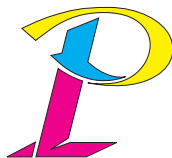


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Prosperous Printing Company Limited

萬里印刷有限公司

(incorporated in Hong Kong with limited liability)

(Stock code: 8385)

VOLUNTARY ANNOUNCEMENT ENTERING INTO MEMORANDUM OF JV COOPERATION

This announcement is made by Prosperous Printing Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide the shareholders (the “**Shareholders**”) and potential investors of the Company with updated information in relation to the latest business development of the Group.

MEMORANDUM OF JV COOPERATION

The board of directors of the Company (the “**Board**”) is pleased to announce that, considering that both the Company and 3DPRO (Shanghai) Technology Co., Ltd. (“**3DPRO**”) recognized the broad prospects for wide application of the industrial-grade FDM (Fused Deposition Modelling) 3D printing technology, on 22 July 2021 (after trading hours), both parties entered into a memorandum of joint venture cooperation (the “**Memorandum**”), representing the parties’ intention to jointly invest in and establish a joint venture (the “**Joint Venture**”) to engage in the research and development, manufacturing, promotion, and sales and marketing of 3D printing equipment, its consumables and other related products (the “**JV Cooperation**”).

According to the Memorandum, the Company will hold a majority of controlling interests in the Joint Venture following its establishment, while 3DPRO will be responsible for the daily operation of the Joint Venture.

The Company will conduct due diligence on 3DPRO within 90 days from the date of signing of the Memorandum. Upon completion of the due diligence to the satisfaction of the Company, the Company will enter into a formal joint venture cooperation agreement with 3DPRO to agree on the detailed terms of the JV Cooperation.

ABOUT 3DPRO

According to the information provided by 3DPRO, as at the date of this announcement, Mr. Xu Jianhui is the controlling shareholder of 3DPRO, holding 54.83% of the shares of 3DPRO. Mr. Xu Jianhui is the founder of 3DPRO. He graduated from Beihang University and has held various positions including the vice president of Shanghai Additive Manufacturing Association. He has extensive experience and accumulated resources in the polyetheretherketone (“PEEK”) 3D printing industry.

3DPRO is a company incorporated in the PRC with limited liability, which has been focusing on 3D printing business since its establishment in 2006, and is a PEEK 3D application solution provider. As a high-tech enterprise in Shanghai, 3DPRO has been insisting on independent innovation, and currently owns more than 40 patents and software copyrights.

Save as disclosed above, to the best of knowledge, information and belief of directors of the Company having made all reasonable inquiries, 3DPRO and its controlling shareholders are third parties independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”)).

REASONS FOR THE JV COOPERATION

The Group is principally engaged in the production and trading of books and paper products, and it has established factories in Shenzhen and Hong Kong to provide printing products for international publishers all over the world including the U.S., the U.K., Australia and Europe.

Affected by COVID-19 and the uncertainty of the global economy as a whole, the Group’s sales orders decreased and the Group recorded a net loss of HK\$4.2 million for the first quarter ended 31 March 2021. The Board and management of the Group have been actively seeking new business development opportunities.

Considering that 3DPRO owns many patents of 3D printing inventions and has mastered the leading PEEK (a high-performance special engineering plastics) 3D printing technology and process, its products can be widely used in various industries and possess promising market prospect, and the Board believes that if the JV Cooperation is materialized, relying on the core technology of 3DPRO and the extensive marketing experience of the Company, the Group can upgrade its printing equipment, enhance the scientific and technological attributes of its printing products, and expand the customer coverage of PEEK 3D printing, thereby improving the financial results of the Company.

GENERAL INFORMATION

As at the date of this announcement, the terms and conditions of the JV Cooperation are in the process of negotiation, and no legally binding agreement has been entered into. The JV Cooperation, if materialized, may constitute a notifiable transaction for the Company under the GEM Listing Rules. Further announcement(s) will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

As the JV Cooperation may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Prosperous Printing Company Limited
Lam Sam Ming
Executive Director

Hong Kong, 22 July 2021

As at the date of this announcement, the executive Directors are Mr. Lam Sam Ming, Ms. Chan Sau Po and Ms. Yao Yuan; and the independent non-executive Directors are Ms. Cheung Yin, Mr. Wong Hei Chiu and Mr. Leung Vincent Gar-Gene.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, the information contained in this announcement 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 announcement misleading.

This announcement will remain on the GEM website (www.hkgem.com) on the “Latest Company Announcements” page for at least seven days from the day of its posting. This announcement will also be published on the Company’s website at www.prosperous-printing-group.com.hk.