hong Kong, whereas Promise Network is principally engaged in the provision of printing services in Hong Kong. e-banner is principally engaged in the provision of digital printing services in Hong Kong.

CTP is principally engaged in the business of property investment and is beneficially owned as to 25% by Mr. She, 25% by Mr. Chong, 25% by Mr. WM Leung and 25% by Mr. Chow Yuk Kau, Michael, an Independent Third Party, respectively.

King Profit is principally engaged in the business of property investment and is wholly owned by VVV.

Profit More is principally engaged in the business of property investment and is wholly owned by CTP.

Promise Properties is principally engaged in the business of property investment and is beneficially owned approximately 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. WM Leung, 13.52% by Mr. YP Leung and 21.62% by Mr. Chow Yuk Kau, Michael, an Independent Third Party, respectively.

VVV is principally engaged in the business of property investment, and is beneficially owned as to approximately 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. WM Leung, 13.52% by Mr. YP Leung and 21.62% by Mr. Chow Yuk Kau, Michael, an Independent Third Party, respectively.

Based on the above, CTP, King Profit, Profit More, Promise Properties and VVV are associates of Mr. She, Mr. Chong and Mr. WM Leung are connected persons of the Company.

Reasons for and benefits of entering into the 2023 Tenancy Agreements

With reference to the Letter from the Board, the Board is of the view that the entering into of the 2023 Tenancy Agreements will (i) maintain the stability and efficiency of the operations of the Group; and (ii) avoid unnecessary disruption to the operations of the Group. Details of the reasons for and benefits of the 2023 Tenancy Agreements are set out under the section headed “Reasons and benefits of entering into the 2023 Tenancy Agreements” of the Letter from the Board.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We understood from the Directors that with a three-year lease term of under the 2023 Tenancy Agreements, the Group is also able to maintain the stability of the operation of printing business of the Group without the need for relocation which may cause unnecessary costs and disruption to the operations of the Group. Also, we consider the entering into of the 2023 Tenancy Agreements could enable the Company to better control its cost through avoiding increase in rent after the relaxation of social-distancing measures implemented by the Hong Kong Government to tackle the pandemic situation. Having considered the above, we concur with the Directors that the rationale of entering into 2023 Tenancy Agreements are in the ordinary course of business of the Group and in the interests of the Company and the Shareholders as a whole.

2. The principal terms of the 2023 Tenancy Agreements

The table below set out the principal terms of the 2023 Tenancy Agreements and the average monthly rental for Kwun Tong Industrial Centre, Trend Centre and carparks in Kwun Tong Industrial Centre with respect to the 2023 Tenancy Agreements:–

	The CTP Tenancy Agreements	The King Profit Tenancy Agreements	The Profit More Tenancy Agreement	The Promise Properties Tenancy Agreement	The VVV Tenancy Agreements
Parties:	1. Lucky Gainer and e-banner (as tenants) 2. CTP (as landlord)	1. Lucky Gainer and Promise Network (as tenants) 2. King Profit (as landlord)	1. Lucky Gainer (as tenant) 2. Profit More (as landlord)	1. Lucky Gainer (as tenant) 2. Promise Properties (as landlord)	1. Lucky Gainer and Promise Network (as tenants) 2. VVV (as landlord)
Leased Premises: 1. Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong	Unit W6 on 3rd Floor of Block 1; Units K2, L2, W1 and W2 on 2nd Floor of Block 2; Unit A3 on 1st Floor of Block 3; Units W1 to W5 and N3 on 2nd Floor of Block 3; Unit B3 on 3rd Floor of Block 3; Unit B3 on 4th Floor of Block 3; Unit R4 on 2nd Floor of Block 4; Unit A4 on 5th Floor of Block 4; and Units M4, N4, P4 and R4 on 6th Floor of Block 4 in Kwun Tong Industrial Centre	Unit A3 (including flat roof appurtenant thereto) on 4th Floor of Block 3, Unit L4 on 3rd Floor of Block 4 in Kwun Tong Industrial Centre	Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2 in Kwun Tong Industrial Centre	Unit W3 on 2nd Floor of Block 2; Unit K3 on 3rd Floor of Block 3; Unit H3 on 4th Floor of Block 3; Unit P4 on 2nd Floor of Block 4; and Unit A4 on 6th Floor of Block 4 in Kwun Tong Industrial Centre	Unit J2 on 2nd Floor of Block 2; Unit K4 on 3rd Floor of Block 4 in Kwun Tong Industrial Centre

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	The CTP Tenancy Agreements	The King Profit Tenancy Agreements	The Profit More Tenancy Agreement	The Promise Properties Tenancy Agreement	The VVV Tenancy Agreements
Leased Premises: <i>(Continued)</i> 2. Trend Centre, No. 29 Cheung Lee Street, Chai Wan, Hong Kong					Workshop No. 1 on Ground Floor in Trend Centre
3. Carparks in Kwun Tong Industrial Centre		Car Parking Space No. 36 on Basement, Kwun Tong Industrial Centre			Car Parking Space No. 78 on Ground Floor, Kwun Tong Industrial Centre
Saleable area:	Approximately 23,778 square feet	Approximately 3,251 square feet	Approximately 2,895 square feet	Approximately 8,235 square feet	Approximately 8,412 square feet and approximately 941 square feet for Kwun Tong Industrial Centre and Trend Centre respectively, total approximately 9,353 square feet
Monthly Rental Payable:	HK\$451,800 per month	HK\$66,700 per month	HK\$53,500 per month	HK\$156,200 per month	HK\$217,100 per month
Average monthly rental for Kwun Tong Industrial Centre, Trend Centre and carparks in Kwun Tong Industrial Centre:	1. Kwun Tong Industrial Centre approximately HK\$18.7 per square feet 2. Trend Centre approximately HK\$71.0 per square feet 3. Carpark approximately HK\$3,400 per space				
Management fee, air-conditioning charges, government rent and rates:	Payable by the tenants				
Lease term:	From 1 April 2023 to 31 March 2026 (both days inclusive)				
Usage:	Industrial	Industrial and carpark	Industrial	Industrial	Industrial and carpark

Analysis of the principal terms of the 2023 Tenancy Agreements

As set out in the Letter from the Board, the terms under each of the 2023 Tenancy Agreements was determined following arm's length negotiation between each of the tenants and landlords taking into account the prevailing market conditions and the prevailing market rent of each of the Properties according to the Valuation Report.

