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CONTINENTAL
HOLDINGS LIMITED
恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

VERY SUBSTANTIAL DISPOSAL IN RELATION TO DISPOSAL OF THE ENTIRE EQUITY INTEREST IN A SUBSIDIARY AND RESUMPTION OF TRADING

THE SALE AND PURCHASE AGREEMENT

The Board announces that on 18 August 2026 (after trading hours), the Vendor, being a direct wholly-owned subsidiary of the Company, the Purchaser, and the Company (as the Vendor's guarantor) entered into the SPA, pursuant to which the Vendor has conditionally agreed to sell the Sale Share (representing the entire issued share capital of the Target Company) and procure the assignment of the Sale Debt to the Purchaser, and the Purchaser has conditionally agreed to acquire the Sale Share and the Sale Debt, for an aggregate consideration of HK$85 million, subject to adjustments in accordance with the SPA.

Upon Completion, the Target Company will cease to be an indirect wholly-owned subsidiary of the Company and its financial results will no longer be consolidated into the financial statements of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceed 75%, the Disposal constitutes a very substantial disposal for the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

An EGM will be convened for the Shareholders to consider and, if thought fit, to approve the SPA and the transactions contemplated thereunder.

To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, none of the Shareholders has a material interest in the Disposal and therefore no Shareholder will be required to abstain from voting on the resolutions to be proposed at the EGM to approve the SPA and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information on the Disposal; (ii) a valuation report on the Property; (iii) other information as required to be disclosed under the Listing Rules; and (iv) a notice of the EGM to approve the Disposal, will be despatched to the Shareholders on or before 9 September 2026.

As Completion is subject to the fulfilment of the conditions precedent which are detailed in this announcement, the Disposal may or may not be completed. Shareholders and potential investors should exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on 19 August 2026 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:00 a.m. on 20 August 2026.

INTRODUCTION

The Board announces that on 18 August 2026 (after trading hours), the Vendor, being a direct wholly-owned subsidiary of the Company, the Purchaser, and the Company (as the Vendor's guarantor) entered into the SPA, pursuant to which the Vendor has conditionally agreed to sell the Sale Share and procure the assignment of the Sale Debt to the Purchaser, and the Purchaser has conditionally agreed to acquire the Sale Share and the Sale Debt, for an aggregate consideration of HK$85.0 million, subject to adjustments in accordance with the SPA.

THE SPA

Date

18 August 2026

Parties

(1) The Vendor;

(2) The Purchaser; and

(3) The Company, as the Vendor's guarantor.

The Company joined as a party to the SPA to guarantee the due performance by the Vendor of its obligations under the SPA. The Company is also the current holder of the Sale Debt and will assign the Sale Debt to the Purchaser at Completion pursuant to the deed of assignment to be entered into at Completion.

Assets to be disposed of

Pursuant to the SPA, the Vendor has conditionally agreed to sell and to procure the assignment of, and the Purchaser has conditionally agreed to acquire:

(i) the Sale Share, being the entire issued share capital of the Target Company; and

(ii) the Sale Debt, being approximately HK$184.8 million due and payable by the Target Company to the Company as at the date of the SPA, which will be assigned to the Purchaser at Completion pursuant to the deed of assignment to be entered into at Completion.

The Target Company is the sole legal and beneficial owner of the Property, which is its principal asset. Further details of the Target Company and the Property are set out in the section headed "Information on the Target Company and the Property" below.

Consideration

The Aggregate Consideration for the Disposal shall be the aggregate of:

(a) the Initial Consideration of HK$85 million, comprising:

   (i) the Sale Share Consideration of HK$1.00; and

   (ii) the Initial Sale Debt Consideration of HK$84,999,999; and

(b) such apportionments, adjustments and credits to the Initial Sale Debt Consideration as may be made in accordance with the SPA.

The Aggregate Consideration does not include the Land Premium payable in connection with the lease modification of the Property. Pursuant to the SPA, the Purchaser shall be responsible for funding and paying the Land Premium following Completion, subject to the deposit, retention, adjustment and allocation mechanisms set out in the SPA. Further details of the relevant Land Premium arrangements are set out in the paragraphs headed “Payment Terms” and “Land Premium Mechanism” below.

Adjustments to the Initial Sale Debt Consideration

At Completion, the Initial Sale Debt Consideration will be adjusted on a provisional basis by reference to pro forma completion accounts of the Target Company prepared as at the Completion Date.

