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## **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)**

# **MAJOR AND CONNECTED TRANSACTION DISPOSAL OF GOLDEN WELL VENTURES LIMITED**

## **THE DISPOSAL**

The Board wishes to announce that on 5 June 2026 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the Disposal Agreement, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Share and the Sale Debt representing the entire issued share capital of, and all amounts owing to the Vendor by, the Target Company, at the Consideration equivalent to HK\$92,000,000, which will be satisfied in cash.

## **LISTING RULES IMPLICATIONS**

As the Purchaser is wholly owned by Dr. Wong who is an executive Director, the Chief Executive Officer of the Group and the controlling shareholder of the Company, the Purchaser is a connected person of the Company and the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. In addition, as the highest percentage ratio calculated in accordance with the Listing Rules in respect of the Disposal exceeds 25% but all applicable percentage ratios are less than 75%, the Disposal also constitutes a major transaction for the Company under Chapter 14 of the Listing Rules. Accordingly, the Disposal is subject to reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

## **GENERAL**

A circular containing, among other things, (i) further details of the Disposal; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders on or before 29 June 2026.

**Shareholders and potential investors should note that as the Disposal Agreement is subject to the approval of the Independent Shareholders at the EGM, the Disposal may or may not proceed to Completion. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## **THE DISPOSAL AGREEMENT**

The Board wishes to announce that on 5 June 2026 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the Disposal Agreement, the principal terms of which are set out below.

### **Date**

5 June 2026 (after trading hours)

### **Parties**

Vendor: King's Flair Marketing Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company

Purchaser: Eagle Action Limited, a company incorporated in the BVI with limited liability which is wholly owned by Dr. Wong, an executive Director, the Chief Executive Officer and the controlling shareholder of the Company

## **Subject matter of the Disposal Agreement**

Pursuant to the Disposal Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Share and the Sale Debt free from encumbrances.

The Sale Share represents the entire issued share capital of and in the Target Company as at the date of the Disposal Agreement and at Completion. The Sale Debt represents the aggregate amount owing by the Target Company to the Vendor on Completion.

## **Consideration**

The total consideration for the Sale Share and Sale Debt is the aggregate of HK\$92,000,000 and the amount of the Net Current Asset Value, which shall be paid by the Purchaser on Completion.

Based on the unaudited management accounts of the Target Company for the period from 1 January 2026 to 30 April 2026 and that all cash of the Target Company shall be applied before Completion to pay down the amount owing to the Vendor, the Net Current Asset Value of the Target Company would be approximately HK\$90,000 and the Consideration would be approximately HK\$92,090,000.

The Consideration was determined after arm's length negotiation between the Purchaser and the Vendor with reference to the valuation of the Properties made by the Valuer of HK\$85,900,000 in vacant possession as at 31 December 2025 and the preliminary valuation of the Properties made by the Valuer of HK\$80,200,000 in vacant possession as at 30 April 2026, both adopting the market approach by making reference to comparable market transactions.

The executive Director, other than Dr. Wong who had abstained from voting on the relevant board resolution given the material interest he has in the Disposal (the independent non-executive Directors also having abstained from voting on the relevant board resolution pending advice of the Independent Financial Adviser), consider the Disposal to be in the interest of the Company and the terms of the Disposal Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## **Conditions precedent**

Pursuant to the Disposal Agreement, Completion shall be conditional upon the passing of the necessary resolution(s) by the Independent Shareholders at the EGM approving the Disposal Agreement and the transactions contemplated thereunder (the “**Condition Precedent**”).

If the Condition Precedent is not fulfilled on or before 31 August 2026 or such other date as the Vendor and the Purchaser may agree in writing, the Disposal Agreement shall automatically terminate and neither the Vendor nor the Purchaser shall have any claim against the other under the Disposal Agreement. The Condition Precedent cannot be waived by either party.

## **Completion**

Completion shall take place on the third (3rd) business day after the fulfilment of the Condition Precedent or such other date as the Vendor and the Purchaser may agree in writing.

## **INFORMATION OF THE COMPANY AND THE VENDOR**

The Company was incorporated in the Cayman Islands and its subsidiaries are principally engaged in trading of kitchenware and household products and raw materials including mainly silicone for certain of these products.

The Vendor, namely, King’s Flair Marketing Limited, is a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company.

## **INFORMATION OF THE PURCHASER**

The Purchaser, namely Eagle Action Limited, is a company incorporated in the BVI and is wholly owned by Dr. Wong, an executive Director, the Chief Executive Officer of the Group and the controlling shareholder of the Company.

