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**KFM KINGDOM HOLDINGS LIMITED**

**KFM 金德控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3816)**

## **CONTINUING CONNECTED TRANSACTIONS CONTRACT MANUFACTURING AGREEMENT**

### **THE CONTRACT MANUFACTURING AGREEMENT**

The Board wishes to announce that after trading hours on 24 July 2026, HHY and KPP(SZ) entered into the Contract Manufacturing Agreement, pursuant to which KPP(SZ) agreed to manufacture and supply, and HHY agreed to purchase, the Products during the term of the Contract Manufacturing Agreement.

### **IMPLICATIONS UNDER THE LISTING RULES**

HHY is a limited liability company established in the PRC and is indirectly owned as to 70% by Mr. Jack Sun, who is the son of Mr. Peter Sun, the chairman of the Board, an executive Director and one of the controlling Shareholders. As (i) Mr. Peter Sun is a connected person of the Company by virtue of being an executive Director; and (ii) Mr. Jack Sun indirectly owned 70% of HHY, in view of the relationship between Mr. Peter Sun and Mr. Jack Sun, HHY, being an associate of a connected person, was therefore a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the transactions contemplated under the Contract Manufacturing Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the proposed annual cap amounts for the transactions contemplated under the Contract Manufacturing Agreement exceed 0.1% but are less than 5%, the transactions contemplated under the Contract Manufacturing Agreement constitute non-exempt continuing connected transactions for the Company under Chapter 14A of the Listing Rules and are subject to reporting, announcement and annual review requirements but are exempt from independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## THE CONTRACT MANUFACTURING AGREEMENT

The Board wishes to announce that after trading hours on 24 July 2026, HHY and KPP(SZ) entered into the Contract Manufacturing Agreement, pursuant to which KPP(SZ) agreed to manufacture and supply, and HHY agreed to purchase, the Products during the term of the Contract Manufacturing Agreement. The principal terms of the Contract Manufacturing Agreement are set out below:

Date: 24 July 2026

Parties: (i) HHY (as customer); and  
(ii) KPP(SZ) (as supplier)

HHY is a limited liability company established in the PRC and is indirectly owned as to 70% by Mr. Jack Sun, who is the son of Mr. Peter Sun, the chairman of the Board, an executive Director and one of the controlling Shareholders.

Term: Three years commencing from 24 July 2026.

Subject matter: Pursuant to the Contract Manufacturing Agreement, KPP(SZ) agreed to manufacture and supply, and HHY agreed to purchase, the Products during the term of the Contract Manufacturing Agreement.

The price, quantity and specifications of the Products concerned, the time and place of delivery of the Products concerned and other relevant matters will be negotiated by the parties separately.

Pricing policy

The pricing of the Products concerned will be determined on a cost-plus basis, based on the then prevailing market prices of direct raw materials (including metal products and non-metal products) and labour costs required for the manufacturing of the Products concerned plus a reasonable profit margin. HHY will pay 12.5% material management costs for the non-metal products. There will be a 10% profit margin on top of the labour costs, and a 10% surcharge on process general and administrative expenses. KPP(SZ) shall ensure that the price of the Products that it charges HHY would be comparable to (and not less than) the price it offers to its other customer(s).

Historical figures:

As the manufacturing and supply of the Products by the Group to HHY only commenced in July 2025, historical figure is only available for the year ended 31 March 2026. Prior to that, no transaction of such nature was conducted between the Group and HHY. The following is the historical figure for the manufacturing and supply of the Products by the Group to HHY for the year ended 31 March 2026:

**For the year ended 31 March**  
**2026**  
*RMB'000*

3,100

Proposed annual cap amounts:

The Group estimates that the transactions contemplated under the Contract Manufacturing Agreement would not exceed the following annual cap amounts for the three years ending 31 March 2029 respectively:

| <b>For the year ending 31 March</b> |                |                |
|-------------------------------------|----------------|----------------|
| <b>2027</b>                         | <b>2028</b>    | <b>2029</b>    |
| <i>RMB'000</i>                      | <i>RMB'000</i> | <i>RMB'000</i> |

22,600

29,400

38,200

The above annual cap amounts were determined primarily with reference to (i) the historical transaction amount for the manufacturing and supply of the Products; (ii) the prevailing market prices of the Products under the Contract Manufacturing Agreement; and (iii) the expected demand of HHY for the Products during the term of the Contract Manufacturing Agreement.

The Directors consider that the proposed annual cap amounts for the three years ending 31 March 2029 under the Contract Manufacturing Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE GROUP AND KPP(SZ)**

The Company is an investment holding company. The Group is principally engaged in the manufacturing and sale of precision metal stamping products. KPP(SZ) is a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company, which is principally engaged in the manufacturing and sale of fine metal products in the PRC.

