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MIKO INTERNATIONAL HOLDINGS LIMITED
米格國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1247)

MAJOR AND CONNECTED TRANSACTION IN RELATION TO DISPOSAL OF A PROPERTY-HOLDING SUBSIDIARY

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

First Global Corporate Finance Co., Limited

THE DISPOSAL

On 2 December 2025 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the entire equity interest of the Target Company, at the Consideration of RMB75.7 million (equivalent to approximately HK$83.2 million).

Upon the Completion, the Company will cease to have any interests in the Target Company and the financial results and assets and liabilities of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

The Target Company is an indirect wholly-owned subsidiary of the Company. The Target Company is established as a property holding company of the Group which solely owns the Properties. The Properties comprise an industrial complex and some ancillary buildings erected on a parcel of industrial land located at Jinjiang City, Quanzhou, Fujian Province, the PRC. The Properties have a site area of approximately 20,575.80 sq.m. and have a gross floor area of buildings of approximately 42,720.47 sq.m.. As at the date of the Sale and Purchase Agreement, part of the Properties was leased to Independent Third Parties while the remaining portion of the Properties (the "Relevant Properties") was leased by Red Kids (China), an indirect wholly-owned subsidiary of the Company, and used by the Group for its business operation and office use.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 25% and all applicable percentage ratios are less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under the Listing Rules.

As at the date of this announcement, (1) Mr. Ding, who was the executive Director and Chairman of the Board of the Company, through his wholly-owned Company and himself, held in aggregate 25,280,869 shares of the Company, representing approximately 11.42% of the issued share capital of the Company, and hence was a connected person under the Listing Rules; and (2) the Purchaser is directly wholly-owned by Mr. Ding and hence was an associate of Mr. Ding pursuant to Chapter 14A of the Listing Rules. As such, the Disposal constitutes a connected transaction of the Company. As one or more of the applicable percentage ratios (within the meaning of the Listing Rules) in respect of the Disposal are more than 5% and the Consideration payable under the Sale and Purchase Agreement is more than HK$10,000,000, the Disposal shall be subject to the reporting, annual review and announcement requirements, as well as the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

Mr. Ding, being an executive Director and the Chairman of the Board of the Company, has abstained from voting on the board resolutions in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder. Other than the aforementioned, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, none of the remaining Directors has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and is required to abstain from voting on the board resolutions approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder. Mr. Ding, who through his wholly-owned company and himself, held in aggregate 25,280,869 Shares of the Company, will abstain from voting in the EGM. Other than the aforementioned, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or its/his/her associate(s) has a material interest in the Sales and Purchase Agreement and the transactions contemplated thereunder and accordingly, no Shareholder is required to abstain from voting if the Company were to convene a Shareholders' meeting for approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information on the Disposal; (ii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; (iii) recommendation from the Independent Board Committee to the Independent Shareholders; (iv) the valuation report prepared by the independent valuer; (v) a notice of the EGM; and (vi) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 23 December 2025.

THE DISPOSAL

The Board is pleased to announce that on 2 December 2025 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the entire equity interest of the Target Company, at the Consideration of RMB75.7 million (equivalent to approximately HK$83.2 million).

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are as follows:

(1) Date:

2 December 2025 (after trading hours)

(2) Parties:

Vendor:

Red Kids Group (Hong Kong) Limited (紅孩兒集團(香港)有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company.

Purchaser:

Fujian Quanzhou Langyaoda Investment Company Limited* (福建泉州朗曜達投資有限公司), a company incorporated in the PRC with limited liability and directly wholly-owned by Mr. Ding. As at the date of this announcement, Mr. Ding was an executive Director and the Chairman of the Board of the Company.

(3) Subject matter:

Pursuant to the Sales and Purchase Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the entire equity interest of the Target Company, at the Consideration of RMB75.7 million (equivalent to approximately HK$83.2 million).