We have discussed with the Management the principal terms of the 2023 Tenancy Agreements, as set out above, which the Directors consider to be on normal commercial terms, and in line with the prevailing market practices in Hong Kong. Further, we understand that the Company has appointed Vincorn Consulting and Appraisal Limited, an Independent Valuer, to assess the market rents of the Properties for internal reference to the Board. In assessing the fairness and reasonableness of the rent payable by the Company under the 2023 Tenancy Agreements, we have reviewed the Valuation Report issued by the Independent Valuer which set out their assessment of market rent for the Properties as at 31 December 2022.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Assessment on the Valuation

(i) Qualification

For our due diligence purpose, we have reviewed and enquired into the Independent Valuer's qualification and experience in assessing the terms of tenancy agreements in Hong Kong through (i) reviewing their engagement letter (including their scope of work); (ii) reviewing and conducting phone-interview on the qualification of the Independent Valuer including its previous experience in conducting property valuation; and (iii) enquiring the current and previous working relationship between the Independent Valuer, the Company, the landlords and the respective connected persons. We understood that the Independent Valuer is a valuation firm with solid experience in conducting property valuation and market rent assessment for major clients including listed companies and multinational corporations. The Valuation Report was prepared by Mr. Vincent Cheung, who is a fellow of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in Hong Kong, a member of China Institute of Real Estate Appraisers and Agents, a member of Hong Kong Securities and Investment Institute, a member of Institute of Shopping Centre Management, a member of Hong Kong Institute of Real Estate Administrators, a fellow of the Hong Kong Institute of Directors, a Registered Valuer of the Royal Institution of Chartered Surveyors and a Registered Real Estate Appraiser and Agent People's Republic of China and possess over 25 years of experience in valuation of fixed and intangible assets in Hong Kong. The Independent Valuer confirmed that it is an Independent Third Party. Moreover, we have reviewed the terms of engagement of the Independent Valuer and further noted that its scope of work is appropriate to form the opinion required to be given and there are no limitations on the scope of work which might adversely impact on the degree of assurance given by the Independent Valuer. We have performed the work as required under note (1)(d) to Rule 13.80 of the Listing Rules in relation to the Independent Valuer and its work in regards to the monthly market rent of the Properties.

(ii) Methodology, basis and assumptions

We have also discussed with the Independent Valuer the work it has performed and the methodology, bases and assumptions and adjustments adopted in arriving at its conclusion in the valuation of market rent as to the monthly rent of the Properties, including desktop search of the comparable properties and discussion with the Independent Valuer on the adjustments made.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In the course of performing the assessment, the Independent Valuer confirmed that they had complied with all the requirements of the HKIS Valuation Standards 2020 published by the Hong Kong Institute of Surveyors. The Independent Valuer's assessment of the market rent has been made on the assumption that the landlord leases the properties in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the rental of the properties. We have obtained the certificate of title of the Properties and we have not identified any major issues that would cause us to doubt the fairness and reasonableness of the assumptions applied in the valuation of the Properties.

According to the Valuation Report, in assessing the fairness and reasonableness of the monthly rent of the Properties, the Independent Valuer has adopted the market approach in its assessment by making reference to comparable market rent evidences in similar locations in its market rent assessment. This approach rests on the wide acceptance of the market rent evidences as the best indicator and pre-supposes that evidence of relevant rent evidences in the marketplace can be extrapolated to similar properties, subject to allowances for variable factors. As this approach makes reference to the market level rental of similar properties, we are of the view that it is a fair and reasonable approach to determine the monthly rent of the Properties.

During our discussion with the Independent Valuer and the review on the valuation of market rent, we understand how the monthly rent was derived and how the comparable properties of similar character and location were weighed against market rent of the Properties. We have discussed with the Independent Valuer and noted that the selection criteria of the comparable rental transactions (the “**Comparable Leases**”) include (i) the proximity; (ii) the timing of the transactions and (iii) the usage. We further checked that (i) the location of the Comparable Leases are in the same locality within approximately 25 kilometers of the relevant Properties; (ii) the Comparable Leases are of similar usage as the relevant Properties and (iii) the information of the Comparable Leases in relation to industrial properties and carparks are sourced from documentations registered on the Land Registry and market rent in the official website of the car park operators respectively. We considered that the selection criteria of the Comparable Leases are different for Kwun Tong Industrial Centre, Trend Centre and carparks based on their different locations and usages are fair and reasonable. We noted that (i) at least three comparable tenancy transactions for each of Kwun Tong Industrial Centre and Trend Centre and (ii) four comparable quotations for carparks were identified by the Independent Valuer. We have further checked to the Land Registry and noted that there were only three comparable tenancy transactions for each of Kwun Tong Industrial Centre and Trend Centre over the past 12 months (i.e 1 January 2022 to 31 December 2022) registered. Having considered that (i) the geographical proximity of the Comparable Leases; (ii) each of the comparable properties of the Comparable Leases all possess similar usage; and (iii) the similar building conditions as the Comparable Leases, we concur with the view of the Independent Valuer that the number of Comparable Leases are exhaustive, fair and representative for assessment of market rent purpose.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

For conducting the market rent of the Properties, we understand from the Independent Valuer that they have made relevant adjustments, including timing of transactions, location (including floor level), age and condition, size and lease term to account for the differences between the Properties and the Comparable Leases. We further enquired with the Independent Valuer and were given to understand that adjustments were made in respect of (i) time of the underlying properties of the Comparable Leases to reflect the change in their respective market price; (ii) location of the underlying properties of the Comparable Leases to reflect potential discount applied to the unit rent of properties located in area with lower accessibility; (iii) floors of the underlying properties of the Comparable Leases to reflect potential discount applied to the unit rent of properties located in higher floor because of the accessibility and loading; and (iv) building age and condition of underlying properties of the Comparable Leases to reflect potential discount applied to the unit rate of properties with older age in view of depreciation; and (v) size and lease term adjustments principally determined based on their experience, which is in line with the market practice. In addition, the Independent Valuer has confirmed that all the adjustments applied conform to the market practice. Based on our discussion with and review of the adjustments adopted by the Independent Valuer on the Comparable Leases above, we are of view that the Comparable Leases and the adjustments are appropriate, fair and reasonable for the assessment of market rent of the Properties.

In light of the above, we consider that the methodology, basis and assumptions adopted by the Independent Valuer in assessing the monthly rent are appropriate, reasonable and in line with market practice.

(iii) Analysis on the monthly rentals of the Properties

According to the table which set out the average monthly rental for Kwun Tong Industrial Centre, Trend Centre and carparks in Kwun Tong Industrial Centre with respect to the 2023 Tenancy Agreements above, the average monthly rent payable for the Kwun Tong Industrial Centre located in Kwun Tong is approximately HK\$18.7 per square feet, the average monthly rent payable in relation to Trend Centre located in Chai Wan is approximately HK\$71.0 per square feet and the average monthly rent payable for each of the carparks under King Profit Tenancy Agreement and VVV Tenancy Agreements is approximately HK\$3,400 per space.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In this regard, we have obtained and reviewed the Comparable Leases for Kwun Tong Industrial Centre, Trend Centre and carparks, we noted that (i) the market rent levels quoted under these Comparable Leases for properties located in Kwun Tong, range from approximately HK\$18.6 to HK\$19.5 per square feet with an average of approximately HK\$19.0 per square feet; (ii) market rent levels quoted under these Comparable Leases for properties located in Chai Wan, range from approximately HK\$55.5 to HK\$92.0 per square feet with an average of approximately HK\$71.0 per square feet; and (iii) market rent levels quoted under the Comparable Leases for carparks range from approximately HK\$2,881 to HK\$3,651 per space with an average of approximately HK\$3,400 per space.

We noted that the average monthly rent payable in relation to the Kwun Tong Industrial Centre under the 2023 Tenancy Agreements of approximately HK\$18.7 per square feet is within the range and lower than the average of approximately HK\$19.0 per square feet under the relevant Comparable Leases, while the average monthly rent payable for Trend Centre under the VVV Tenancy Agreements of approximately HK\$71.0 per square feet fall within the range and equal to the average of approximately HK\$71.0 per square feet under relevant Comparable Leases. The average monthly rent payable for each of the carparks under King Profit Tenancy Agreement and VVV Tenancy Agreement is approximately HK\$3,400 per space, which fall within the range and equal to the average of the relevant Comparable Leases.

