



嘉靈控股集團有限公司

Karin Technology Holdings Limited



(Incorporated in Bermuda on 30 August 2002)
(Company Registration Number 32514)

ENTRY INTO A 3-YEAR LEASE AT 8/F, 9/F AND 10/F, NO. 183 WAI YIP STREET, KWUN TONG KOWLOON, HONG KONG AS THE COMPANY'S NEW OFFICE PREMISES

1. INTRODUCTION

The Board of Directors of Karin Technology Holdings Limited (the “**Company**” or together with its subsidiaries, the “**Group**”) wishes to announce that Karin Electronics Supplies Company Limited (“**Karin Electronics**”) and New Spirit Technology Limited (“**NST**”), both are wholly-owned subsidiaries of the Company, have each signed a Letter of Offer respectively with Dragon Genius Enterprises Limited (the “**Landlord**”) in relation to the lease of the whole floors at 8/F, 9/F and 10/F of a building known as The Whitney which is situated at No. 183 Wai Yip Street, Kwun Tong, Kowloon (the “**Premises**”) as the new office premises of the Group (the “**Leases**”). The Landlord is unrelated to the Group.

2. RATIONALE FOR THE LEASES

The Group has internally assessed the utilization of the existing business premises (“**Karin Building**”) and concluded that it may not be work and cost efficient to continue to operate out of Karin Building having regard to, among others, the age and space of Karin Building, the business activities of the Group and its employee headcount in Hong Kong. The Premises would better meet the needs of the Group and the terms of the Leases are considered relatively competitive. Further, the entry into the Leases will afford the Group an option to either rent or sell the Karin Building to suitable parties in due course.

3. SALIENT INFORMATION OF THE LEASES

The Leases are for a term of three (3) years, commencing on 15 September 2021 and expiring on 14 September 2024 (both dates inclusive). The aggregate gross rental for the Leases over their term amounts to HK\$21.6 million and is based on a fixed monthly rate of HK\$600,000 per month. In addition to the gross rental, the Group shall also be responsible for building management fees, government rents, rates and utilities in respect of the Premises (“**Outgoing Payables**”).

The Landlord has also agreed to allow the Group to take possession of the Premises free of rent for about 3 months for each of the Leases (the “**Rent-Free Periods**”) but the Group shall be responsible for Outgoing Payables during the Rent-Free Periods.

The Group will fund the Leases as part of its normal operating activities and with bank borrowings if necessary.

4. INTERESTS IN THE LEASE

None of the Directors or controlling shareholders and their respective associates has any interest, direct or indirect, in the Lease, other than through their respective shareholdings (if any) in the Company.

5. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the Shares. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Wong Chi Cheung, Clarence
Financial Controller /Joint Company Secretary

31 May 2021