(4) Consideration and payment terms:

The Consideration is RMB75.7 million (equivalent to approximately HK$83.2 million). The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to, (i) the appraised value of the Properties as at 31 October 2025, as assessed by an independent valuer using market approach, which amounted to approximately RMB69.0 million; and (ii) the value of net assets of the Target Company (apart from the Properties) of approximately RMB6.7 million to be disposed of under the Disposal.

The independent valuer adopted the market approach by making reference to comparable market transactions in its assessment of the market value of a property interest. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors. The Directors have reviewed the assumptions adopted by the independent valuer and have been advised that the key assumptions adopted therein are commonly used in valuing similar companies. There are no irregularities noted by the Directors in relation to the quantitative inputs in such valuation. The Directors (excluding the independent non-executive Directors, who will provide their view in the circular after considering the letter from the Independent Financial Adviser) therefore consider that the key assumptions, quantitative inputs and methodology adopted in such valuation are fair and reasonable.

Further details of the valuation approach, methodology and assumptions will be set out in the relevant valuation report to be included in the circular of the Company to be despatched to the Shareholders in due course in respect of the Disposal.

(5) Condition Precedents and Completion of the Disposal:

Completion of the Disposal is conditional upon the satisfaction of, among others, the following conditions:

(a) the Vendor having obtained all necessary consents and/or authorisations required under any existing contractual arrangements or for the execution of the Sales and Purchase Agreement;

(b) the Purchaser having obtained all necessary consents and/or authorisations required under any existing contractual arrangements or for the execution of the Sales and Purchase Agreement; and

(c) the Sales and Purchase Agreement and the transactions contemplated thereunder having been approved by the Independent Shareholders at the EGM.

The above conditions cannot be waived and shall be satisfied on or before the long stop date of the Sales and Purchase Agreement, which shall be 6 months from the execution date of the Sales and Purchase Agreement. If any of the conditions is not satisfied on or before the long stop date, the Sale and Purchase Agreement shall lapse and be of no further effect.

Upon Completion, the Target Company will be owned as to 100% by the Purchaser and the Target Company will cease to be a subsidiary of the Company. The Company will cease to hold any shares of the Target Company and the financial results of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

(6) Undertaking provided by the Purchaser

Pursuant to the Sale and Purchase Agreement, after the Completion, the Purchaser shall not terminate the current lease entered into between the Target Company and Red Kids (China) and shall continue to let the Relevant Properties to the Group for its business operation and office use till 30 June 2027.

INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in the PRC with limited liability and directly wholly-owned by Mr. Ding, who is an executive Director and the Chairman of the Board of the Company. The Purchaser is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, there is, and in the past twelve months, there has been, no loan arrangement between (a) the Purchaser and/or any of his legal representatives who can exert influence on the transaction; and (b) the Company, any connected person at the Company's level and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the transaction).

INFORMATION ON THE VENDOR

The Vendor is an indirect wholly-owned subsidiary of the Company and is a property holding company. The Company is an investment holding company and the Group is principally engaged in (a) the wholesale business of design, manufacture and sales of children's apparel and other apparel related products; and (b) the supply chain management business of the Group which business scope covers the trading of bulk commodities in Mainland China.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company established on 11 December 2024 in the PRC with limited liability, which is an indirect wholly-owned subsidiary of the Company. The Target Company is established as a property-holding company of the Group which solely owns the Properties. For the purpose of internal reorganization of the Group, the Target Company was spun off from its original entity, Red Kids (China), a company incorporated in the PRC on 20 January 2000 with limited liability and an indirect wholly-owned subsidiary of the Company, in December 2024. Upon completion of the internal reorganization, the Group established a clearer operating structure as the Target Company holding the Properties as its key asset became a distinct entity while retaining the on-going business with Red Kids (China).

The unaudited net assets of the Target Company as at 30 June 2025 was approximately RMB37,136,000.