As the lower the fee, the greater the benefit is to the tenant, we consider the rent payable under each of the 2023 Tenancy Agreements is fair and reasonable, on normal commercial terms and no less favourable to the Group than those available from Independent Third Parties of the same or similar properties.

(iv) Analysis on the duration of the 2023 Tenancy Agreements

Pursuant to the 2023 Tenancy Agreements, each of the landlords under the 2023 Tenancy Agreements agreed to lease out the property for a term starting from 1 April 2023 to 31 March 2026 (both days inclusive). In this regard, we have obtained and reviewed six tenancy agreements among the Comparable Leases for the properties located in or close proximity to the respective Properties which were mainly leased for industrial usage in the past 12 months. We are of the view that the 12-month horizon of the sample copies represent sufficient review period to reflect the market trend of similar transactions. Given these tenancy agreements are located in or close proximity to the respective Properties with similar functions of industrial purposes, we are of the view that these copies of tenancy agreements among the Comparable Leases are fair and representative samples.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We noted that the duration for these tenancy agreements among the Comparable Leases ranged from one to six years. Accordingly, the duration for each of the 2023 Tenancy Agreements of three years was within the range of the duration represented by tenancy agreements among the Comparable Leases.

In addition, we have also obtained from the Management and reviewed two copies of the existing tenancy agreements entered between the Group (as tenant) and other Independent Third Parties (as landlords) from April 2022 for the properties located in/or close proximity to the relevant Properties in the past 12 months (the “**Group’s Tenancy Agreements**”). We noted that the duration for Group’s Tenancy Agreements ranged from three to four years, which is comparable to the duration for the 2023 Tenancy Agreements.

(v) Obligation to pay for management fee and other outgoings expenses under the 2023 Tenancy Agreements

We note that the Tenants are obliged to pay for the management fee, air-conditioning charges, government rent and rates and other outgoings expenses under the 2023 Tenancy Agreements. In this regard, we have discussed with the Independent Valuer and understood that it is not uncommon in the market that the management fee, air-conditioning charges, government rent and rates and other outgoings expenses are borne by the tenants. We also obtained and reviewed six tenancy agreements among the Comparable Leases for the properties located in or close proximity to the respective Properties which were mainly leased for industrial usage in the past 12 months and noted that three of them also requested the respective tenants to bear the management fee, air-conditioning charges, government rent and rates and other outgoings expenses obligations.

Therefore, we concur with the Directors that the management fee, air-conditioning charges, government rent and rates and other outgoings expenses obligation under the 2023 Tenancy Agreements is reasonable, on normal commercial terms and no less favourable to the Group than those available from Independent Third Parties of the same or similar properties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. Internal Control Procedures

As advised by the Management, to ensure that the pricing basis is adhered to for each of the 2023 Tenancy Agreements and the transactions contemplated thereunder are in compliance with the requirements of the Listing Rules, the Company has adopted the following internal control measures:

- (i) the Management, with the assistance of the legal advisers, have examined the proposed rent under the 2023 Tenancy Agreements in order to ensure that such rent is determined based on arm's length negotiations between the parties and the terms of the 2023 Tenancy Agreements are fair and reasonable, on normal commercial terms and on terms that are no less favourable to the Group than those available from Independent Third Parties;
- (ii) the Management have conducted public search on recent market rents for properties in vicinity to ensure the rental is in line with the pricing policy;
- (iii) the Group has complied with the requirements under the connected transaction rules of the Listing Rules for the annual review by the independent auditor and the independent non-executive Directors in respect of the 2023 Tenancy Agreements and the transactions contemplated thereunder; and
- (iv) the Company's responsible management with assistance from external legal and other professional parties continues to oversee and monitor the Company's on-going compliance with the Listing Rules in relation to the Group's tenancy arrangements and the transactions contemplated thereunder.

We have discussed the above internal control measures with the Company and understood the Company has engaged the Independent Valuer to conduct professional valuation on the market rents for the Properties for their internal reference in order to ensure the rent payable under each of the 2023 Tenancy Agreements is determined based on arm's length negotiations between the parties and the terms thereof are fair and reasonable, on normal commercial terms and on terms that are no less favourable to the Group than those available from Independent Third Parties. We have reviewed the accounting records of rents paid to connected persons by the Group under the previous tenancy agreements entered into between the Company and their connected persons prepared by the accounting department of the Company and noted that the transaction amounts were properly recorded and understood that same practice will be implemented for the rent payable under the 2023 Tenancy Agreements. We have reviewed the annual report of the Company for the financial year ended 31 March 2022 and noted that the independent non-executive Directors and the auditor of the Company have reviewed the connected transactions made under the previous tenancy agreements in compliance with the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Based on the above procedures and our review of the relevant documents, we are of the view that there are appropriate internal control procedures in place to ensure the transactions contemplated under the 2023 Tenancy Agreements and the transactions contemplated thereunder are conducted on normal commercial terms and in the interests of the Group and its Shareholders as a whole.

RECOMMENDATION

Having considered the principal factors and reasons as discussed above, we are of the view that the 2023 Tenancy Agreements have been entered into within the ordinary and usual course of the Group's business based on normal commercial terms or better, and the terms under the 2023 Tenancy Agreements are fair and reasonable so far as the Company and the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the 2023 Tenancy Agreements and the transactions contemplated thereunder at the EGM.

Yours faithfully,
For and on behalf of
Grande Capital Limited
Erica Mak
Responsible Officer

Ms. Erica Mak is a Responsible Officer of Grande Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and has over 12 years of experience in accounting and corporate finance in Hong Kong.

The following is the text of a letter, a summary of Market Rent and valuation certificates prepared for the purpose of incorporation in this circular received from Vincorn Consulting and Appraisal Limited, an independent valuer, in connection with its rental valuation of the properties. Terms defined in this appendix applies to this appendix only.

Vincorn Consulting and Appraisal Limited
Units 1602-4, 16/F
FWD Financial Centre
No. 308 Des Voeux Road Central
Hong Kong

**The Board of Directors**

eprint Group Limited
4th Floor, Harbour Place
103 South Church Street
George Town, P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

17 February 2023

Dear Sirs,

INSTRUCTION AND VALUATION DATE

We refer to your instructions for us to assess the Market Rent of the properties located in Hong Kong for the purpose of public disclosure. The properties will be leased by eprint Group Limited (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”). We confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary in order to provide you with our opinion of the Market Rent of the properties as at 31 December 2022 (the “**Valuation Date**”).

VALUATION STANDARDS

The valuation has been prepared in accordance with the HKIS Valuation Standards 2020 published by The Hong Kong Institute of Surveyors effective from 31 December 2020 with reference to the International Valuation Standards published by the International Valuation Standards Council effective from 31 January 2022; and the requirements set out in the Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited.

VALUATION BASIS

Our valuation has been undertaken on the basis of Market Rent. Market Rent is defined as “the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and willing lessee on appropriate lease terms in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the lessor leases the properties in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the rental values of the properties.

No allowances have been made for any charges, mortgages or amounts owing on the properties, nor for any expenses or taxations which may be incurred in effecting a lease. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect the rental values of the properties.

