Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

KRP Development Holdings Limited
嘉創房地產控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2421)

DISCLOSEABLE TRANSACTION
CONTRACTOR CONSTRUCTION CONTRACT

CONTRACTOR CONSTRUCTION CONTRACT

The Board hereby announces that on 2 September 2025 (after trading hours), Guangdong Jialang, an indirect wholly-owned subsidiary of the Company, as Principal, entered into the Contractor Construction Contract with Shenzhen Lighting Century, as Contractor, responsible for the Theme Park Night Tour Project, pursuant to which Guangdong Jialang agreed to engage Shenzhen Lighting Century to provide the Construction Work at a contract price of RMB23,800,000 (equivalent to approximately HK$26,180,000) (inclusive of tax), subject to adjustment according to the terms of the Contractor Construction Contract.

The Group intends to assume operation of the Theme Park and further invest in and develop its amenities and facilities to enhance its attractiveness and expand its scale. This initiative is expected not only to enrich the cultural and tourism offering of the Group, but also to create synergies with the Group's nearby residential properties.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the transaction contemplated under the Contractor Construction Contract exceeds 5% but is less than 25%, the transaction contemplated under the Contractor Construction Contract constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

Reference is made to the announcement of the Company dated 4 August 2025 (the "**Announcement**") in relation to the Lease Agreement entered into between the Landlord (as lessor) and Guangdong Jialang (as lessee) in relation to the Lease. As disclosed in the Announcement, Guangdong Jialang intends to further develop and operate the theme park, Long Feng Villa (龍鳳山莊) (the "**Theme Park**") which is situated on the Land, with the aim to diversifying its income stream and business investment, enhancing the value of adjacent properties and driving rental values and property sales in the area.

CONTRACTOR CONSTRUCTION CONTRACT

The principal terms of the Contractor Construction Contract is summarized as follows:

Date	:	2 September 2025 (after trading hours)
Parties	:	(i) Guangdong Jialang (as Principal); and (ii) Shenzhen Lighting Century (as Contractor)
Subject matter	:	The scope of the Construction Work provided by Shenzhen Lighting Century comprises of the construction drawing design, delivery, construction and installation of goods and equipment, along with the provision of training on system usage, operation, and maintenance, culminating in project completion and acceptance for all aspects of construction for the Theme Park Night Tour Project, which include but not limited to control systems, network infrastructure, interactive equipment, stage lighting, fog effects, fountains, water curtains, special effects equipment, customised installations, technical services and measure management

Contract price and consideration payable to Shenzhen Lighting Century	:	The total contract price of the Construction Work under the Contractor Construction Contract shall be RMB23,800,000 (equivalent to approximately HK$26,180,000) (inclusive of tax), which comprises (1) construction fees (inclusive of tax) of approximately RMB21,917,710 (equivalent to approximately HK$24,109,481) and (2) technical service fees and measures management cost (inclusive of tax) of approximately RMB1,882,290 (equivalent to approximately HK$2,070,519). The aforesaid contract price is subject to price adjustments which are (i) within the scope of the contract or (ii) outside the scope of the contract, in accordance with the terms of the Contractor Construction Contract. If the total contract price for the Construction Work (after accounting for price adjustments within the scope of the contract) equals or exceeds RMB23,800,000, the consideration which shall be payable and settled by Guangdong Jialang is capped at RMB23,800,000. Any amount exceeding this cap shall be borne by Shenzhen Lighting Century. If the total contract price for the Construction Work (after accounting for price adjustments within the scope of the contract) is less than RMB23,800,000, the consideration which shall be payable and settled by Guangdong Jialang is the actual amount incurred for the Construction Work. The price adjustments outside the scope of the contract (after being signed and confirmed by Guangdong Jialang and Shenzhen Lighting Century) shall be calculated based on the principle that Guangdong Jialang and Shenzhen Lighting Century shall bear 70% and 30% of such amount of price adjustment, respectively.
Expected completion	:	30 September 2025

Payment terms : Payment shall be made by the Principal to the Contractor in the following manner:

(1) First payment

After the Contractor's receipt of the Principal's notice of commencement of work, and within 10 days after the entry of construction personnel and auxiliary materials into the site, the Principal shall pay the amount of approximately RMB5,987,782 to the Contractor's designated account as the advance payment for goods (being 30% of the total contract price of the Construction Work (i.e. RMB7,140,000) minus the amount of approximately RMB1,152,218 already paid by the Contractor to the Principal under the basic utilities agreement entered into between the Contractor and the Principal).

