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KWUNG'S AROMA HOLDINGS LIMITED

曠世芳香控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1925)

DISCLOSEABLE TRANSACTIONS ACQUISITION OF LAND IN THAILAND

ACQUISITION OF LAND IN THAILAND

Land Sale and Purchase Agreements

On 26 May 2025, Kwung's Investments, as the Purchaser, entered into the Land Sale and Purchase Agreements with several Sellers and Dragon, as the relevant Seller's agency, to acquire the Sale Land I, Sale Land II and Sale Land III, all located in Thailand from the relevant Sellers, who are Independent Third Parties, at the respective consideration of THB56,214,125, THB57,750,000 and THB32,896,875.

On 4 March 2026, Kwung's Investments has entered into an assignment agreement in respect of each of the Land Sale and Purchase Agreements with Kwungs Thailand, an indirect wholly-owned subsidiary of the Company, whereby the rights and obligations of Kwung's Investments were assigned to Kwungs Thailand. As of the date of this Announcement, Kwung's Investments has paid a total of THB44,058,300 as reservation fee to the Sellers.

Memorandum

On 4 March 2026, since Kwungs Thailand has not yet obtained the investment promotion from the Board of Investment of Thailand and the approval to own the Sale Land from the relevant Government Authority, Kwungs Thailand is unable to complete the acquisition of the Sale Land under the Land Sale and Purchase Agreements. Therefore, Kwungs Thailand entered into the Memorandum with Mr. Thithinan, the 50% shareholder of Dragon, pursuant to which (1) Mr. Thithinan would acquire the Sale Land and subsequently transfer in accordance with Kwungs Thailand's instruction; and (2) Kwungs Thailand would provide the Loan to Mr. Thithinan which is secured by mortgage of the Sale Land I and Sale Land II.

LISTING RULES IMPLICATIONS

As all of the applicable percentage ratios (as defined under the Listing Rules) in respect of the each of the Land Sale and Purchase Agreements are below 5%, the transactions contemplated under each of the Land Sale and Purchase Agreements and the Memorandum are fully exempt from notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules. Information about the Land Sale Purchase Agreements are disclosed in this announcement to facilitate understanding of the transactions contemplated under the Memorandum which constitute discloseable transactions under the Listing Rules.

Since under the Memorandum, it was contemplated that Mr. Thithinan will acquire all the Sale Land which was originally contracted by Kwungs Thailand to acquire, and Kwungs Thailand may acquire all the Sale Land from Mr. Thithinan, size tests shall be calculated based on the aggregate consideration for acquiring all the Sale Land from Mr. Thithinan.

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Memorandum, including the assignment of the rights in the Land Sale and Purchase Agreements, the Loan, and the acquisition of Sale Land, exceed 5% but are less than 25%, the transactions contemplated under the Memorandum constitute discloseable transactions for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

ACQUISITION OF LAND IN THAILAND

Land Sale and Purchase Agreements

On 26 May 2025, Kwung's Investments, as the Purchaser, entered into the Land Sale and Purchase Agreements with several Sellers and Dragon, as the relevant Seller's agency, to acquire the Sale Land I, Sale Land II and Sale Land III, all located in Thailand from the relevant Sellers, who are Independent Third Parties, at the respective consideration of THB56,214,125, THB57,750,000 and THB32,896,875.

Land Sale and Purchase Agreement I

Key terms of the Land Sale and Purchase Agreement I are set out below:

- Date: 26 May 2025
- Parties:
- (1) Kwung's Investments (Purchaser)
 - (2) Mr. Prajuab Ulidsatid (Seller)
 - (3) Dragon (Seller's Agency)

Subject Matter: The Purchaser agrees to purchase and the Seller agrees to sell the Sale Land I at the purchase price.

Location of the Sale Land I: Mab Yang Pom Sub District, Pluak Daeng District, Rayong Province, Thailand

Total site area of the Sale Land I: 33,106 m²

Purchase Price: THB56,214,125

Payment terms: The Purchaser agrees to pay the reservation fee for the reservation to purchase the Sale Land I with an amount equal to 30% of the purchase price within 3 days of the agreement.

The purchase price after deduction of the reservation fee shall be paid on the completion date.