## **INFORMATION ON HHY**

HHY is a limited liability company established in the PRC which is principally engaged in the provision of data processing and storage support services. As at the date of this announcement, it was owned as to 40%, 30% and 30% by 精英才俊科技(深圳)有限公司 (Elite Talent Technology (Shenzhen) Company Limited\*) (“**Elite Talent**”), 引力奇點科技(深圳)有限公司 (Yinli Qidian Technology (Shenzhen) Company Limited\*) (“**Yinli Qidian**”) and 趙晉 (Zhao Jin). Quantum Frontier Holdings Limited, a company wholly-owned by Mr. Jack Sun, acquired 100% interest of (i) Elite Talent on 25 June 2026; and (ii) Yinli Qidian on 23 June 2026 respectively. As at the date of this announcement, each of Elite Talent and Yinli Qidian was indirectly wholly-owned by Mr. Jack Sun.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS CONTEMPLATED UNDER THE CONTRACT MANUFACTURING AGREEMENT**

HHY is principally engaged in the provision of data processing and storage support services. Therefore, HHY requires tape storage devices for its cloud storage. As the Group has increased engagement with customers in the network and data storage industry, it has the expertise and experience in manufacturing high-precision and durable components for data storage. The Directors consider that the entering into of the Contract Manufacturing Agreement will allow the Group to secure additional reliable customers engaged in the network and data storage industry, which would strengthen the visibility and market recognition of the Group's products.

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Contract Manufacturing Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group, and that the terms of the Contract Manufacturing Agreement and the proposed annual caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Although none of the Directors has direct interests in the Contract Manufacturing Agreement, having considered that Mr. Peter Sun is the father of Mr. Jack Sun, Mr. Peter Sun is deemed to be interested in the Contract Manufacturing Agreement. Save for Mr. Peter Sun, none of the Directors was interested in the transactions contemplated under the Contract Manufacturing Agreement, and therefore apart from Mr. Peter Sun, none of the Directors abstained from voting on the Board resolutions approving the Contract Manufacturing Agreement.

## **IMPLICATIONS UNDER THE LISTING RULES**

HHY is a limited liability company established in the PRC and is indirectly owned as to 70% by Mr. Jack Sun, who is the son of Mr. Peter Sun, the chairman of the Board, an executive Director and one of the controlling Shareholders. As (i) Mr. Peter Sun is a connected person of the Company by virtue of being an executive Director; and (ii) Mr. Jack Sun indirectly owned 70% of HHY, in view of the relationship between Mr. Peter Sun and Mr. Jack Sun, HHY, being an associate of a connected person, was therefore a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the transactions contemplated under the Contract Manufacturing Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

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## DEFINITIONS

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

|                                    |                                                                                                                                                                                                              |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “associate”                        | has the meaning ascribed to it under the Listing Rules                                                                                                                                                       |
| “Board”                            | the board of Directors                                                                                                                                                                                       |
| “Company”                          | KFM Kingdom Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3816)                 |
| “connected person”                 | has the meaning ascribed to it under the Listing Rules                                                                                                                                                       |
| “Contract Manufacturing Agreement” | the contract manufacturing agreement dated 24 July 2026 and entered into between HHY and KPP(SZ) in relation to the manufacturing of the Products                                                            |
| “Director(s)”                      | the director(s) of the Company                                                                                                                                                                               |
| “Group”                            | the Company and its subsidiaries                                                                                                                                                                             |
| “HHY”                              | 昊瀚雲信息技術(蘇州)有限公司 (Haohanyun Data Solution Technology (Suzhou) Company Limited*), a limited liability company established in the PRC and a connected person of the Company as at the date of this announcement |
| “Hong Kong”                        | the Hong Kong Special Administrative Region of the PRC                                                                                                                                                       |
| “HK\$”                             | Hong Kong dollars, the lawful currency of Hong Kong                                                                                                                                                          |

|                  |                                                                                                                                                                         |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “KPP(SZ)”        | 金德精密配件(蘇州)有限公司 (Kingdom Precision Product (Suzhou) Limited*), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company |
| “Listing Rules”  | the Rules Governing the Listing of Securities on the Stock Exchange                                                                                                     |
| “Mr. Jack Sun”   | Mr. Sun Ho Hin Jack, the son of Mr. Peter Sun                                                                                                                           |
| “Mr. Peter Sun”  | Mr. Sun Kwok Wah Peter, the chairman of the Board, an executive Director and one of the controlling Shareholders                                                        |
| “PRC”            | the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)               |
| “Products”       | tape storage devices                                                                                                                                                    |
| “RMB”            | Renminbi, the lawful currency of the PRC                                                                                                                                |
| “Share(s)”       | ordinary share(s) of HK\$0.1 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                                                                                                                                 |
| “%”              | per cent.                                                                                                                                                               |

For and on behalf of  
**KFM KINGDOM HOLDINGS LIMITED**  
**Sun Kwok Wah Peter**  
*Chairman*

Hong Kong, 24 July 2026

*As at the date of this announcement, the executive Directors are Mr. Sun Kwok Wah Peter and Mr. Wong Chi Kwok; and the independent non-executive Directors are Mr. Wan Kam To, Mr. Chan Ming Sun Jonathan and Ms. Cheng Yuan Ting Cana.*

\* *For identification purposes only*