Pursuant to the SPA, the Initial Sale Debt Consideration will be reduced by certain liabilities of the Target Company as at the Completion Date, including tax liabilities, other payables and accruals, and outstanding outgoings (excluding the Existing Financing Facilities and the Sale Debt), and increased by certain current tangible assets of the Target Company as at the Completion Date, including cash and cash equivalents and certain deposits and prepayments relating to the Property, in each case subject to the agreed adjustments under the SPA. The amount so determined will be the provisional sale debt consideration used at Completion.

Following Completion, the Vendor will deliver audited completion accounts of the Target Company together with a closing statement setting out the final sale debt consideration in accordance with the SPA. If the final sale debt consideration exceeds the provisional sale debt consideration used at Completion, the Purchaser shall pay the excess to the Vendor. If the final sale debt consideration is less than the provisional sale debt consideration used at Completion, the Vendor shall pay the shortfall to the Purchaser.

Payment Terms

The amounts payable by the Purchaser under the SPA shall be settled in the following manner:

(1) within five (5) Business Days after the signing of the SPA, the Purchaser shall pay an aggregate sum of HK$18.5 million, comprising:

 (a) HK$8.5 million, being the Vendor Deposit, representing 10% of the Initial Consideration; and

 (b) HK$10.0 million, being the Vendor Base Land Premium Deposit, representing 10% of the Base Land Premium, to facilitate payment of the Land Premium Deposit to the Government of Hong Kong under the Revised Land Premium Offer; and

(2) upon Completion, the Purchaser shall pay the balance of the Initial Consideration in the sum of HK$76.5 million, subject to:

 (a) adjustment to the Initial Sale Debt Consideration in accordance with the SPA; and

 (b) deduction of such amount, if any, as may be retained by the Purchaser at Completion under the SPA for application toward payment of the Land Premium.

The Vendor Base Land Premium Deposit shall be held by the Vendor's solicitors as stakeholder, save that the relevant amount may be released for payment of the Land Premium Deposit to the Government of Hong Kong in accordance with the SPA.

Any stamp duty payable in respect of, or arising from, the transfer of the Sale Share and the assignment of the Sale Debt under the SPA shall be borne by the Purchaser.

Basis of Consideration

The Initial Consideration was determined after arm's length negotiations between the Purchaser and the Vendor after taking into account, among other things, (i) the appraised market value of the Property of approximately HK$217 million as at 30 June 2025, as set out in the valuation report prepared by the Independent Valuer, being the latest available published valuation of the Property at the time of negotiation and entry into the transaction; (ii) the prevailing market conditions of the property market and the indicative offers received from property agents in respect of the Property; (iii) the financial position of the Target Company; (iv) the outstanding liabilities and obligations of the Target Company; (v) the lease modification process and the Land Premium arrangements relating to the Property; and (vi) the factors set out in the paragraph headed "Reasons for and Benefits of the Disposal" below.

In assessing the Initial Consideration, the parties also took into account that the Purchaser will, subject to the terms of the SPA, be responsible for funding and paying the Land Premium payable in connection with the lease modification of the Property following Completion, and will assume the risks and uncertainties associated with the lease modification process, the final Land Premium amount and the redevelopment of the Property.

The Directors, including the independent non-executive Directors, consider that the terms of the SPA, including the Initial Consideration, are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

Valuation of the Property

According to the valuation report prepared by the Independent Valuer for the valuation of the Property, the market value of the Property as at 30 June 2025 was HK$217 million.

In arriving at the valuation, the Independent Valuer first adopted the market approach in estimating the gross development value of the proposed development on the Property, and then applied the residual approach to derive the market value of the Property in its existing state.

Under the market approach, the Independent Valuer made reference to recent market sales evidence of comparable properties and made appropriate adjustments to reflect differences between the proposed development of the Property and the comparable properties, including location, accessibility, floor level, size, age, condition, quality and view.

Under the residual approach, the market value of the Property in its existing state was derived by deducting from the estimated sales proceeds of the completed proposed development the estimated development costs, including construction costs, finance costs, professional fees, marketing costs and an allowance for developer's profit. Development costs already incurred were also taken into account in the valuation.

Further details of the valuation report, including the valuation methodology and principal assumptions, will be set out in the circular to be despatched by the Company.