(2) Second payment

After the contract value corresponding to the on-site goods and equipment has exceeded RMB7,140,000, the payment shall be made on a weekly basis for delivered goods and equipment. The Principal shall pay 40% of the contract price corresponding to the relevant goods and equipment actually delivered to Contractor's designated location.

(3) Completion and acceptance payment

After the Contractor completes the project installation and commissioning which has fulfilled the acceptance standard, the project will pass the final acceptance inspection and will be deemed qualified. The Principal shall pay 20% of the total contract price to the Contractor as the completion and acceptance payment (i.e. RMB4,760,000).

(4) Final settlement payment

Within 30 days of the provision of as-built drawing by the Contractor, both the Principal and the Contractor shall confirm the settlement amount and complete the relevant settlement procedures, after which the Principal shall pay up to 100% of the total settlement amount to the Contractor within 10 days thereafter.

BASIS OF DETERMINATION OF THE CONTRACT PRICE

The contract price of the Construction Work under the Contractor Construction Contract was determined with reference to (1) the Construction Work, (2) the various services required by the Principal in respect of the Construction Work, and (3) the prevailing market rate for carrying out the Construction Work through open tendering, which the Board considers to be fair and reasonable.

The Contractor Construction Contract was entered into through the Company's standard tender process with reference to the contract price, the Contractor's technical experience and competency, professional qualifications, business reputation, financial condition, response of the Contractor during tender process, plan of construction, project management abilities, etc. The contract price (and any adjustments) will be funded through the Group's internal resources.

It is a standard market practice for construction work of this nature to include potential adjustments to the contract sums, which must be mutually agreed upon by both the principal and the contractor. Should any of the contract price in the Contractor Construction Contract exceed an amount that results in the highest applicable percentage ratio, as defined under Rule 14.07 of the Listing Rules, equaling or exceeding 25% on a standalone or aggregated basis, the Company will reassess its compliance with the relevant requirements under Chapter 14 of the Listing Rules. A further announcement will be made by the Company as and when appropriate.

INFORMATION ON THE PARTIES

Information on the Company and Guangdong Jialang

The Company is an investment holding company and its subsidiaries are principally engaged in development and sales of residential properties in Dongguan, Huizhou and Foshan, the PRC. Guangdong Jialang is principally engaged in the management and operation of theme parks and the provision of integrated tourism and cultural services and solutions in the PRC.

Information on Shenzhen Lighting Century

Shenzhen Lighting Century is a limited liability company established in the PRC. Founded in 2014, Shenzhen Lighting Century is a leading cultural and creative industry team in the PRC, specialising in digital innovation. As one of the first teams in the PRC to enter the cultural tourism and night tourism industry, it possesses significant professional advantages and strong brand influence, serving as both witness to and participant in the industry's development.

Shenzhen Lighting Century is committed to "creating emotionally resonant cultural experiences through digital art," providing users with transcendent, immersive experiences that forge emotional connections to themes. Shenzhen Lighting Century produces digital cultural landmark works that seamlessly blend cultural value, experiential value, and economic value. With a team of over 100 cross-disciplinary creative professionals, it offers bespoke services including creative planning, design, direction, development, production, and execution, as well as original intellectual property product services.

Through its outstanding cultural creativity and experiential innovation capabilities, Shenzhen Lighting Century has created over 300 works distributed across major provinces and cities nationwide. Its works have been featured multiple times on China Central Television (CCTV) and showcased at international events, earning numerous industry-recognised certifications and gold awards for design and production. Shenzhen Lighting Century operates as a comprehensive one-stop service provider, offering end-to-end solutions including project planning, interactive research and development, film and television production, and implementation and operations.

As at the date of this announcement, Shenzhen Lighting Century is owned as to 70% by Shenzhen Yuli Century Venture Capital Co., Ltd.* (深圳市煜勵百年創投有限公司) ("**Shenzhen Yuli**"), 20% by Mr. Wang Ho (黃浩) and 10% by Ms. Lin Qiling (林啟玲). Shenzhen Yuli is owned as to 51% by Mr. Wang Ho and 49% by Ms. Lin Qiling.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Shenzhen Lighting Century and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS FROM THE CONTRACTOR CONSTRUCTION CONTRACT

The Group is a boutique residential property developer which is mainly engaged in the development and sales of residential properties in the developing residential markets in Dongguan, Huizhou and Foshan in the PRC. While property development remains its core business, the Group is also taking gradual steps to diversify into complementary business segments, with a view to broadening its income base and enhancing the value of its business portfolio over the long term.