The relevant rental payments or premium in relation to the properties have been paid-up in full, and the properties can be freely assigned without any restrictions or impediments.

VALUATION METHODOLOGY

In the course of our valuation, we have adopted Market Approach.

Market Approach is universally considered as the most accepted valuation approach for valuing most forms of property. This involves the analysis of recent market evidence of similar properties to compare with the subject under valuation. Each comparable is analysed on the basis of its unit rent; each attribute of the comparables is then compared with the subject and where there are any differences, the unit rent is adjusted in order to arrive at Market Rent for the subject.

LAND TENURE AND TITLE INVESTIGATION

We have made enquires and relevant searches at the Hong Kong Land Registry. However, we have not scrutinised the original documents to verify ownership or to verify any amendments, which may not appear in the documents available to us. All documents have been used for reference only.

All legal documents disclosed in this letter, the summary of Market Rent and the valuation certificates are for reference only. No responsibility is assumed for any legal matters concerning the legal titles to the property interests set out in this letter, the summary of Market Rent and the valuation certificates.

INFORMATION SOURCES

We have relied to a considerable extent on the information provided by the Group. We have also accepted advice given to us on matters such as identification of the properties, particulars of occupancy, areas and all other relevant matters. Dimensions, measurements and areas included in the valuation are based on information contained in the documents provided to us and are, therefore, only approximations.

We have also been advised by the Group that no material factors or information have been omitted or withheld from the information supplied and consider that we have been provided with sufficient information to reach an informed view. We believe that the assumptions used in preparing our valuation are reasonable and have had no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuation.

INSPECTION AND INVESTIGATIONS

The properties were inspected externally and internally by Iverson Chan on 10 January 2023. Although not all areas were accessible for viewing at the time of inspection, we have endeavoured to inspect all areas of the properties. Investigations were carried out as necessary. Our investigations have been conducted independently and without influence from any third party in any manner.

We have not tested any services of the properties and are therefore unable to report on their present conditions. We have not undertaken any structural surveys of the properties and are therefore unable to comment on the structural conditions. We have not carried out any investigations on site to determine the suitability of the ground conditions for any future developments. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be required.

We have not carried out any on-site measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the documents or deduced from the plans are correct. All documents and plans have been used as reference only and all dimensions, measurements and areas are therefore approximations.

CURRENCY

Unless otherwise stated, all monetary figures stated in this report are in Hong Kong Dollar (“**HKD**”).

The summary of Market Rent and valuation certificates are attached hereto.

Yours faithfully,

For and on behalf of

Vincorn Consulting and Appraisal Limited

Vincent Cheung

BSc(Hons) MBA FRICS MHKIS RPS(GP)

MCIREA MHKSI MISCM MHIREA FHKIoD

RICS Registered Valuer

Registered Real Estate Appraiser & Agent PRC

Managing Director

Note:

Vincent Cheung is a fellow of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in Hong Kong, a member of China Institute of Real Estate Appraisers and Agents, a member of Hong Kong Securities and Investment Institute, a member of Institute of Shopping Centre Management, a member of Hong Kong Institute of Real Estate Administrators, a fellow of the Hong Kong Institute of Directors, a Registered Valuer of the Royal Institution of Chartered Surveyors and a Registered Real Estate Appraiser and Agent People’s Republic of China. He is suitably qualified to carry out the valuation and has over 25 years of experience in the valuation of fixed and intangible assets of this magnitude and nature in the subject region.

SUMMARY OF MARKET RENT

Properties to be Leased by the Group in Hong Kong

No.	Property	Market Rent as at 31 December 2022
1	Various Units of Blocks 1 to 4, Car Parking Space No. 78 on G/F and Car Parking Space No. 36 on Basement, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong	HKD878,500 per month exclusive of government rent, rates and management fee
2	Workshop No. 1 on Ground Floor, Trend Centre, No. 29 Cheung Lee Street, Hong Kong	HKD66,800 per month exclusive of government rent, rates and management fee
Total:		HKD945,300 per month exclusive of government rent, rates and management fee

VALUATION CERTIFICATES

Properties to be Leased by the Group in Hong Kong

No.	Property	Description and Tenure	Occupancy Particulars	Market Rent as at 31 December 2022
1	Various Units of Blocks 1 to 4, Car Parking Space No. 78 on G/F and Car Parking Space No. 36 on Basement, Kwun Tong Industrial Centre, Nos. 436- 484 Kwun Tong Road, Kowloon, Hong Kong <i>(650/20,623 shares of and in the subject lot)</i>	Property 1 comprises 26 industrial units and 2 car parking spaces in Blocks 1 to 4 of the 14-storey industrial buildings plus one storey of basement, namely Kwun Tong Industrial Centre. As per our scaled-off measurement on the approved building plans, Property 1 has a total saleable area (“SA”) of approximately 46,571 square feet (“sq.ft.”) and a flat roof of 657 sq.ft. As per the Occupation Permit Nos. NK91/78, NK24/79, NK74/79 and NK6/80, Blocks 1 to 4 were completed in about 1978, 1979, 1979 and 1980 respectively. The subject lot is held under a Government Lease for a term of 21 years renewable for 21 years less 3 days commencing from 1 July 1955 and has been statutorily extended to 30 June 2047.	As per our on-site inspection and the information provided by the Group, Property 1 will be leased to the Group for industrial and car parking uses.	HKD878,500 per month exclusive of government rent, rates and management fee (HONG KONG DOLLARS EIGHT HUNDRED SEVENTY EIGHT THOUSAND AND FIVE HUNDRED PER MONTH EXCLUSIVE OF GOVERNMENT RENT, RATES AND MANAGEMENT FEE)

Notes:

- Property 1 was inspected by Iverson Chan *BSc(Hons) MRICS MHKIS RPS(GP) RICS Registered Valuer CAIA* on 10 January 2023.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FRICS MHKIS RPS(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC* and Kit Cheung *BSc(Hons) MRICS MHKIS RPS(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC*.

3. The details of the land search records of Property 1 dated 23 December 2022 are summarised below:–

Item	Details
Registered Owner:	<u>Unit W1 on 2nd Floor of Block 2</u> CTP Limited By an assignment dated 2 May 2008, registered vide Memorial No. 08052801960108 in a consideration of HKD2,366,000
	<u>Unit R4 on 6th Floor of Block 4</u> CTP Limited By an assignment dated 4 February 2008, registered vide Memorial No. 08030302060026 in a consideration of HKD2,180,000
	<u>Unit A4 on 5th Floor of Block 4</u> CTP Limited By an assignment dated 12 March 2004, registered vide Memorial No. UB9182872 in a consideration of HKD1,293,000
	<u>Unit A3 on 1st Floor of Block 3</u> CTP Limited By an assignment dated 14 December 2007, registered vide Memorial No. 08011002410020 in a consideration of HKD4,000,000
	<u>Unit N4 on 6th Floor of Block 4</u> CTP Limited By an assignment dated 14 December 2007, registered vide Memorial No. 08011002410042 in a consideration of HKD2,740,000
	<u>Unit P4 on 6th Floor of Block 4</u> CTP Limited By an assignment dated 14 December 2007, registered vide Memorial No. 08011002410069 in a consideration of HKD2,300,000
	<u>Unit K2 on 2nd Floor of Block 2</u> CTP Limited By an assignment dated 15 December 2005, registered vide Memorial No. 06011001220045 in a consideration of HKD930,000
	<u>Unit B3 on 3rd Floor of Block 3</u> CTP Limited By an assignment dated 15 March 2006, registered vide Memorial No. 06041201880050 in a consideration of HKD1,478,000
	<u>Unit W2 on 2nd Floor of Block 2</u> CTP Limited By an assignment dated 20 June 2007, registered vide Memorial No. 07071900070065 in a consideration of HKD1,971,600

