King's Flair International (Holdings) Limited
科勁國際(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6822)

PROFIT WARNING

This announcement is made by King's Flair International (Holdings) Limited (the "**Company**", and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the Shareholders and potential investors of the Company that, based on the information currently available and the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 (the "**Reporting Period**") by the Board, the Group expects to record a loss of approximately HK$40 million for the Reporting Period as compared to a profit of approximately HK$3.4 million for the corresponding period in the previous year (the "**Previous Period**").

The downturn of the performance from profit to loss is mainly due to:

(i) a substantial increase in administrative expenses as a result of depreciation and other operating costs incurred during the Reporting Period following the commencement of the Group's nanofiber manufacturing operation at the Advanced Manufacturing Centre in Tseung Kwan O Industrial Estate;

(ii) a substantial decrease in other income, gains and losses from a gain of approximately HK$3.7 million for the Previous Period to a loss of approximately HK$6.8 million mainly as a result of a substantial increase in fair value losses on investment property held by the Group, increasing from approximately HK$4 million in Previous Period to approximately HK$16.9 million in the Reporting Period, driven by the current unfavourable conditions in the commercial and industrial real estate market; and

(iii) a decrease in revenue from approximately HK$334 million for the Previous Period to approximately HK$250 million for the Reporting Period mainly as a result of the uncertainties in the US tariffs and extended policies.

The Company is still in the process of finalising the Group's interim results for the six months ended 30 June 2025 (the "**Interim Results**") and the information contained in this announcement is only a preliminary assessment on the management accounts of the Group which has not been reviewed by the audit committee or the auditors of the Company. Shareholders and potential investors of the Company are advised to refer to the Interim Results which is expected to be released on or around 22 August 2025.

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
King's Flair International (Holdings) Limited
Dr. Wong Siu Wah
Chairman and Executive Director

Hong Kong, 12 August 2025

As at the date of this announcement, the Board comprised two executive directors, namely, Dr. Wong Siu Wah (Chairman and Chief Executive Officer) and Ms. Wong Fook Chi; and four independent non-executive directors, namely, Dr. Lau Kin Tak, Mr. Anthony Graeme Michaels, Ms. Leung Wai Ling, Wylie and Professor Shyy Wei.