## INFORMATION OF THE TARGET COMPANY AND THE PROPERTIES

The Target Company is a company incorporated in the BVI with limited liability. As at the date of the Disposal Agreement, its principal asset is the Properties and its sole activity is the leasing of the Properties. The Properties comprise the whole of the 14th Floor of Block C of Sea View Estate, No. 8 Watson Road, and Parking Space No.60 on the 1st Floor, Block B of the said Sea View Estate, Hong Kong. The said 14th Floor has gross floor area of approximately 12,000 square feet.

The Properties are currently leased to an independent third party of the Company under the Existing Tenancy Agreements for a term of 3 years commencing from 1 October 2023 and expiring on 30 September 2026 at an aggregate monthly rental of HK\$260,200, inclusive of management fees and government rent and rates which are payable by the Target Company.

The Properties are mortgaged to a financial institution as security for banking facilities granted to the Group.

The financial information of the Target Company for each of the two financial years ended 31 December 2024 and 31 December 2025 was as follows:

	<b>For the year ended 31 December</b>	
	<b>2024</b>	<b>2025</b>
	(audited)	(unaudited)
Loss before taxation	HK\$6,938,000	HK\$22,013,000
Loss after taxation	HK\$6,938,000	HK\$22,013,000

Based on the valuation of the Properties of HK\$109,800,000 as at 31 December 2024 and HK\$85,900,000 as at 31 December 2025, the net assets/(liabilities) of the Target Company amounted to approximately HK\$17,766,000 and HK\$(4,247,000) as at 31 December 2024 and 31 December 2025 respectively.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

The Group acquired the Properties in 2021 (details of which are set out in the three announcements of the Company dated 13 May 2021, 27 May 2021 and 21 July 2021, respectively), which was recorded as property, plant and equipment on the Group's financial statements and initially intended to be used as the Group's new head office after the expiry of the then existing tenancy. However, following the changes in the business environment and the intensified geopolitical tension that cast uncertainty over the Group's business prospects in recent years, the Group reassessed the use of the Properties as its new head office and redeployed the Properties as investment property for leasing purposes which generated steady recurring rental income for the Group.

The Directors are of the view that the Disposal presents an opportunity for the Group to realise its investment in the Properties and recoup cash resources to reduce its indebtedness, thereby also reducing finance costs of the Group, and strengthening the Group's financial position in the continual challenging business environment.

In view of the above, the executive Director, other than Dr. Wong who had abstained from voting on the relevant board resolution given the material interest he has in the Disposal (the independent non-executive Directors also having abstained from voting on the relevant board resolution pending advice of the Independent Financial Adviser), considers the Disposal to be in the interest of the Company and the terms of the Disposal Agreement, including the Consideration, are fair and reasonable and the entering into of the Disposal Agreement is in the interest of the Company and the Shareholders as a whole.

## **FINANCIAL EFFECTS OF THE DISPOSAL AND INTENDED USE OF PROCEEDS**

As at the date of this announcement, the Target Company is a wholly-owned subsidiary of the Company. Upon Completion, the Group will cease to own any interest in the Target Company and the financial results, assets and liabilities of the Target Company will no longer be included in the consolidated financial statements of the Group.

The Properties were classified as property, plant and equipment in the accounts of the Group as at 31 December 2025 with an audited carrying value of HK\$85,900,000, having to recognise (based on the valuation of the Properties as at 31 December 2025 assessed by the Valuer) a depreciation and an impairment loss of the Properties of approximately HK\$23,900,000 in the financial year ended 31 December 2025.

Based on the Consideration under the Disposal Agreement, the audited carrying value of the Properties of approximately HK\$85,900,000 as at 31 December 2025 and the related expenses for the Disposal of approximately HK\$550,000, the Group currently expects to record a gain on disposal of approximately HK\$5,550,000 upon Completion. The actual gain of the Disposal for the Group is subject to audit and therefore may be different from the amount mentioned above.

Based on the Consideration of approximately HK\$92,000,000 and the associated estimated direct cost of the Disposal of approximately HK\$550,000, the estimated net proceeds from the Disposal is approximately HK\$91,450,000. The Company intends to use the net proceeds from the Disposal: (i) as to approximately HK\$27,000,000, representing approximately 29.5% of the net proceeds, for repayment of bank loans by the Group; and (ii) as to approximately HK\$64,450,000, representing approximately 70.5% of the net proceeds, as general working capital of the Group.

## **LISTING RULES IMPLICATIONS**

As the Purchaser is wholly owned by Dr. Wong who is an executive Director, the Chief Executive Officer of the Group and the controlling shareholder of the Company, the Purchaser is a connected person of the Company and the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. In addition, as the highest percentage ratio calculated in accordance with the Listing Rules in respect of the Disposal exceeds 25% but all applicable percentage ratios are less than 75%, the Disposal also constitutes a major transaction for the Company under Chapter 14 of the Listing Rules. Accordingly, the Disposal is subject to reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

An Independent Board Committee has been established to provide recommendations to the Independent Shareholders on the Disposal Agreement and the transactions contemplated thereunder. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposal Agreement and the transactions contemplated thereunder.