Item	Details
	<p><u>Unit R4 on 2nd Floor of Block 4</u> CTP Limited By an assignment dated 20 June 2007, registered vide Memorial No. 07071900070099 in a consideration of HKD2,860,000</p>
	<p><u>Unit L2 on 2nd Floor of Block 2</u> CTP Limited By an assignment dated 21 January 2008, registered vide Memorial No. 08021902060052 in a consideration of HKD2,370,000</p>
	<p><u>Unit B3 on 4th Floor on Block 3</u> CTP Limited By an assignment dated 25 August 2005, registered vide Memorial No. 05091500560193 in a consideration of HKD1,200,000</p>
	<p><u>Unit M4 on 6th Floor of Block 4</u> CTP Limited By an assignment dated 29 October 2007, registered vide Memorial No. 07112702100033 in a consideration of HKD2,200,000</p>
	<p><u>Unit N3 on 2nd Floor of Block 3 & Units W1 to W5 on 2nd Floor of Block 3</u> CTP Limited By an assignment dated 31 December 2004, registered vide Memorial No. UB9464493 in a consideration of HKD1,820,000 (PT.)</p>
	<p><u>Unit W6 on 3rd Floor of Block 1</u> CTP Limited By an assignment dated 30 September 2005, registered vide Memorial No. 05102801390139 in a consideration of HKD580,000</p>
	<p><u>Unit K3 on 3rd Floor of Block 3</u> Promise Properties Limited By an assignment dated 3 January 2007, registered vide Memorial No. 07012400210135 in a consideration of HKD2,320,000</p>
	<p><u>Unit A4 on 6th Floor of Block 4</u> Promise Properties Limited By an assignment dated 28 July 2006, registered vide Memorial No. 06082300620080 in a consideration of HKD2,960,000</p>
	<p><u>Unit H3 on 4th Floor of Block 3</u> Promise Properties Limited By an assignment dated 28 September 2006, registered vide Memorial No. 06102402270015 in a consideration of HKD1,660,000</p>

Item	Details
	<p><u>Unit W3 on 2nd Floor of Block 2</u> Promise Properties Limited By an assignment dated 30 April 2007, registered vide Memorial No. 07052600990079 in a consideration of HKD1,530,000</p>
	<p><u>Unit P4 on 2nd Floor of Block 4</u> Promise Properties Limited By an assignment dated 15 August 2006, registered vide Memorial No. 06091200510037 in a consideration of HKD1,620,000</p>
	<p><u>Unit K4 on 3rd Floor of Block 4</u> VVV Limited By an assignment dated 31 August 2012, registered vide Memorial No. 12092702500014 in a consideration of HKD21,100,000</p>
	<p><u>Unit J2 on 2nd Floor of Block 2</u> VVV Limited By an assignment dated 14 January 2013, registered vide Memorial No. 13020602480065 in a consideration of HKD7,380,000</p>
	<p><u>Car Parking Space No. 78 on Ground Floor</u> VVV Limited By an assignment dated 31 October 2011, registered vide Memorial No. 11110400820045 in a consideration of HKD980,000</p>
	<p><u>Unit A3 (Including Flat Roof Appurtenant Thereto) on 4th Floor of Block 3 & Car Parking Space No. 36 on Basement</u> King Profit International Limited By an assignment dated 28 March 2012, registered vide Memorial No. 12042302650392 in a consideration of HKD5,800,000 (PT.)</p>
	<p><u>Unit L4 on 3rd Floor of Block 4</u> King Profit International Limited By an assignment dated 15 March 2022, registered vide Memorial No. 22032800720010 in a consideration of HKD9,405,000</p>
	<p><u>Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2</u> Profit More Rich Limited By an assignment dated 31 March 2009, registered vide Memorial No. 09042302040025 in a consideration of HKD5,250,000 (PT.)</p>

Item	Details
Government Rent:	3% of the rateable value
Major Encumbrances:	<p data-bbox="518 383 1370 414"><u>All Industrial Units and Car Parking Spaces</u></p> <ul data-bbox="518 414 1370 553" style="list-style-type: none"> <li data-bbox="518 414 1370 478">• Deed of Variation of Crown Lease dated 14 December 1976, registered vide Memorial No. UB1327508; and <li data-bbox="518 478 1370 553">• Deed of Mutual Covenant dated 27 February 1979, registered vide Memorial No. UB1690730. <p data-bbox="518 595 1370 734"><u>Unit W6 on 3rd Floor of Block 1, Units K2, L2, W1 & W2 on 2nd Floor of Block 2, Unit A3 on 1st Floor of Block 3, Units N3 & W1 to W5 on 2nd Floor of Block 3, Unit B3 on 3rd Floor of Block 3, Unit B3 on 4th Floor of Block 3, Unit R4 on 2nd Floor of Block 4, Unit A4 on 5th Floor of Block 4, Units M4, N4, P4 & R4 on 6th Floor of Block 4</u></p> <ul data-bbox="518 734 1370 904" style="list-style-type: none"> <li data-bbox="518 734 1370 840">• Mortgage in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480132 in a consideration of all sums of money (PT.); and <li data-bbox="518 840 1370 904">• Assignment of Rentals in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480143. <p data-bbox="518 946 1370 1053"><u>Unit J2 on 2nd Floor of Block 2, Unit A3 (Including Flat Roof Appurtenant Thereto) on 4th Floor of Block 3, Unit K4 on 3rd Floor of Block 4, Car Parking Space No. 36 on Basement & Car Parking Space No. 78 on Ground Floor</u></p> <ul data-bbox="518 1053 1370 1223" style="list-style-type: none"> <li data-bbox="518 1053 1370 1159">• Mortgage in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480092 in a consideration of all sums of money (PT.); and <li data-bbox="518 1159 1370 1223">• Assignment of Rentals in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480103. <p data-bbox="518 1266 1370 1330"><u>Unit W3 on 2nd Floor of Block 2, Unit K3 on 3rd Floor of Block 3, Unit H3 on 4th Floor of Block 3, Unit P4 on 2nd Floor of Block 4 & Unit A4 on 6th Floor of Block 4</u></p> <ul data-bbox="518 1330 1370 1500" style="list-style-type: none"> <li data-bbox="518 1330 1370 1436">• Mortgage in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480110 in a consideration of all sums of money (PT.); and <li data-bbox="518 1436 1370 1500">• Assignment of Rentals in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480123. <p data-bbox="518 1542 1370 1574"><u>Unit L4 on 3rd Floor of Block 4</u></p> <ul data-bbox="518 1574 1370 1751" style="list-style-type: none"> <li data-bbox="518 1574 1370 1681">• Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited dated 27 June 2022, registered vide Memorial No. 22071100580118 in a consideration of all sums of money; and <li data-bbox="518 1681 1370 1751">• Rent Assignment in favour of The Hongkong and Shanghai Banking Corporation Limited dated 27 June 2022, registered vide Memorial No. 22071100580126.