Conditions precedent

Completion of the SPA is conditional upon the satisfaction or waiver (where applicable) of the conditions precedent set out in the SPA on or before the Long Stop Date, including, among others:

(a) the Vendor having performed all covenants and agreements required to be performed by it under the SPA;

(b) the Vendor's warranties remaining true, accurate and not misleading in all respects at the date of the SPA and immediately prior to Completion;

(c) the Vendor having given and proved the Target Company's title to the Property in accordance with sections 13 and 13A of the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong);

(d) the BBTO in relation to the Revised Land Premium Offer having been issued by the Lands Department;

(e) the Land Premium not exceeding the Base Land Premium, subject to other related provisions of the SPA;

(f) the passing by the Shareholders at a general meeting of the Company of the necessary ordinary resolution(s) approving the SPA and the transactions contemplated thereunder;

(g) the Vendor having procured, upon execution of the SPA, a letter from the major shareholder of the Company confirming that it will vote in favour of, and procure the passing of, all resolutions necessary to approve the SPA and the transactions contemplated thereunder;

(h) the Existing Encumbrances having been released and, in the case of the mortgage over the Property, discharged, on or immediately prior to Completion, subject to repayment in full of the outstanding indebtedness under the Existing Financing Facilities;

(i) all loans, advances, accounts payable, intercompany balances and other indebtedness owing by the Target Company to the Vendor, the Company or any of their affiliates or related corporations (other than the Sale Debt) having been irrevocably and unconditionally repaid, discharged, released, waived, written off or capitalised in full at or before Completion;

(j) the Purchaser having performed all covenants and agreements required to be performed by it under the SPA;

(k) the Purchaser's warranties remaining true, accurate and not misleading in all respects at the date of the SPA and immediately prior to Completion;

(l) the Purchaser having completed its due diligence review on the business, financial, tax, legal and other aspects of the Target Company and the Property and being satisfied with the results thereof; and

(m) the Purchaser having paid the Vendor Base Land Premium Deposit, and the Land Premium Increment Deposit if applicable, in accordance with the SPA.

The conditions precedent under the SPA are required to be satisfied or waived, as applicable, on or before the Long Stop Date. If any such condition precedent is not satisfied by the Long Stop Date as a result of the failure of the party responsible for procuring its satisfaction, the other party shall be entitled to terminate the SPA in accordance with its terms.

Further details of the arrangements relating to condition (e) and the Land Premium are set out in the paragraph headed "Land Premium Mechanism" below.

Land Premium Mechanism

Upon receipt of the Revised Land Premium Offer, the Vendor is required to notify the Purchaser and provide a copy thereof.

If the Land Premium specified in the Revised Land Premium Offer does not exceed the Base Land Premium, the Purchaser shall, subject to satisfaction or waiver of the other applicable conditions precedent, proceed to Completion and shall bear and pay the Land Premium following Completion in accordance with the SPA.

If the Land Premium specified in the Revised Land Premium Offer is less than the Base Land Premium, the Purchaser shall pay to the Vendor on Completion an amount equal to such shortfall, subject to deduction of the remaining amount of the Vendor Base Land Premium Deposit not applied toward payment of the Land Premium Deposit to the Government of Hong Kong.

If the Land Premium specified in the Revised Land Premium Offer exceeds the Base Land Premium, the Purchaser may elect to waive condition (e) and proceed with the transaction by bearing the Land Premium Increment. In such case, the Purchaser shall also pay to the Vendor a deposit equal to 10% of the Land Premium Increment, being the Land Premium Increment Deposit, at least three (3) Business Days before the due date specified in the relevant demand note, to facilitate payment of the Land Premium Deposit to the Government of Hong Kong.

If the Purchaser does not elect to bear the Land Premium Increment, the Vendor may elect to bear the Land Premium Increment, in which case the relevant amount shall be dealt with through the completion payment adjustment and retention mechanism under the SPA.

If neither party elects to bear the Land Premium Increment, the parties may consider submitting a premium appeal to the Lands Department. If no premium appeal is pursued, or if following such process neither party elects to bear the Land Premium Increment, the SPA may be terminated in accordance with its terms.