Conditions Precedents: The obligation of the Purchaser on the completion date are subject to the fulfillment or prior written waiver by the Purchaser of the following conditions:

- (1) Purchaser's nominee company incorporated in Thailand to be the actual purchaser of the Sale Land I shall have been registered under the laws of Thailand;
- (2) Conditions precedents in the Land Sale and Purchase Agreement II and Land Sale and Purchase Agreement III shall have been fulfilled;
- (3) The representations and warranties made by the Seller shall be true and correct in all material respects as of the completion with the same force and effect as if made on and as of such date (or another date if any representations and warranties expressly refer to such other date);
- (4) The release of the mortgage over the Sale Land I shall have been registered; and
- (5) The title deeds of the Sale Land I shall have been legally and completely issued.

Land Sale and Purchase Agreement II

Key terms of the Land Sale and Purchase Agreement II are set out below:

Date:	26 May 2025
Parties:	(1) Kwung's Investments (Purchaser) (2) Mr. Pornchai Klaisuban (Seller) (3) Dragon (Seller's Agency)
Subject Matter:	The Purchaser agrees to purchase and the Seller agrees to sell the Sale Land II at the purchase price.
Location of the Sale Land II:	Mab Yang Pom Sub District, Pluak Daeng District, Rayong Province, Thailand
Total site area of the Sale Land II:	33,927 m ²
Purchase Price:	THB57,750,000
Payment terms:	The Purchaser agrees to pay the reservation fee for the reservation to purchase the Sale Land II with an amount equal to 30% of the purchase price within 3 days of the agreement. The purchase price after deduction of the reservation fee shall be paid on the completion date.
Conditions Precedents:	The obligation of the Purchaser on the completion date are subject to the fulfillment or prior written waiver by the Purchaser of the following conditions: (1) Purchaser's nominee company incorporated in Thailand to be the actual purchaser of the Sale Land II shall have been registered under the laws of Thailand; (2) Conditions precedents in the Land Sale and Purchase Agreement I and Land Sale and Purchase Agreement III shall have been fulfilled;

- (3) The representations and warranties made by the Seller shall be true and correct in all material respects as of the completion with the same force and effect as if made on and as of such date (or another date if any representations and warranties expressly refer to such other date); and
- (4) The release of the mortgage over the Sale Land II shall have been registered.

Land Sale and Purchase Agreement III

Key terms of the Land Sale and Purchase Agreement III are set out below:

Date:	26 May 2025
Parties:	<ol style="list-style-type: none">(1) Kwung's Investments (Purchaser)(2) Mr. Jaron Cha-ame (Seller)(3) Mrs. Hatthaya Ulidsatid (Seller)(4) Dragon (Seller's Agency)
Subject Matter:	The Purchaser agrees to purchase and the Sellers agree to sell the Sale Land III at the purchase price.
Location of the Sale Land III:	Mab Yang Pom Sub District, Pluak Daeng District, Rayong Province, Thailand
Total site area of the Sale Land III:	19,140 m ²
Purchase Price:	THB32,896,875
Payment terms:	<p>The Purchaser agrees to pay the reservation fee for the reservation to purchase the Sale Land III with an amount equal to 30% of the purchase price within 3 days of the agreement.</p> <p>The purchase price after deduction of the reservation fee shall be paid on the completion date.</p>

Conditions Precedents: The obligation of the Purchaser on the completion date are subject to the fulfillment or prior written waiver by the Purchaser of the following conditions:

- (1) Purchaser's nominee company incorporated in Thailand to be the actual purchaser of the Sale Land III shall have been registered under the laws of Thailand;
- (2) Conditions precedents in the Land Sale and Purchase Agreement I and Land Sale and Purchase Agreement II shall have been fulfilled; and
- (3) The representations and warranties made by the Sellers shall be true and correct in all material respects as of the completion with the same force and effect as if made on and as of such date (or another date if any representations and warranties expressly refer to such other date).

Basis for determining the Purchase Price under the Land Sale and Purchase Agreements

The purchase price was determined by arm's-length negotiation between the Purchaser and the Seller with reference to the prevailing market price for land in the same area of similar attribute.

The purchase price and other expenses for the acquisition of all the Sale Land was expected to be funded by internal resources of the Group. The Directors considered that the acquisition of all the Sale Land would not have any material adverse effect on the Group's liquidity position.