Item	Details
	<p><u>Workshop Nos. M201, M202 & M210 on 3rd Floor of Block 2</u></p> <ul style="list-style-type: none"> • Sub-deed of Mutual Covenant with Plan dated 10 October 1992, registered vide Memorial No. UB5478246; and • Mortgage in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480092 in a consideration of all sums of money (PT.); and • Assignment of Rentals in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480103.
4.	<p>Property 1 is erected on Kwun Tong Inland Lot No. 94, which is held under a Government Lease, subject to a Deed of Variation of Crown Lease of Kwun Tong Inland Lot No. 94 dated 17 December 1976, registered vide Memorial No. UB1327508. The salient conditions are summarised below:–</p>

Item	Details
Lot Number:	Kwun Tong Inland Lot No. 94
Lease Term:	21 years renewable for 21 years less 3 days commencing from 1 July 1955 and has been statutorily extended to 30 June 2047
Site Area:	Approximately 178,830 sq.ft.
Major Special Conditions:	<ul style="list-style-type: none"> • The said Lessee or any other person or persons will not during the continuance of this demise use exercise or follow in or upon the demised premises or any part thereof the trade of business of a Brazier, Slaughterman, Soap-maker, Sugar-baker, Fellmonger, Melter of tallow, Oilman, Butcher, Distiller, Victualler or Tavern-keeper, Blacksmith, Nightman, Scavenger or any other noisy noisome or offensive trade or business whatever without the previous licence of Her said Majesty signified in writing by the Governor or other person duly authorised in that behalf; • The Lessee will not use or allow to be used the demised premises or any part thereof or any building erected thereon or any part of such building for any purpose other than industrial purposes excluding any offensive noxious noisome or unhealthy trade business or manufacture; and • The Lessee will not erect or allow to be erected on the demised premises any building other than a factory, ancillary offices and quarters for persons essential to the safety and security of the building and will obtain the special approval of Her said Majesty's Commissioner of Labour to the number of such quarters and persons.

5. Property 1 falls within an area zoned "Other Specified Uses (Business)" under Kowloon Planning Area No. 14 (Part) – Approved Kwun Tong (South) Outline Zoning Plan No. S/K14S/24 approved on 15 March 2022.

6. We have been provided the proposed tenancy particulars of Property 1 by the Group. The key tenancy terms are summarised below:–

Item No.	The Premises	Landlord	Tenant	Tenure	Use	Saleable Area (sq.ft.)	Monthly Rent (HKD/mth)
1	Unit W1 on 2nd Floor of Block 2, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,440	27,300
2	Unit R4 on 6th Floor of Block 4, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,235	23,900
3	Unit A4 on 5th Floor of Block 4, Kwun Tong Industrial Centre	CTP Limited	e-banner Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	2,495	46,900
4	Unit A3 on 1st Floor of Block 3, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,822	34,200
5	Unit N4 on 6th Floor of Block 4, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,640	31,400
6	Unit P4 on 6th Floor of Block 4, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,285	24,800
7	Unit K2 on 2nd Floor of Block 2, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,084	20,700
8	Unit B3 on 3rd Floor of Block 3, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,500	28,500
9	Unit W2 on 2nd Floor of Block 2, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,200	22,900
10	Unit R4 on 2nd Floor of Block 4, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,865	35,100
11	Unit L2 on 2nd Floor of Block 2, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,355	25,700
12	Unit B3 on 4th Floor on Block 3, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,500	28,600
13	Unit M4 on 6th Floor of Block 4, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,300	25,100
14	Unit N3 on 2nd Floor of Block 3, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,194	22,700
15	Units W1 to W5 on 2nd Floor of Block 3, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	2,121	39,700
16	Unit W6 on 3rd Floor of Block 1, Kwun Tong Industrial Centre	CTP Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	742	14,300
17	Unit K3 on 3rd Floor of Block 3, Kwun Tong Industrial Centre	Promise Properties Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,930	36,400
18	Unit A4 on 6th Floor of Block 4, Kwun Tong Industrial Centre	Promise Properties Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	2,495	47,000
19	Unit H3 on 4th Floor of Block 3, Kwun Tong Industrial Centre	Promise Properties Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,380	26,400
20	Unit W3 on 2nd Floor of Block 2, Kwun Tong Industrial Centre	Promise Properties Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,200	22,900
21	Unit P4 on 2nd Floor of Block 4, Kwun Tong Industrial Centre	Promise Properties Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,230	23,500
22	Unit K4 on 3rd Floor of Block 4, Kwun Tong Industrial Centre	VVV Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	6,616	113,100
23	Unit J2 on 2nd Floor of Block 2, Kwun Tong Industrial Centre	VVV Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,796	33,800
24	Car Parking Space No. 78 on Ground Floor, Kwun Tong Industrial Centre	VVV Limited	Promise Network Printing Limited	Three years from 1 April 2023 to 31 March 2026	Car Parking Space	–	3,400
25	Unit A3 (Including Flat Roof Appurtenant Thereto) on 4th Floor of Block 3, Kwun Tong Industrial Centre	King Profit International Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,743	34,600
26	Car Parking Space No. 36 on Basement, Kwun Tong Industrial Centre	King Profit International Limited	Promise Network Printing Limited	Three years from 1 April 2023 to 31 March 2026	Car Parking Space	–	3,400
27	Unit L4 on 3rd Floor of Block 4, Kwun Tong Industrial Centre	King Profit International Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	1,508	28,700
28	Workshop Nos. M201, M202 and M210 on 3rd Floor of Block 2, Kwun Tong Industrial Centre	Profit More Rich Limited	Lucky Gainer Limited	Three years from 1 April 2023 to 31 March 2026	Industrial	2,895	53,500

7. The general description and market information of Property 1 are summarised below:–

Location	:	Property 1 is located at Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong.
Transportation	:	Hong Kong International Airport and Kwun Tong MTR Station are located approximately 42.3 kilometres and 10 metres away from Property 1 respectively.
Nature of Surrounding Area	:	The area is predominately an industrial area in Kwun Tong.

8. In the course of our valuation of Property 1, we have collected rental comparables of upper floor industrial units, which are considered relevant to Property 1 in terms of property type, location and time, on an exhaustive basis. A total of three rental comparables, which are all upper floor industrial units located in industrial areas and transacted within 12 months from the valuation date, have been identified and analysed. The unit rents of the adopted comparables are ranging from HKD17.8 to HKD19.4 per sq.ft. per month on the basis of effective saleable area.