If the SPA is terminated in accordance with its terms, the Vendor Deposit shall be returned to the Purchaser. In addition, where any part of the Vendor Base Land Premium Deposit or the Land Premium Increment Deposit has been applied toward payment of the Land Premium Deposit to the Government of Hong Kong:

- where Completion fails to take place in the circumstances specified in the SPA, including certain circumstances relating to the Land Premium assessment mechanism, or by reason of the Vendor's default, the Vendor shall repay an equivalent amount to the Purchaser; and

- where Completion fails to take place by reason of the Purchaser's default, the Purchaser shall have no claim against the Vendor, the Target Company or the Company in respect of such amounts.

Completion

Completion shall take place on or before the date immediately prior to the deadline for payment of the Land Premium Balance by the Target Company to the Government of Hong Kong as specified in the BBTO, or a date to be agreed in writing between the parties.

At Completion, the parties shall complete the transactions contemplated under the SPA, including, among other things, the transfer of the Sale Share, the execution and delivery of the deed of assignment in respect of the Sale Debt, payment of the balance of the Initial Consideration subject to adjustments in accordance with the SPA, delivery of the Completion deliverables and vacant possession of the Property.

The sale proceeds received by the Vendor's solicitors will be applied in accordance with the SPA towards repayment of the outstanding indebtedness under the Existing Financing Facilities, the outstanding principal amount of which was approximately HK$39.4 million as at 31 July 2026, based on the unaudited management accounts of the Target Company. The Company expects that the sale proceeds from the Disposal will be sufficient to fully repay the outstanding indebtedness under the Existing Financing Facilities, following which the existing mortgage over the Property and the other Existing Encumbrances will be released and discharged.

Upon Completion, the Group will no longer hold any interest in the Target Company and the Target Company will cease to be an indirect wholly-owned subsidiary of the Company. As such, the financial results of the Target Company will no longer be consolidated into the financial statements of the Group.

INFORMATION ON THE TARGET COMPANY AND THE PROPERTY

The Target Company

The Target Company is a company incorporated in Hong Kong with limited liability and is wholly-owned by the Vendor as at the date of this announcement.

The Target Company is principally engaged in property holding and property development. Its principal asset is the Property.

Based on the audited financial statements of the Target Company, the financial results of the Target Company for the two financial years ended 30 June 2024 and 30 June 2025 are as follows:

	For the financial years ended	
	30 June 2025	**30 June 2024**
	HK$'000	*HK$'000*
Revenue	–	–
Loss before taxation	(482)	(1,196)
Loss after taxation	(482)	(1,196)

The unaudited net liabilities of the Target Company as at 30 June 2025 and 31 December 2025 amounted to approximately HK$9,974,000 and HK$10,160,000 respectively.

The Property

The Property is located at Nos. 164 and 164A Boundary Street, Kowloon, Hong Kong and comprises a vacant redevelopment site with a site area of approximately 5,054 square feet.

The Property was acquired by the Company on 1 September 2021 at an aggregate acquisition cost of approximately HK$183.5 million. Based on the unaudited management accounts of the Target Company, the unaudited book value of the Property as at 31 December 2025 was approximately HK$208 million.

The Target Company is the sole legal and beneficial owner of the Property. As at the date of the SPA, the Property is subject to a mortgage and an assignment of rental income and sale proceeds in favour of Hang Seng Bank Limited, and the Sale Share is subject to a share mortgage, in each case granted in connection with the Existing Financing Facilities. The Existing Financing Facilities were originally obtained for the acquisition of the Property.

Pursuant to the SPA, the Vendor shall procure repayment of the outstanding indebtedness under the Existing Financing Facilities and the release and discharge of the Existing Encumbrances at Completion. Accordingly, upon Completion, the Sale Share and the Property are expected to be transferred free from such encumbrances.

The Property is intended to be redeveloped into residential units with car parking spaces, subject to the terms of the BBTO, lease modification procedures and other applicable approvals.

INFORMATION ON THE PARTIES

The Vendor

The Vendor is a company incorporated in the British Virgin Islands and is a direct wholly-owned subsidiary of the Company. The Vendor is principally engaged in investment holding.

The Purchaser

The Purchaser is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding.