Set out below is a summary of the key financial data in relation to the Target Company based on its unaudited consolidated management account as at 31 October 2025:

	As at 31 October 2025 (Unaudited) *RMB'000*
Assets	
The Properties	28,764
Amount due from a Group company	6,265
Accounts receivables	502
Cash and cash equivalents	85
Total Assets	35,616
Less:	
Liabilities	(152)
Net Assets Value	35,464

INFORMATION OF THE PROPERTIES

The Properties comprise an industrial complex and some ancillary buildings erected on a parcel of industrial land located at Jinjiang City, Quanzhou, Fujian Province, the PRC. The Properties have a site area of approximately 20,575.80 sq.m. and have a gross floor area of buildings of approximately 42,720.47 sq.m.. As at the date of the Sale and Purchase Agreement, part of the Properties was leased to Independent Third Parties while the remaining portion of the Properties (the "**Relevant Properties**") was leased to Red Kids (China), an indirect wholly-owned subsidiary of the Company, and used by the Group for its business operation and office use. Rental income attributable to the Properties was RMB1,140,000 for the year ended 31 December 2023 and RMB1,161,000 for the year ended 31 December 2024, respectively.

The Properties were classified as property, plant and equipment in the accounts of the Group as at 31 December 2024 with an audited carrying value of approximately RMB32.5 million. As at 31 October 2025, the unaudited carrying value of the Properties was approximately RMB28.8 million. Based on the valuation of the Properties as at 31 October 2025 assessed by an independent valuer, the Properties are valued at approximately RMB69.0 million.

FINANCIAL EFFECT OF THE DISPOSAL AND THE USE OF PROCEEDS

Based on the Consideration of RMB75.7 million and the unaudited net asset value of the Target Company of approximately RMB35.5 million as at 31 October 2025, the Group expects to record a gain on Disposal of approximately RMB40.2 million upon Completion. The actual gain of the Disposal for the Group as at the Completion Date is subject to audit and therefore may be different from the amount mentioned above.

The net proceeds, being the Consideration net of relevant expenses, arising from the Disposal are estimated to be approximately RMB74.7 million and are expected to be used as the general working capital and business development of the Group.

REASONS AND BENEFITS OF THE DISPOSAL

Taking into consideration the prevailing property market conditions, the increasing competition and gloomy future outlook in the property market in the PRC, the Board believes that the Disposal will allow the Group to realise its investment in the Properties and apply the net proceeds for the general working capital and business development of the Group. Pursuant to the Sale and Purchase Agreement, after the Completion, the Purchaser shall continue to let the Relevant Properties to the Group till 30 June 2027 which will enable the Group to continue to keep its office and production base on the Relevant Properties to ensure stable and sustainable production and business operation.

Based on the above, the Board considers that the terms of the Sale and Purchase Agreement (including the Consideration) are on normal commercial terms and are fair and reasonable, and the entering into of the Sale and Purchase Agreement by the Vendor is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 25% and all applicable percentage ratios are less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under the Listing Rules.

As at the date of this announcement, (1) Mr. Ding, who was an executive Director and the Chairman of the Board of the Company, through his wholly-owned Company and himself, held in aggregate 25,280,869 Shares of the Company, representing approximately 11.42% of the issued share capital of the Company, and hence was a connected person under the Listing Rules; and (2) the Purchaser is directly wholly-owned by Mr. Ding and hence was an associate of Mr. Ding pursuant to Chapter 14A of the Listing Rules. As such, the Disposal constitutes a connected transaction of the Company. As one or more of the applicable percentage ratios (within the meaning of the Listing Rules) in respect of the Disposal are more than 5% and the Consideration payable under the Sale and Purchase Agreement is more than HK$10,000,000, the Disposal shall be subject to the reporting, annual review and announcement requirements, as well as the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

Mr. Ding, being an executive Director and the Chairman of the Board of the Company, has abstained from voting on the board resolutions in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder. Other than the aforementioned, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, none of the remaining Directors has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and is required to abstain from voting on the board resolutions approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder. Mr. Ding, who through his wholly-owned company and himself, held in aggregate 25,280,869 Shares of the Company, will abstain from voting in the EGM. Other than the aforementioned, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or its/his/her associate(s) has a material interest in the Sales and Purchase Agreement and the transactions contemplated thereunder and accordingly, no Shareholder is required to abstain from voting if the Company were to convene a Shareholders' meeting for approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information on the Disposal; (ii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; (iii) recommendation from the Independent Board Committee to the Independent Shareholders; (iv) the valuation report prepared by the independent valuer; (v) a notice of the EGM; and (vi) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 23 December 2025.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

