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## **COMPUTIME GROUP LIMITED**

**金寶通集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 320)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO THE RENEWAL OF THE LEASE AGREEMENTS**

#### **RENEWAL OF THE LEASE AGREEMENTS**

The Board announces that on 3 January 2024 (after trading hours), Computime Limited, an indirect wholly-owned subsidiary of the Company, as Tenant entered into the 2024 Lease Agreement with the Landlord in respect of the renewal of the Lease Agreements for a term of three years commencing from 11 January 2024 to 10 January 2027 for use as the offices of the Group.

#### **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to HKFRS 16, the Group needs to recognise the right-of-use asset in connection with the lease in the consolidated financial statements of the Company when entering into a lease transaction as a lessee. The entering into the 2024 Lease Agreement by the Group as the Tenant will be regarded as an acquisition of asset under the definition of transaction as set out in Rule 14.04(1)(a) of the Listing Rules.

As one or more applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) calculated based on the value of the right-of-use asset recognised by the Company for the transaction contemplated under the 2024 Lease Agreement is more than 5% but less than 25%, such transaction constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## INTRODUCTION

The Board announces that on 3 January 2024 (after trading hours), Computime Limited, an indirect wholly-owned subsidiary of the Company, as the Tenant entered into the 2024 Lease Agreement with the Landlord in respect of the renewal of the Lease Agreements for a term of three years commencing from 11 January 2024 to 10 January 2027 for use as the offices of the Group.

## 2024 LEASE AGREEMENT

<b>Date:</b>	3 January 2024
<b>The Landlord:</b>	Hong Kong Science and Technology Parks Corporation, owned by the Government of the Hong Kong Special Administrative Region.  To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Landlord and its ultimate beneficial owners are Independent Third Parties.
<b>The Tenant:</b>	Computime Limited, an indirect wholly-owned subsidiary of the Company.
<b>The Premises:</b>	Unit 309 to 313 of the 3rd Floor of Building 12W, Phase Three, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong; and  Unit 601 to 603 and 605 of the 6th Floor of Building 20E, Phase Three, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong.  The users of the Premises will be the Tenant and the Group.
<b>Terms:</b>	Three years commencing from 11 January 2024 to 10 January 2027.
<b>The aggregate value of consideration payable:</b>	The aggregate value of consideration payable under the 2024 Lease Agreement by the Tenant is HK\$31,973,257.44, which will be satisfied by internal resources of the Group.

<b>Basis of determination of rental payments:</b>	The rent under the 2024 Lease Agreement is determined after arm's length negotiations between the Landlord and the Tenant, after taking into consideration the prevailing market price for comparable premises in the vicinity of the Premises.
<b>Payable term:</b>	The monthly rental and service charges shall be payable monthly on the first day of each calendar month.
<b>Deposit:</b>	On the date of signing of the 2024 Lease Agreement, the Tenant shall pay an amount of HK\$2,664,438.12 as required under the 2024 Lease Agreement as deposit.

## **THE RIGHT-OF-USE ASSET**

The value of the right-of-use asset recognised by the Company under the 2024 Lease Agreement amounted to approximately HK\$21 million, which is the present value of aggregated lease payments less incentives (if any), in accordance with HKFRS 16. Discount rate of 5.94% is applied to compute the present value of aggregate lease payments less incentives (if any) under the 2024 Lease Agreement.

## **INFORMATION OF THE COMPANY, THE GROUP, THE LANDLORD AND THE TENANT**

The Company is a company incorporated under the laws of the Cayman Islands with limited liability and is principally engaged in investment holding. The Group is principally engaged in the research and development, manufacture, sales, and brand management of electronic control products, focusing on smart and sustainable living.

The Landlord is a corporation formed under the Hong Kong Science and Technology Parks Corporation Ordinance (Chapter 565 of Hong Kong laws) and is principally engaged in incubating innovation enterprises and fostering entrepreneurship.

The Tenant is a company incorporated under the laws of the Hong Kong with limited liability and is principally engaged in investment holding, research and development, design, manufacture and trading of electronic control products. The Tenant is an indirect wholly-owned subsidiary of the Company.

**REASONS FOR ENTERING INTO THE 2024 LEASE AGREEMENT**

The Tenant has been currently leasing the Premises as the offices, and the leasing term of the existing Lease Agreements will be expired on 10 January 2024. The entering into the 2024 Lease Agreement for the renewal of the lease of the Premises is necessary for the continuing of the business operation of the Group. The Premises will be used as the offices of the Group.

On the basis of the foregoing, the Board considers that the terms of the 2024 Lease Agreement are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

**IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to HKFRS 16, the Group needs to recognise the right-of-use asset in connection with the lease in the consolidated financial statements of the Company when entering into a lease transaction as a lessee. The entering into the 2024 Lease Agreement by the Group as Tenant will be regarded as an acquisition of asset under the definition of transaction as set out in Rule 14.04(1)(a) of the Listing Rules.

As one or more applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) calculated based on the value of the right-of-use asset recognised by the Company for the transaction contemplated under the 2024 Lease Agreement is more than 5% but less than 25%, such transaction constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**DEFINITION**

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

- “2024 Lease Agreement”                    the lease agreement dated 3 January 2024 entered into between the Tenant and the Landlord in relation to the renewal of the Lease Agreements
- “Board”                                        board of Directors
- “Company”                                    Computime Group Limited (stock code: 320), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange

“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	a party independent of and not connected with the Company and its connected persons
“Landlord”	the landlord as more particularly set out under the sub- heading “The Landlord” in the section headed “2024 Lease Agreement” in this announcement
“Lease Agreements”	the two existing lease agreements dated 22 January 2021 and 25 March 2022 entered into between the Tenant and the Landlord in relation to the renewal of the lease and the lease of the Premises, respectively
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Premises”	the premises as more particularly set out under the sub- heading “The Premises” in the section headed “2024 Lease Agreement” in this announcement
“Shareholder(s)”	the holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenant”	the tenant as more particularly set out under the sub-heading “The Tenant” in the section headed “2024 Lease Agreement” in this announcement
“%”	per cent

By Order of the Board  
**Computime Group Limited**  
**AUYANG Pak Hong Bernard**  
*Chairman and Chief Executive Officer*

Hong Kong, 3 January 2024

As at the date of this announcement, the directors of the Company are:

*Executive Directors:*

Mr. AUYANG Pak Hong Bernard (*Chairman and Chief Executive Officer*)  
Mr. WONG Wah Shun

*Non-executive Directors:*

Mr. KAM Chi Chiu, Anthony  
Mr. WONG Chun Kong

*Independent Non-executive Directors:*

Mr. HO Pak Chuen Patrick  
Mr. Roy KUAN  
Ms. LEE Shang Yuee Christabel  
Ms. MAY Man Yee Mariana

\* *For identification purposes only*