The following table sets forth the details of the adopted comparables:–

	Comparable 1	Comparable 2	Comparable 3
Development	Howard Factory Building	Jone Mult Factory Building	Joint Venture Factory Building
Address	No. 66 Tsun Yip Street	No. 169 Wai Yip Street	No. 76 Hung To Road
Year of Completion	1980	1983	1981
Floor	11/F	9/F	6/F
Unit	Unit A	Unit B3	Unit B
Effective Saleable Area (sq.ft.)	1,604	1,145	1,081
Nature	Tenancy Agreement	Tenancy Agreement	Tenancy Agreement
Date of Instrument	14 May 2022	29 April 2022	5 April 2022
Effective Rent (HKD/month)	31,134	20,424	20,000
Effective Saleable Unit Rent (HKD/sq.ft./month)	19.4	17.8	18.5

Adjustments in terms of different aspects, including time, location, building age, floor level, size, view, building quality, outgoing and lease term, have been made to the unit rents of the adopted comparables. After due adjustments in terms of the aforesaid aspects, the adjusted unit rents of the adopted comparables are ranging from HKD18.6 to HKD19.5 per sq.ft. per month on the basis of effective saleable area. The adopted unit rent of the benchmark industrial unit of Property 1 is HKD19.0 per sq.ft. per month on the basis of effective saleable area, and it is further adjusted and applied to other industrial units of Property 1 by considering the variances in building age, floor level and size.

We have also collected rental comparables of car parking spaces, which are considered relevant to Property 1 in terms of property type, location and time, on an exhaustive basis. A total of four rental comparables, which are all car parking spaces located in industrial areas available for lease on the valuation date, have been identified and analysed. The unit rents of the adopted comparables are ranging from HKD3,300 to HKD3,800 per space.

The following table sets forth the details of the adopted comparables:-

	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Development	Millennium City 6	Kwun Tong Harbour Plaza	Paul Y. Centre	Spectrum Tower
Address	No. 392 Kwun Tong Road	No. 182 Wai Yip Street	No. 51 Hung To Road	No. 53 Hung To Road
Year of Completion	2007	1988	1996	1997
Unit Rent (HKD/space/month)	3,350	3,300	3,800	3,800

Adjustments in terms of different aspects, including time, location, building age and building quality, have been made to the unit rents of the adopted comparables. After due adjustments in terms of the aforesaid aspects, the adjusted unit rents of the adopted comparables are ranging from HKD2,881 to HKD3,651 per space per month and the adopted unit rent of the car parking space of Property 1 is HKD3,400 per space per month.

Based on the abovementioned, the Market Rent of Property 1 is assessed at HKD878,500 per month exclusive of government rent, rates and management fee. The effective rents under the subject tenancy agreements are considered as in line with the effective Market Rents.

No.	Property	Description and Tenure	Occupancy Particulars	Market Rent as at 31 December 2022
2	Workshop No. 1 on Ground Floor, Trend Centre, No. 29 Cheung Lee Street, Hong Kong <i>(49/2,900 shares of and in the subject lot)</i>	Property 2 comprises an industrial unit of a 27-storey industrial building, namely Trend Centre. As per our scaled-off measurement on the approved building plan, Property 2 has a SA of approximately 941 sq.ft. As per the Occupation Permit No. H19/95, Property 2 was completed in about 1995. The subject lot is held under Conditions of Sale No. 9534 for a term of 75 years renewable for 75 years commencing from 29 September 1969.	As per our on-site inspection and the information provided by the Group, Property 2 will be leased to the Group for industrial uses.	HKD66,800 per month exclusive of government rent, rates and management fee (HONG KONG DOLLARS SIXTY SIX THOUSAND AND EIGHT HUNDRED PER MONTH EXCLUSIVE OF GOVERNMENT RENT, RATES AND MANAGEMENT FEE)

Notes:

- Property 2 was inspected by Iverson Chan *BSc(Hons) MRICS MHKIS RPS(GP) RICS Registered Valuer CAIA* on 10 January 2023.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FRICS MHKIS RPS(GP) MCIREA MHKSI MISC MHIAREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC* and Kit Cheung *BSc(Hons) MRICS MHKIS RPS(GP) MCIREA MHIAREA RICS Registered Valuer Registered Real Estate Appraiser PRC*.
- The details of the land search records of Property 2 dated 23 December 2022 are summarised below:–

Item	Details
Registered Owner:	VVV Limited By an assignment dated 31 August 2010, registered vide Memorial No. 10092701720091 in a consideration of HKD7,600,000
Government Rent:	HKD138 per annum
Major Encumbrances:	<ul style="list-style-type: none"> Occupation Permit No. H19/95 dated 13 March 1995, registered vide Memorial No. UB6245165; Deed of Mutual Covenant and Management Agreement in favour of Hong Yip Service Company Limited “The Manager” dated 7 April 1995, registered vide Memorial No. UB6279696; Mortgage in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480092 in a consideration of all sums of money (PT.); and Assignment of Rentals in favour of China Construction Bank (Asia) Corporation Limited dated 12 January 2021, registered vide Memorial No. 21020501480103.

4. Property 2 is erected on Chai Wan Inland Lot No. 44, which is held under Conditions of Sale No. 9534. The salient conditions are summarised below:–

Item	Details
Lot Number:	Chai Wan Inland Lot No. 44
Lease Term:	75 years renewable for 75 years commencing from 29 September 1969
Site Area:	Approximately 7,500 sq.ft.
Major Special Conditions:	<ul style="list-style-type: none"> • The lot shall be used for industrial and/or godown purposes excluding any trade that is now or may hereafter be declared to be an offensive trade under the Public Health and Urban Services Ordinance, or any enactment amending the same or substituted therefor; • No building shall be erected on the lot except a factory and/or a warehouse, ancillary offices and such quarters as may be required for watchmen or caretakers who, in the opinion of the Commissioner of Labour, are essential to the safety and security of the buildings.

5. Property 2 falls within an area zoned “Other Specified Uses (Business)” under Hong Kong Planning Area No. 20 – Approved Chai Wan Outline Zoning Plan No. S/H20/25 approved on 4 May 2021.

6. We have been provided the proposed tenancy particulars of Property 2 by the Group. The key tenancy terms are summarised below:–

Item	Details
Landlord	: VVV Limited
Tenant	: Promise Network Printing Limited
Tenure	: Three years from 1 April 2023 to 31 March 2026
Use	: Industrial
Saleable Area	: 941 sq.ft.
Monthly Rent	: HKD66,800/mth

7. The general description and market information of Property 2 are summarised below:–

Location	:	Property 2 is located at No. 29 Cheung Lee Street, Chai Wan, Hong Kong.
Transportation	:	Hong Kong International Airport and Chai Wan MTR Station are located approximately 43.9 kilometres and 140 metres kilometres away from Property 2 respectively.
Nature of Surrounding Area	:	The area is predominately an industrial area in Chai Wan.

8. In the course of our valuation of Property 2, we have collected rental comparables of ground floor industrial units, which are considered relevant to Property 2 in terms of property type, location and time, on an exhaustive basis. A total of three rental comparables, which are all ground floor industrial units located in industrial areas and transacted within 12 months from the valuation date, have been identified and analysed. The unit rents of the adopted comparables are ranging from HKD50.4 to HKD83.2 per sq.ft. per month on the basis of effective saleable area.