To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, the ultimate beneficial owners of the Purchaser are Mr. Lo Lok Fung Kenneth and Mrs. Lo Choy Yuk Ching Yvonne. Each of the Purchaser and its ultimate beneficial owners is an Independent Third Party of the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Board considers that the Disposal represents an opportunity for the Group to realise its investment in the Target Company and the Property and to avoid further capital commitment in respect of the Property amid the prevailing uncertain macroeconomic environment and challenging property market conditions. In particular, the Board considers it commercially prudent to proceed with the Disposal at this stage, as any delay may expose the Group to continued market risk and there is no assurance that the Group would be able to realise the Property on the same or better terms in the future.

The Board also notes that, if the Group does not proceed with the Disposal now, the continued holding of the Property and any proposed redevelopment would require further time, capital and financing commitment, including additional capital outlay in respect of land premium and other redevelopment costs, which may entail further cash outflows and place additional demands on the Group's financial resources. Any redevelopment of the Property would also be subject to a relatively long timeline, with cash flow expected to be realised only after around three years, during which the Group would remain exposed to market uncertainty and execution risk.

The Board has also taken into account that the proposed redevelopment of the Property is subject to various uncertainties and challenges, including, among other things, lease modification procedures, the assessment of land premium, additional capital and financing requirements, construction and execution risks, and market risks relating to the property market and overall economic conditions. The Disposal allows the Group to crystallise its investment at this stage, reduce its exposure to the uncertainties associated with the redevelopment of the Property, unlock capital tied up in the project, and redeploy its financial and management resources to its other business operations and funding needs.

Accordingly, although the Disposal may result in a loss to the Group, the Board considers that proceeding with the Disposal now would enable the Group to secure a definite exit, avoid further capital commitment and funding requirements in relation to the Property, and reduce the risk of less favourable realisation terms in the future.

Having considered the terms of the SPA, the nature of the Property, the financial position of the Target Company, the risks and uncertainties associated with the redevelopment of the Property, and the prevailing market environment, the Directors (including the independent non-executive Directors) are of the view that the terms of the SPA are on normal commercial terms, fair and reasonable, and that the Disposal is in the interests of the Company and the Shareholders as a whole.

FINANCIAL IMPACT OF THE DISPOSAL

Earnings

Based on the unaudited financial statements of the Target Company as at 31 December 2025, the Target Company had net liabilities of approximately HK$10,160,000.

After taking into account, among other things, the Aggregate Consideration, the carrying amounts of the Target Company and the Sale Debt, and the estimated transaction costs and expenses in connection with the Disposal, the Group is expected to record an estimated loss on the Disposal of approximately HK$135 million.

The actual amount of gain or loss to be recorded by the Group will depend on, among other things, the amount of the final consideration for the Sale Debt, the carrying amounts of the Target Company and the Sale Debt as at the Completion Date, and the actual transaction costs and expenses incurred, and therefore may differ from the above estimate.

Assets and liabilities

Upon Completion, the Target Company will cease to be a subsidiary of the Company and the financial results, assets and liabilities of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

General

Shareholders should note that the financial impact set out above is for illustrative purposes only and will have to be ascertained at the time of preparation of the consolidated financial statements of the Company, and is subject to audit.

USE OF PROCEEDS

The gross proceeds from the Disposal are expected to be approximately HK$85.0 million, subject to adjustment in accordance with the terms of the SPA.

The net proceeds receivable by the Group from the Disposal cannot be determined with certainty as at the date of this announcement, having regard to, among other things, the adjustment mechanism under the SPA, the amount required for repayment of the outstanding indebtedness under the Existing Financing Facilities and release and discharge of the Existing Encumbrances, and the relevant fees and expenses.

The Company presently intends to apply the net proceeds from the Disposal, to the extent available, toward (i) repayment and/or reduction of indebtedness of the Group; and (ii) general working capital and general corporate purposes of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceed 75%, the Disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

An EGM will be convened for the Shareholders to consider and, if thought fit, to approve the SPA and the transactions contemplated thereunder.

To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, none of the Shareholders has a material interest in the Disposal and therefore no Shareholder will be required to abstain from voting on the resolutions to be proposed at the EGM to approve the SPA and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information on the Disposal; (ii) a valuation report on the Property; (iii) other information as required to be disclosed under the Listing Rules; and (iv) a notice of the EGM to approve the Disposal, will be despatched to the Shareholders on or before 9 September 2026.

As Completion is subject to the fulfilment of the conditions precedent which are detailed in this announcement, the Disposal may or may not be completed. Shareholders and potential investors should exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on 19 August 2026 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:00 a.m. on 20 August 2026.

