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## SunCorp Technologies Limited

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1063)

### **ACQUISITION OF RIGHT-OF-USE ASSETS DISCLOSEABLE TRANSACTION IN RELATION TO A NEW LEASE AGREEMENT**

#### **THE NEW LEASE**

The Board announces that on 2 June 2020, Cashcow, an indirect wholly-owned subsidiary of the Company, entered into the New Lease as tenant with the Landlord, an Independent Third Party, as landlord in respect of the lease of the Premises for a term of three years and eight months commencing from 1 January 2021 to 31 August 2024 (both days inclusive) for the use as commercial office premises of the Group.

#### **LISTING RULES IMPLICATIONS**

As one or more than one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the New Lease is more than 5% and below 25%, the New Lease constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirements but exempt from Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

The Board announces that on 2 June 2020, Cashcow, an indirect wholly-owned subsidiary of the Company, entered into the New Lease as tenant with the Landlord, an Independent Third Party, as landlord in respect of leasing the Premises for a term of three years and eight months commencing from 1 January 2021 to 31 August 2024 (both days inclusive) for the use as commercial office premises of the Group.

## **KEY TERMS OF THE NEW LEASE**

Date:	2 June 2020
Parties:	(i) The Center (23) Limited, an Independent Third Party, as the landlord  (ii) Cashcow Finance (HK) Limited, an indirect wholly-owned subsidiary of the Company, as the tenant
Premises:	Unit 2305, 23/F, The Center, 99 Queen's Road Central, Hong Kong
Term:	Three years and eight months commencing on 1 January 2021 and expiring on 31 August 2024 (both days inclusive)
Use:	The tenant shall use the Premises solely for commerce office purpose
Total rental payable:	The aggregate rental payable under the New Lease is approximately HK\$4,200,000
Rates:	The tenant shall pay rates charged on the Premises as assessed by the government of Hong Kong
Security deposit:	Cash deposit of approximately HK\$420,000
Option to renew:	The tenant shall have an option to renew the lease for a further term of two years from the expiration of the term at the then prevailing open market rent

The monthly rent payment, the security deposit and the stamp duty will be paid through the Group's internal source of funding.

## **RIGHT-OF-USE ASSETS**

Pursuant to HKFRS 16, the tenancy of the Premises will be recognized as right-of-use assets for an amount of approximately HK\$3.7 million, which is calculated with reference to the present value of the aggregated lease payments to be made under the New Lease.

## **REASONS FOR AND BENEFITS OF THE NEW LEASE**

The Company is an investment holding company and its subsidiaries are principally engaged in the sales and marketing of telephones and related components, processing and trading of used computer-related components, provision of brokerage, placing and underwriting services, money lending service and B2B cross-border e-commerce business.

The Group is currently leasing office premises located in Sheung Wan for its brokerage and money lending business, which will be expired on 15 March 2021. In evaluating the options of renewal of tenancy or leasing a new office, the Directors consider that (i) the Premises are located in the heart of the commercial zone in Hong Kong Island which is a well-developed central business district; and (ii) the monthly rental per square feet of gross floor area of the Premises is lower than the existing office. The Directors consider it is beneficial to enter into the New Lease for use as commercial office of the Group, which will facilitate the future expansion and growth of the businesses of the Group and the location of the Premises is easily accessible by transportation by both our corporate and individual clients.

The terms of the New Lease, including but not limited to the rental charge, were determined after arm's length negotiations between the parties and with reference to the open market rent of comparable office properties. The entering into of the New Lease is necessary for continuing the operation of business of the Group for use as office premises and is in the ordinary and usual course of business of the Group. Therefore, the Board considers that the terms of the Lease Agreement are on normal commercial terms and fair and reasonable and entering into of the New Lease is in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE PARTIES**

### **Cashcow**

Cashcow Finance (HK) Limited is a limited liability company incorporated under the laws of Hong Kong on 18 September 2014, which is an indirect wholly-owned subsidiary of the Company. Cashcow is principally engaged in the money lending business.

### **The Landlord**

The Center (23) Limited is a limited liability company incorporated in British Virgin Islands. The principal activity of the Landlord is property investments. The Landlord, its ultimate beneficial owners and its respective associates are Independent Third Parties.

## **LISTING RULES IMPLICATIONS**

As one or more than one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the New Lease is more than 5% and below 25%, the New Lease constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirements but exempt from Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Board”	the board of Directors
“Cashcow”	Cashcow Finance (HK) Limited, a limited liability company incorporated under the laws of Hong Kong, and an indirect wholly-owned subsidiary of the Company
“Company”	SunCorp Technologies Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standards 16 “Leases” which includes standards and interpretations promulgated 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 Third Party”	any person or company and their respective ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is not connected persons of the Company and is third party independent of the Company and its connected persons in accordance with the Listing Rules
“Landlord”	The Center (23) Limited, a limited liability company incorporated in British Virgin Island, which is an Independent Third Party and the landlord of the Premises under the New Lease
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time

“New Lease”	a lease agreement dated 2 June 2020 entered into between Cashcow as the tenant and the Landlord as the landlord in relation to the lease of the Premises
“Premises”	Unit 2305, 23/F, The Center, 99 Queen’s Road Central, Hong Kong
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.006 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**SunCorp Technologies Limited**  
**Zhu Yuqi**  
*Executive Director*

Hong Kong, 2 June 2020

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Malcolm Stephen Jacobs-Paton and Mr. Zhu Yuqi and three independent non-executive Directors, namely Ms. Lu Bei Lin, Mr. Man Yuan and Mr. Ma Kin Ling.*