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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)

CONNECTED TRANSACTION DISPOSAL OF MACHINERIES

THE DISPOSAL

On 29 September 2025, (after trading hours), KPM Malaysia, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with KBT for the Disposal at an aggregate price of MYR2,108,108 (equivalent to approximately HK\$3,900,000).

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, KBT was ultimately wholly owned by Mr. Sun, the chairman of the Board, an executive Director and one of the controlling shareholders of the Company. KBT is an associate of Mr. Sun, and therefore, a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceed 0.1% but are less than 5%, the Disposal falls under Rule 14A.76(2) of the Listing Rules and is only subject to reporting and announcement requirements, but is exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

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THE SALE AND PURCHASE AGREEMENT

Details of the Sale and Purchase Agreement are set out below:

Date: 29 September 2025

Parties: (i) KPM Malaysia (as the vendor); and
(ii) KBT (as the purchaser)

As at the date of this announcement, KBT was ultimately wholly owned by Mr. Sun, the chairman of the Board, an executive Director and one of the controlling shareholders of the Company. KBT is an associate of Mr. Sun, and therefore, a connected person of the Company under the Chapter 14A of the Listing Rules.

Assets to be disposed of: the Machineries

Delivery schedule: The Machineries sold under the Sale and Purchase Agreement shall be delivered to KBT on or before 18 October 2025

Total contract price: MYR2,108,108 (equivalent to approximately HK\$3,900,000), which shall be paid by KBT to KPM Malaysia in the following manner:

- (1) 20% of the contract price (i.e. MYR421,622 (equivalent to approximately HK\$780,000) shall be payable upon execution of the Sale and Purchase Agreement;
- (2) 40% of the contract price (i.e. MYR843,243 (equivalent to approximately HK\$1,560,000) shall be payable on or before 31 March 2026; and
- (3) 40% of the contract price (i.e. MYR843,243 (equivalent to approximately HK\$1,560,000) shall be payable on or before 30 September 2026.

The total contract price was determined after arm's length negotiations between the parties after considering the net book value of the Machineries, which amounted to approximately MYR2,053,059 (equivalent to approximately HK\$3,798,200), as at 31 July 2025.

Transfer of ownership Title of the Machineries shall remain with KPM Malaysia until full payment of the total contract price as set out in the Sale and Purchase Agreement, though risk shall be passed to KBT upon delivery of the Machineries. In the event KBT does not pay the total contract price in accordance with the Sale and Purchase Agreement, KPM Malaysia reserves the right to repossess the Machineries in accordance with the applicable Malaysian laws.

INFORMATION ABOUT THE ASSETS TO BE DISPOSED OF AND FINANCIAL EFFECT OF THE DISPOSAL

The Machineries are CNC production machines which were owned by KPM Malaysia as at the date of this announcement. KPM Malaysia mainly serves the Group's customers who are engaged in network and data storage industry and medical and test equipment industry.

The net book value of the Machineries as at 31 July 2025 amounted to approximately MYR2,053,059 (equivalent to approximately HK\$3,798,200). The Machineries had been held by the Group for more than 12 months. As a result of the Disposal, the Directors expect that the Group will record an unaudited gain before taxation on the Disposal of approximately MYR55,049 (equivalent to approximately HK\$102,000), being the difference between the total contract price and the net book value of the Machineries. Such calculation is only an estimate provided for illustrative purposes and the accounting treatment of the Disposal will be subject to further review by the auditors of the Company. The Disposal is expected to generate net proceeds of about MYR2,108,108, which will enhance the working capital of the Group.

INFORMATION ON THE GROUP AND KPM MALAYSIA

The Company is an investment holding company. The Group is principally engaged in the manufacturing and sales of precision metal stamping products. KPM Malaysia is a company incorporated under the laws of Malaysia and a wholly-owned subsidiary of the Company, which is principally engaged in the manufacturing of precision metal.

INFORMATION ON KBT

KBT is a company incorporated under the laws of Malaysia which is principally engaged in CNC production. As at the date of this announcement, it was ultimately wholly owned by Mr. Sun, the chairman of the Board, an executive Director and one of the controlling shareholders of the Company. KBT is an associate of Mr. Sun, and therefore, a connected person of the Company under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE TRANSACTION CONTEMPLATED UNDER THE SALE AND PURCHASE AGREEMENT

KPM Malaysia is principally engaged in the manufacturing of precision metal, the major machineries used by KPM Malaysia are metal stamping machines. As mentioned above, the Machineries had been used by KPM Malaysia to serve the Group's customers who are engaged in medical and test equipment industry. Over the past two years, there was a decrease in the demand from the Group's customers who are engaged in medical and test equipment industry, while an increase in the demand from the Group's customers who are engaged in the network and data storage industry as a result of the increased demand of global development in artificial intelligence. With the Machineries being inactive, the Company intends to dispose of the Machineries to KBT, which is principally engaged in CNC production, so that the Group would be able to expand its capacity in metal stamping production in order to focus on metal stamping production for its customers who are engaged in the network and data storage industry. The Disposal is expected to generate net proceeds of MYR2,108,108, which will enhance the working capital of the Group.

As the Sale and Purchase Agreement was entered into in the ordinary course of business of the Group and on normal commercial terms, the Directors (including the independent non-executive Directors) consider that the terms of the Sale and Purchase Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole. Save for Mr. Sun, none of the Directors was interested in the transaction contemplated under the Sale and Purchase Agreement, and therefore apart from Mr. Sun, none of the Directors abstained from voting on the Board resolutions approving the Sale and Purchase Agreement.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, KBT was ultimately wholly owned by Mr. Sun, the chairman of the Board, an executive Director and one of the controlling shareholders of the Company. KBT is an associate of Mr. Sun, and therefore, a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceed 0.1% but are less than 5%, the Disposal falls under Rule 14A.76(2) of the Listing Rules and is only subject to reporting and announcement requirements, but is exempt from the circular, independent financial advice and Shareholders' approval requirement under Chapter 14A of the Listing Rules.

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
“CNC”	computer numerical control
“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
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Machineries by KPM Malaysia under the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“KBT”	Kingdom BSL Technology Sdn. Bhd, a company incorporated under the laws of Malaysia and is ultimately wholly owned by Mr. Sun as at the date of this announcement, a connected person of the Company
“KPM Malaysia”	Kingdom Precision Metal (Malaysia) Sdn. Bhd., a company incorporated under the laws of Malaysia and a wholly-owned subsidiary of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Machineries”	CNC production machines
“Mr. Sun”	Mr. Sun Kwok Wah Peter, the chairman of the Board, an executive Director and one of the controlling shareholders of the Company
“MYR”	Malaysian Ringgit, the lawful currency of Malaysia
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 September 2025 and entered into between KPM Malaysia as vendor and KBT as purchaser in relation to the Disposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

In this announcement, for the purpose of illustration only, amounts quoted in MYR has been converted into HK\$ at the rate of 1.85. Such exchange has been used, where applicable, for the purpose of illustration only and do not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

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

Hong Kong, 29 September 2025

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, Ms. Cheng Yuan Ting Cana.