DEFINITIONS

In this announcement, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein:

"Aggregate Consideration"	the total consideration for the sale and purchase of the Sale Share and the transfer and assignment of the Sale Debt together with such apportionments, adjustments and credits as may be made in accordance with the SPA
"associates"	has the meaning ascribed thereto under the Listing Rules
"Base Land Premium"	HK$100 million
"BBTO"	the binding basic terms offer issued by the Lands Department in respect of the lease modification of the Property
"Board"	the board of Directors
"Business Day(s)"	day(s) (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong
"Company"	Continental Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 513)
"Completion"	completion of the Disposal in accordance with the SPA
"Completion Date"	the date on which Completion occurs
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of the Sale Share by the Vendor and the assignment of the Sale Debt by the Company to the Purchaser pursuant to the SPA

"EGM"	the extraordinary general meeting of the Company to be convened for the Shareholders for the purpose of considering, and, if thought fit, to approve, among other matters, the SPA and the transactions contemplated thereunder
"Existing Encumbrances"	the encumbrances and security interests granted in connection with the Existing Financing Facilities
"Existing Financing Facilities"	the existing credit facilities provided by Hang Seng Bank Limited to the Target Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	third party(ies) who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, are independent of and not connected with the Company and its connected persons or any of their respective associates
"Independent Valuer"	Knight Frank Asset Appraisal Limited, an independent professional valuer appointed by the Company for the valuation of the Property
"Initial Consideration"	the initial aggregate consideration of HK$85.0 million payable by the Purchaser for the Sale Share and the Sale Debt
"Initial Sale Debt Consideration"	HK$84,999,999, being the initial consideration payable by the Purchaser for the assignment of the Sale Debt
"Lands Department"	the Lands Department of the Government of Hong Kong

"Land Premium"	the land premium payable to the Government of Hong Kong in connection with the lease modification of the Property pursuant to the Revised Land Premium Offer
"Land Premium Balance"	90% of the Land Premium
"Land Premium Deposit"	10% of the Land Premium specified in the demand note following issuance of the Revised Land Premium Offer
"Land Premium Increment"	the difference between the Land Premium in the Revised Land Premium Offer and the Base Land Premium
"Land Premium Increment Deposit"	10% deposit of the Land Premium Increment
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	120 calendar days from the date of the SPA, or any other date as may be mutually agreed by the Vendor and the Purchaser in writing
"PRC"	the People's Republic of China
"Property"	the property located at Nos. 164 and 164A Boundary Street, Kowloon, Hong Kong and owned by the Target Company
"Purchaser"	Cheer Stay (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability
"Revised Land Premium Offer"	the revised land premium offer in relation to the lease modification of the Property issued by the Lands Department by way of BBTO
"SPA"	the sale and purchase agreement dated 18 August 2026 entered into among the Vendor, the Purchaser, and the Company in relation to the Disposal

"Sale Debt"	HK$184.8 million due and payable by the Target Company to the Company as at the date of the SPA, which will be assigned by the Company to the Purchaser pursuant to the SPA
"Sale Share"	one (1) fully paid-up ordinary share, representing the entire issued and allotted share capital of the Target Company
"Sale Share Consideration"	HK$1.00, being the consideration payable by the Purchaser for the Sale Share
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Wise Capital Holdings Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Vendor"	Continental Properties Limited, a directly wholly-owned subsidiary of the Company
"Vendor Base Land Premium Deposit"	HK$10.0 million, being 10% of the Base Land Premium
"Vendor Deposit"	HK$8.5 million, being 10% of the Initial Consideration
"%"	per cent.

By Order of the Board
Continental Holdings Limited
Chan Wai Lap, Victor
Chairman

Hong Kong, 19 August 2026

As at the date of this announcement, Mr. Chan Wai Lap, Victor, Ms. Cheng Siu Yin, Shirley, Ms. Chan Wai Kei, Vicki, Ms. Chan Mei Kei, Alice and Mr. Wong Edward Gwon-hing are executive Directors of the Company; and Mr. Yu Shiu Tin, Paul, BBS, MBE, JP, Mr. Chan Ping Kuen, Derek, Mr. Sze Irons, GBS, BBS, JP, Mr. Cheung Chi Fai, Frank and Mr. Yam Tat Wing are independent non-executive Directors of the Company.