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VINCO FINANCIAL GROUP LIMITED

域高金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8340)

DISCLOSEABLE TRANSACTION IN RELATION TO RENEWAL OF LEASE AGREEMENT FOR AN EXISTING PREMISES

THE NEW LEASE AGREEMENT

On 11 December 2020, the Tenant (a wholly-owned subsidiary of the Company) and the Landlord entered into the New Lease Agreement for renewal of the Original Lease Agreement in respect of the Premises in Hong Kong. Prior to entering into the New Lease Agreement, the Tenant has been occupying the Premises as its principal place of business in Hong Kong.

IMPLICATIONS UNDER THE GEM LISTING RULES

In accordance with IFRS 16 “Leases”, the Group will recognize a right-of-use asset on its balance sheet in connection with the lease of the Premises under the New Lease Agreement. Accordingly, the entering into the New Lease Agreement by the Tenant will be regarded as an acquisition of a capital asset for the purposes of the GEM Listing Rules.

As one or more of the applicable ratios (as defined in the GEM Listing Rules) for the transaction contemplated under the New Lease Agreement exceeds 5% but less than 25%, such transaction constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

BACKGROUND

On 11 December 2020, the Tenant (a wholly-owned subsidiary of the Company) and the Landlord entered into the New Lease Agreement for renewal of the Original Lease Agreement in respect of the Premises in Hong Kong. Prior to entering into the New Lease Agreement, the Tenant has been occupying the Premises as its principal place of business in Hong Kong.

THE NEW LEASE AGREEMENT

Details of the principal terms of the New Lease Agreement are set out below:

Date of New Lease Agreement:	11 December 2020.
Parties:	(1) Vinco Capital Limited (a wholly-owned subsidiary of the Company); and (2) the Landlord.
Term:	Two years commencing from 28 January 2021 and expiring on 27 January 2023 (both dates inclusive).
Premises:	Unit 2610, 26/F, The Center, 99 Queen's Road Central, Hong Kong.
Total consideration payable:	The total consideration payable under the New Lease Agreement including the rent and the amount payable by the Tenant is approximately HK\$3,600,000. The rent under the New 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.
Termination:	The lease of the Premises will be terminated in accordance with the New Lease Agreement.

REASONS FOR AND BENEFITS OF ENTERING THE NEW LEASE AGREEMENT

The Group is principally engaged in the provision of financial services in Hong Kong.

The Group leased the Premises under the Original Lease Agreement as the current principal place of business in Hong Kong, which will expire on 27 January 2021. In evaluating the renewal of the lease agreement, the Directors consider that (i) the Group have already operated in the Premises under the Original Lease Agreement; (ii) the Group could save the relocation-related expenses if continue to remain in the Premises; (iii) the monthly rental of the Premises is fair and reasonable; and (iv) the entering of the New Lease Agreement will enable the Group to continue its business activities at the Premises.

The Directors considered that the transactions contemplated under the New Lease Agreement was entered into in the ordinary and usual course of business of the Group, and

the New Lease Agreement was entered into normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Lease Agreement were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

Information on the Group

The Company is an investment holding company and the Group is principally engaged in the provision of financial services in Hong Kong.

Information on the Landlord

The Center (26) Limited is an investment holding company. To the best knowledge and belief of the Company, the principal activities of The Center (26) Limited include property holding of premises on 26/F, The Center, 99 Queen's Road Central, Hong Kong.

To the best knowledge and belief of the Directors having made all reasonable enquiries, The Center (26) Limited and its ultimate beneficial owners are Independent Third Parties.

IMPLICATIONS UNDER THE GEM LISTING RULES

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DEFINITIONS

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

"Board"	the board of directors of the Company
"Company"	Vinco Financial Group Limited, an exempted company with limited liability under the Companies Law of the Cayman Islands and, the shares of which are listed on the GEM of the Stock Exchange (stock code: 8340)
"Directors"	the directors of the Company

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM on the Stock Exchange
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Independent Third Party(ies)”	person(s) who is (are) third party(ies) independent of the Company and connected persons of the Company
“Landlord”	The Center (26) Limited
“New Lease Agreement”	the new lease agreement entered into between Vinco Capital Limited and the Landlord for the renewal of lease of the Premises for 2 years commencing from 28 January 2021 to 27 January 2023
“Original Lease Agreement”	the original lease agreement entered into between Vinco Capital Limited and the Landlord for the lease of the Premises for 2 years commencing from 28 January 2019 to 27 January 2021
“Premises”	Unit 2610, 26/F, The Center, 99 Queen’s Road Central, Hong Kong
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenant”	Vinco Capital Limited
“Term”	2 years commencing from 28 January 2021
“HK\$” or “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
Vinco Financial Group Limited

Chung Ho Yan
Chairman

Hong Kong, 11 December 2020

As at the date of this announcement, the executive Directors are Mr. Chung Ho Yan and Mr. Lam Yick Hing; and the independent non-executive Directors are Mr. Lee Wing Lun, Mr. Tam King Ho, Howard and Mr. Law Chor Yam.

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 enquiries, confirmed 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 at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at <http://www.vinco.com.hk>.