Reasons for and benefits of the Land Sale and Purchase Agreements

In response to global economic and geopolitical developments, in addition to production base in China, the Group is also actively expanding its overseas production capabilities. The Group has completed the setup of the production facilities in Vietnam and put it into use during the year ended 31 December 2025. At the same time, the Group is in the process of setting up new production facilities in Thailand, and the acquisition of the Sale Land I, Sale Land II and Sale Land III are part of the process of establishing its production capabilities in Thailand.

The Directors consider that the acquisition of the Sale Land I, Sale Land II and Sale Land III at the purchase price pursuant to the Land Sale and Purchase Agreements is on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Memorandum

On 4 March 2026, Kwungs Thailand entered into the Memorandum with Mr. Thithinan, the 50% shareholder of Dragon. Key terms of the Memorandum are set out below:

Date: 4 March 2026

Parties: (1) Kwungs Thailand
(2) Mr. Arkom Thithinan

Assignment of Rights under the Land Sale and Purchase Agreements: All rights of Kwungs Thailand under the Land Sale and Purchase Agreements shall be sold and assigned to Mr. Thithinan at the consideration of an amount equal to the sum of the reservation fee which Kwung's Investments has paid to the Sellers which equals to THB44,058,300 ("**Consideration of Assignment**").

Loan and Payment of Consideration of Assignment: Kwungs Thailand shall provide the Loan of THB113,964,125 to Mr. Thithinan. Mr. Thithinan shall use the Loan only for the purpose of the payment of the final payment under the Land Sale and Purchase Agreements to the Sellers.

To the extent permitted by the applicable law, the parties to the Memorandum agree to novate the Consideration of Assignment to be a part of the Loan. If such novation is not recognized by the applicable law, Mr. Thithinan agrees and consents that Kwungs Thailand is entitled to request Mr. Thithinan to pay the Consideration of Assignment anytime and Mr. Thithinan shall pay the Consideration of Assignment to Kwungs Thailand within 7 days after Kwungs Thailand has notified Mr. Thithinan in writing.

Mortgage for security of the Loan: Immediately after Mr. Thithinan has received the registration of the transfer of the ownership of the Sale Land from the Sellers, Mr. Thithinan shall register the mortgage over the Sale Land I and Sale Land II to Kwungs Thailand as the security of repayment of debt and performance of the obligations of Mr. Thithinan in relation to the Loan and the Memorandum with the secured value at not more than THB113,964,125.

Mr. Thithinan acknowledges that the Loan is not sufficient for the payment of the sum of final payment under the relevant Land Sale and Purchase Agreements. It is an obligation of Mr. Thithinan to use his financial resources or by other means to prepare sufficient funds to use for the payment of the sum of final payment under the relevant Land Sale and Purchase Agreements.

Subsequent transfer of the Sale
Land:

Transfer to Kwungs Thailand

If (i) Mr. Thithinan is not in breach of his obligations under the Memorandum, and (ii) Kwungs Thailand has obtained investment promotion from the Board of Investment of Thailand and approval from the relevant Thai governmental authorities, including the Department of Land, to own the relevant land, the parties have agreed that, within 15 days after Kwungs Thailand receives formal notification of the land ownership approval, Kwungs Thailand shall purchase and Mr. Thithinan shall sell the Sale Land at a total consideration of THB146,861,000.

Kwungs Thailand is entitled to set off the purchase price against the outstanding Loan amount (together with any interest), and shall pay only the net balance after such set-off.

Mr. Thithinan shall complete the registration of the transfer of ownership at the relevant land office within 10 days after receiving written notice from Kwungs Thailand, and the parties shall simultaneously register the release of the existing mortgage.

Kwungs Thailand shall bear all fees and expenses in connection with the transfer and mortgage release, and shall reimburse Mr. Thithinan for any such fees and expenses advanced by Mr. Thithinan within 7 days.

Whilst not specifically provided in the Memorandum, in respect of the Sale Land III, Kwungs Thailand and Mr. Thithinan have entered into an interest compensation agreement on the same date, as part of the arrangement contemplated under the Memorandum, pursuant to which Kwungs Thailand agreed to pay Mr. Thithinan an interest at the rate of 8.5% per annum on the full purchase price as agreed in Land Sale and Purchase Agreement III of the Sale Land III (the “**Interest Compensation**”). Interest shall accrue from the date Mr. Thithinan receives the transfer of ownership of the Sale Land III until the date Kwungs Thailand completes the purchase and receives the transfer of ownership of such land from Mr. Thithinan.