"applicable percentage ratio(s)"	has the same meaning ascribed thereto in the Listing Rules
"associate(s)"	has the same meaning ascribed thereto in the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	a day from Monday to Friday, save and except a general holiday as defined under the General Holidays Ordinance (Cap.149) of the Laws of Hong Kong or a day on which typhoon signal No.8 or above or rain storm black warning is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
"China" or "PRC"	the People's Republic of China, but for the purpose of this circular and for geographical reference only and except where the context requires, references in this circular to "China" and "PRC" do not apply to Taiwan, Macau Special Administrative Region and Hong Kong

"Company"	Miko International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 1247)
"Completion"	completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
"Completion Date"	the date on which Completion shall take place
"connected person(s)"	has the same meaning ascribed thereto under the Listing Rules
"Consideration"	RMB75.7 million, being the consideration for the Properties payable by the Purchaser to the Vendor pursuant to the Sale and Purchase Agreement
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of the entire equity interest of the Target Company by the Vendor to the Purchaser pursuant to the terms of the Sale and Purchase Agreement
"EGM"	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Sale and Purchase Agreement and the transaction contemplated thereunder
"Group"	collectively, the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent committee of the Board comprising the independent non-executive Directors, which has been established for the purpose of advising the Independent Shareholders in respect of the Sales and Purchase Agreement and the transactions contemplated thereunder

"Independent Financial Adviser"	First Global Corporate Finance Co., Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Sales and Purchase Agreement and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders who do not have material interest in the transactions contemplated under the Sale and Purchase Agreement
"Independent Third Party(ies)"	third party(ies) independent of and not connected with the Company and its connected person(s)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Ding"	Mr. Ding Peiji, an executive Director and the Chairman of the Board the Company
"Properties"	comprise of an industrial complex located at No. 168 Chong Rong Street, Jinjiang City, Quanzhou, Fujian Province, the PRC, which possess a site area of approximately 20,575.80 sq.m. and has a gross floor area of buildings of approximately 42,720.47 sq.m.
"Purchaser"	Fujian Quanzhou Langyaoda Investment Company Limited* (福建泉州朗曜達投資有限公司), a company incorporated in the PRC with limited liability, which is directly wholly-owned by Mr. Ding
"Red Kids (China)"	Red Kids (China) Co., Ltd 紅孩兒(中國)有限公司, a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"Relevant Properties"	being part of the Properties, comprises of industrial factory units, office units and dormitory units of a total area of approximately 9,898.9 sq.m., currently leased by the Target Company to Red Kids (China) and used by the Group for its business operation and office use
"RMB"	Renminbi, the lawful currency of the PRC

"Sale and Purchase Agreement"	the sale and purchase agreement dated 2 December 2025 entered into between the Vendor and the Purchaser in relation to the Disposal
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	holder(s) of Share(s)
"sq. m."	square metres
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Quanzhou Hungyu Innovative Business Development Limited* (泉州紅隅科創產業發展有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"Vendor"	Red Kids Group (Hong Kong) Limited (紅孩兒集團(香港)有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"%"	per cent.

By order of the Board
Miko International Holdings Limited
Liu Min
Executive Director

Hong Kong, 2 December 2025

As at the date of this announcement, our executive Directors are Mr. Ding Peiji, Ms. Liu Min and Mr. Yu Jianjun; and our independent non-executive Directors are Mr. Ng Shing Kin, Mr. Chen Jun and Mr. Guo Zheng.

For the purpose of this announcement, unless otherwise specified, the conversion of RMB into HK$ is based on the approximate exchange rate from RMB1.00 to HK$0.91. The exchange rate is adopted for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rate at all.

* *For identification purpose only*