The following table sets forth the details of the adopted comparables:–

	Comparable 1	Comparable 2	Comparable 3
Development	Howard Factory Building	Wing Hong Factory Building	Lemmi Centre
Address	No. 66 Tsun Yip Street	Nos. 18-26 Kwai Fung Crescent	No. 50 Hoi Yuen Road
Year of Completion	1980	1980	1996
Floor	G/F	G/F	G/F
Unit	Unit A1	Unit 1	Unit 2
Effective Saleable Area (sq.ft.)	1,169	1,047	1,700
Nature	Lease	Tenancy Agreement	Tenancy Agreement
Date of Instrument	21 September 2022	24 June 2022	16 March 2022
Effective Rent (HKD/month)	97,222	52,800	88,331
Effective Saleable Unit Rent (HKD/sq.ft./month)	83.2	50.4	52.0

Adjustments in terms of different aspects, including time, location, building age, floor level, size, building quality, outgoings and lease term, have been made to the unit rents of the adopted comparables. After due adjustments in terms of the aforesaid aspects, the adjusted unit rents of the adopted comparables are ranging from HKD55.5 to HKD92.0 per sq.ft. per month on the basis of effective saleable area and the adopted unit rent of Property 2 is HKD71.0 per sq.ft. per month on the basis of effective saleable area.

The Market Rent of Property 2 is assessed at HKD66,800 per month exclusive of government rent, rates and management fee. The effective rent under the subject tenancy agreement is considered as in line with the effective Market Rent.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN THE COMPANY

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors (“**Model Code**”) as set out in Appendix 10 to the Listing Rules were as follows:

Name of Director	Capacity	Long position/ short position	Number of ordinary Shares held	Approximate percentage of shareholding in the Company
Mr. She Siu Kee William	Interest of controlled corporation (<i>Note 1</i>)	Long position	313,125,000	56.93%
	Beneficial owner	Long position	1,584,000	0.29%
Mr. Chong Cheuk Ki	Interest of controlled corporation (<i>Note 1</i>)	Long position	313,125,000	56.93%
	Interest of spouse (<i>Note 2</i>)	Long position	712,000	0.13%
Mr. Leung Wai Ming	Interest of controlled corporation (<i>Note 1</i>)	Long position	313,125,000	56.93%

Notes:

1. 313,125,000 Shares are held by eprint. eprint is held as to 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung (collectively, the “**Concerted Shareholders**”) respectively. Pursuant to the deed of confirmation dated 2 July 2013 (the “**Deed of Confirmation**”), each of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung has agreed to jointly control their respective interests in the Company. Accordingly, eprint shall be accustomed to act in accordance with joint instructions of the Concerted Shareholders. Hence, each of the Concerted Shareholders is deemed to be interested in all the Shares held by eprint by virtue of the SFO.
2. Mr. Chong is deemed to be interested in 712,000 Shares held by his spouse, Ms. Yip Fei.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to, or can be ascertained after reasonable enquiry by, the Directors, none of the Directors or chief executives of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules.

As at the Latest Practicable Date, so far as was known to the Directors, Mr. She is a director of eprint. Save as disclosed above, none of the Directors is a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into, or proposed to enter into, a service contract with any member of the Group excluding contracts expiring or determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, the Directors were not aware that any of the Directors and their respective close associates has interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

5. DIRECTORS' INTEREST IN ASSETS OR CONTRACTS

As at the Latest Practicable Date, none of the Directors of the Company had any interest in any assets which have been since 31 March 2022 (being the date to which the latest published audited accounts of the Group were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors is materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group, save for the 2023 Tenancy Agreements.

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2022, being the date of the latest published audited financial statements of the Company.

7. EXPERTS AND CONSENT

The following is the qualification of the experts who has given opinion and/or advice, which is contained in this circular:

Name	Qualification
Grande Capital Limited	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Vincorn Consulting and Appraisal Limited	Independent professional valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and/or opinion (as the case may be) and all references to its name in the form and context in which it appears.

As at the Latest Practicable Date, each of the above experts did not have any shareholding, direct or indirect in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group. Each of the above experts did not have any interest, either direct or indirect, in any assets which have been acquired, disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2022, being the date of the latest published audited financial statements of the Company.

8. DOCUMENTS ON DISPLAY

Copies of the following documents will be available on the website of the Stock Exchange (<http://www.hkexnews.hk>) and on the website of the Company (<https://www.e-print.com.hk/>) for a period of 14 days from the date of this circular:

- (a) the 2023 Tenancy Agreements;
- (b) the letter from the Board, the text of which is set out on pages 6 to 21 of this circular;
- (c) the letter from the Independent Board Committee, the text of which is set out on pages 22 to 23 of this circular;
- (d) the letter from the Independent Financial Adviser, the text of which is set out on pages 24 to 36 of this circular;
- (e) the Valuation Report issued by the Independent Valuer, the text of which is set out in Appendix I to this circular; and
- (f) the written consent of the experts referred to in the paragraph headed “Experts and Consent” in this appendix.

NOTICE OF EGM



eprint GROUP LIMITED eprint 集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1884)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of eprint Group Limited (the “**Company**”) will be held at Units A & B, 4/F, Phase 3, Kwun Tong Industrial Centre, 448-458 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong on Monday, 6 March 2023 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company (unless otherwise indicated, capitalised terms used in this notice have the same meanings as those defined in the circular of the Company dated 17 February 2023 (the “**Circular**”)):

ORDINARY RESOLUTION

1. “**THAT**
 - a. the following tenancy agreements dated 11 January 2023 (the “**2023 Tenancy Agreements**”):
 - i. the tenancy agreements entered into between (i) CTP Limited (“**CTP**”), King Profit International Limited, Profit More Rich Limited, Promise Properties Limited and VVV Limited as landlords, and (ii) Lucky Gainer Limited and Promise Network Printing Limited, wholly-owned subsidiaries of the Company, as tenants, copies of which are tabled at the Meeting and marked “**A1**” and initialed by the chairman of the Meeting for identification purpose, for the leasing of a number of properties located in Kwun Tong Industrial Centre and one property in Chai Wan be and are hereby approved, confirmed and ratified;
 - ii. the tenancy agreement entered into between CTP, as landlord, and e-banner Limited, a subsidiary owned as to 51% by the Company, as tenant, copy of which is tabled at the Meeting and marked “**A2**” and initialed by the chairman of the Meeting for identification purpose, for the leasing of a property located in Kwun Tong Industrial Centre be and is hereby approved, confirmed and ratified; and

NOTICE OF EGM

- b. any one director of the Company be and is hereby authorized to do all such acts or things and sign all documents deemed necessary by him to be incidental to, ancillary to or in connection with the matters contemplated under the 2023 Tenancy Agreements.”

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

Hong Kong, 17 February 2023

Notes:

1. For the purpose of determining the identity of the Shareholders entitled to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 28 February 2023 to Monday, 6 March 2023, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company’s branch Share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 27 February 2023.
2. Any member of the Company entitled to attend and vote at the meeting convened by this notice shall be entitled to appoint proxy to attend and vote in his stead in accordance with the articles of association of the Company. A proxy need not be a member of the Company but must be present in person to represent the member.
3. A form of proxy for use at the meeting is enclosed.
4. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or any adjournment thereof should they so wish.
5. As at the date of this notice, the Board comprises two executive Directors, namely Mr. She Siu Kee, William (Chairman) and Mr. Chong Cheuk Ki; one non-executive Director, namely Mr. Leung Wai Ming and three independent non-executive Directors, namely Mr. Poon Chun Wai, Mr. Fu Chung and Mr. Ma Siu Kit.
6. **In light of the epidemic situation of COVID-19, Shareholders may consider appointing the chairman of the meeting as his/her proxy to vote on the resolution, instead of attending the meeting in person.**