## **EGM**

The EGM will be convened to consider and, if thought fit, approve the Disposal Agreement and the transactions contemplated thereunder by way of poll. Any Shareholders who are involved in or interested in the Disposal Agreement are required to abstain from voting on the relevant resolution approving the Disposal Agreement and the transactions contemplated thereunder.

As at the date of this announcement, Dr. Wong is indirectly interested in a total of 525,000,000 Shares (representing approximately 75% of the total issued share capital of the Company), of which (i) 420,000,000 Shares are held by City Concord Limited which is wholly owned by Dr. Wong; and (ii) 105,000,000 Shares are held by First Concord Limited, which is owned as to 60% by Dr. Wong and 40% by his spouse. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, save for the Purchaser, Dr. Wong and his spouse, no Shareholders or their respective close associates have any material interest in the Disposal Agreement and the transactions contemplated thereunder and are required to abstain from voting at the EGM on the resolution in relation to the Disposal Agreement and the transactions contemplated thereunder.

## GENERAL

A circular containing, among other things, (i) further details of the Disposal; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders on or before 29 June 2026.

**Shareholders and potential investors should note that as the Disposal Agreement is subject to the approval of the Independent Shareholders at the EGM, the Disposal may or may not proceed to Completion. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Board”	the board of Directors
“BVI”	British Virgin Islands
“Company”	King’s Flair International (Holdings) Limited (Stock Code: 6822), a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposal pursuant to the terms and conditions of the Disposal Agreement
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules

“Consideration”	the total consideration for the Sale Share and Sale Debt payable by the Purchaser pursuant to the terms and conditions of the Disposal Agreement
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Share and the Sale Debt by the Vendor to the Purchaser pursuant to the terms and conditions of the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement dated 5 June 2026 entered into between the Vendor and the Purchaser in relation to the Disposal
“Dr. Wong”	Dr. Wong Siu Wah, an executive Director, the Chief Executive Officer of the Group and the controlling shareholder of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to approve, among other things, the Disposal Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the independent committee of the Board comprising all independent non-executive Directors established to provide recommendation to the Independent Shareholders in relation to the Disposal Agreement and the transactions contemplated thereunder

“Independent Financial Adviser”	Pelican Financial Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposal Agreement and the transactions contemplated thereunder
“Independent Shareholder(s)”	Shareholder(s) other than Dr. Wong and his close associates
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Net Current Asset Value”	(A) the amount of all current assets of the Target Company as at Completion, comprising only of the following (if any) (i) prepayments of government rent and rates and management fee, utilities deposits and insurance premium taken out by the Target Company for the Properties; (ii) management fee deposits, sinking fund and similar amount in respect of the Properties; and (iii) rent and other receivables under the Tenancy Agreements; excluding deferred tax assets and (for the avoidance of doubt) the value of the Properties; less (B) the aggregate amount of all liabilities, including all provisions for taxation but excluding the Sale Debt, deferred tax liabilities, liabilities arising from any Government work orders and other matters relating to the condition of the Properties, of the Target Company as at Completion
“percentage ratios”	has the meaning ascribed to it under Rule 14.07 of the Listing Rules
“Properties”	the whole of the 14th Floor of Block C of Sea View Estate, No. 8 Watson Road and Parking Space No.60 on 1st Floor of Block B of the said Sea View Estate, Hong Kong

“Purchaser”	Eagle Action Limited, a company incorporated in the BVI with limited liability and is wholly-owned by Dr. Wong
“Sale Debt”	all amount owing by Target Company to the Vendor as at Completion
“Sale Share”	the sole issued share, representing the entire issued share capital of and in the Target Company as at the date of the Disposal Agreement and at Completion
“Shareholder(s)”	shareholder(s) of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Golden Well Ventures Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company prior to Completion
“Tenancy Agreements”	the two existing tenancy agreements in respect of the Properties (one in respect of 14th Floor of Block C and one in respect of Parking Space No. 60 on 1st Floor of Block B) both dated 29 September 2023 and both entered into between the Target Company and independent third party of the Company
“Valuer”	Royson Valuation Advisory Limited, an independent valuer
“Vendor”	King’s Flair Marketing Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company

“%”

per cent.

By Order of the Board  
**King's Flair International (Holdings) Limited**  
**Dr. Wong Siu Wah**  
*Chairman and Chief Executive Director*

Hong Kong, 5 June 2026

*As at the date of this announcement, the Board comprises 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, Professor Lau Kin Tak, Mr. Anthony Graeme Michaels, Ms. Leung Wai Ling, Wylie and Professor Shyy Wei.*