Guangdong Jialang is principally engaged in the management and operation of theme parks and the provision of integrated tourism and cultural services and solutions in the PRC.

As disclosed in the Announcement, the Group intends to assume operation of the Theme Park and further invest in and develop its amenities and facilities to enhance its attractiveness and expand its scale. This initiative is expected not only to enrich the cultural and tourism offering of the Group, but also to create synergies with the Group's nearby residential properties.

The Theme Park Night Tour Project forms an integral part of this comprehensive development strategy, supporting the Group's strategic initiative to transform the Theme Park into a premier destination attraction. As part of the Group's commitment to enhancing attractiveness and expanding scale, the Theme Park Night Tour Project serves as an attraction that will demonstrate the Group's commitment to innovative tourism development and cultural preservation, whilst establishing a foundation for future themed attractions and cultural experiences in the Theme Park. In addition, the Board is of the view that the enhanced technical infrastructure after undertaking the Construction Work will enable the Company to deliver enhanced visitor experiences and diversify income streams through premium night tour experiences, thereby potentially enhancing and consolidating its financial performance, which is in line with the Group's overall development strategy. Furthermore, Shenzhen Lighting Century, a well-established engineering company, has been selected through a tender process. The Board is of the view that Shenzhen Lighting Century possesses the capability and experience to provide the Group with design and construction services that meet the specific requirements of the Theme Park Night Tour Project.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Contractor Construction Contract are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the transaction contemplated under the Contractor Construction Contract exceeds 5% but is less than 25%, the transaction contemplated under the Contractor Construction Contract constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

"Board"	the board of directors of the Company
"Company"	KRP Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 2421)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Construction Work"	all works performed by the Contractor for the design, construction and project completion and acceptance for the Theme Park Night Tour Project in accordance with the Contractor Construction Agreement
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"Guangdong Jialang" or "Principal"	Guangdong Jialang Cultural Tourism Development Co., Ltd.* (廣東嘉朗文化旅遊開發有限責任公司), a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of the Company
HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the PRC

"Land"	the plot of land known as the land on the back mountain adjacent to Guanjingtou Village in Dalong Industrial Zone, Fenggang Town, Dongguan City, the PRC with an area of 145,566.04 sq.m.
"Landlord"	Dongguan Longfa Industrial Investment Co., Ltd.* (東莞市龍發工業投資有限公司), a company established in the PRC with limited liability
"Lease"	the lease of the Land
"Lease Agreement"	the land lease agreement dated 4 August 2025 entered into between the Landlord as lessor and Guangdong Jialang as lessee in relation to the Lease
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	The People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"sq.m."	square meters
"Share(s)"	ordinary share(s) of HK$0.01 each in the issued share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen Lighting Century" or "Contractor"	Shenzhen Lighting Century Technology Limited* (深圳市光影百年科技有限公司), a company established in the PRC with limited liability
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Theme Park Night Tour Project"	Theme Park Lingnan Kungfu Culture Theme Night Tour Project* (龍鳳山莊嶺南功夫文化主題夜遊項目) which is located in Long Feng Villa Tourist Attraction in Dongguan City, Guangdong Province
"%"	per cent

* *For identification purposes only*

By Order of the Board
KRP Development Holdings Limited
Ho Wai Hon, Brian
Executive Director

Hong Kong, 2 September 2025

As at the date of this announcement, the executive Directors are Mr. Ho Man Chung, Mr. Ho Wai Hon, Brian, Ms. Yiu Yuet Fung and Mr. Zhu Nianhua; the non-executive Directors are Mr. Ho Cheuk Fai and Ms. Ho Man Yiu and the independent non-executive Directors are Mr. Choi Wai Hin, Mr. Yam Chung Shing and Ms. Leung Man Lai, Lily.

For the purposes of illustration only, any amount denominated in "RMB" in this announcement were translated into HK$ at the rate of RMB1.00 = HK$1.10. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.