Transfer to Third Party

If (i) Mr. Thithinan is not in breach of his obligations under the Memorandum, and (ii) Kwungs Thailand fails to obtain Board of Investment investment promotion or approval from the relevant Thai governmental authorities (including the Department of Land) to own the relevant land within six months from the date of the Memorandum (or such longer period as agreed), the parties shall procure a third-party purchaser to acquire the relevant land from Mr. Thithinan.

Kwungs Thailand shall have sole discretion over the sale price of Sale Land I and Sale Land II. Upon receipt of any part or all of the purchase price from the third-party purchaser, Mr. Thithinan shall first repay to Kwungs Thailand the outstanding Loan amount and interest, if any, and the Consideration of Assignment. Any excess of the sale price over the aggregate purchase prices under the relevant land Sale and Purchase Agreements shall, which (except for the Sale Land III) shall belong to Kwungs Thailand and be remitted to Kwungs Thailand within three Thai business days after receipt.

Transaction-related fees and expenses incurred from the date Mr. Thithinan (as seller’s agent) introduced the relevant land to the Group, including land maintenance, road construction and legal fees, shall be deducted from the sale proceeds prior to distribution of such profit, and reimbursed to the party that advanced such costs.

Basis of determining the Consideration of Assignment and Interest Compensation

The Consideration of Assignment is equal to the reservation fee already paid by Kwung's Investments to Sellers which was agreed between Kwungs Thailand and Mr. Thithinan after arm's length negotiation.

The Interest Compensation of 8.5% was determined after arm's length negotiation between Kwungs Thailand and Mr. Thithinan, which was agreed to be a fair compensation to Mr. Thithinan for completing the acquisition of the Sale Land, acquiring financing and incurring financial costs for such acquisition, holding the Sale Land before Kwungs Thailand acquires the Sale Land.

The transaction contemplated under the Memorandum will be funded by internal resources of the Group. The Directors considered that the such transaction would not have any material adverse effect on the Group's liquidity position.

Reasons for and benefits of the Memorandum

As disclosed above, in response to global economic and geopolitical developments, in addition to production base in China, the Group is also actively expanding its overseas production capabilities. The Group is in the process of setting up the new production facilities in Thailand, and the acquisition of the Sale Land is part of the process of establishing its production capabilities in Thailand.

It was originally contemplated that the Group would be able to acquire the Sale Land from the Sellers directly by the Land Sale and Purchase Agreements. However, since the entering into of the Land Sale and Purchase Agreements, the Group has not yet been successful in obtaining the necessary approvals from the Thai government to own the Sale Lands through Kwungs Thailand.

The original long stop date of the completion under the Land Sale and Purchase Agreements was 28 February 2026, and was extended to 4 March 2026. In order to avoid the situation where the Sellers decide to pull out from the transaction by refusing to further extend the long stop date, whereby the Group would lose the chance of acquiring the Sale Land and be unable to recover the reservation fee already paid, the Group has discussed with Mr. Thithinan who is agreeable in providing assistance to the Group by acquiring the Sale Land first, and subsequently transferring the Sale Land to the Group after it has obtained all the necessary approvals.

In the event that the Group fails to obtain the necessary approval, the Group is entitled to an exit by instructing Mr. Thithinan to sell the Sale Land at a price determinable by the Group at its sole discretion, except for the Sale Land III. Since the purchase price of the Sale Land I and Sale Land II is THB113,964,125, which is the same as the amount of the Loan, the Directors consider that risk exposure of the Group in this regard is sufficiently covered. Further, the Loan to be provided to Mr. Thithinan would be secured by mortgage of Sale Land I and Sale Land II. Therefore, the Directors consider that credit risk of the Loan is low.

The Directors consider that the transactions contemplated under the Memorandum is on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES INVOLVED

The Group

The Company is incorporated in Cayman Islands with limited liability and the Group is principally engaged in the design and manufacturing of home decoration products, comprising candles, home fragrance and home accessories in the PRC.

Sellers

Each of the Sellers is an individual farmer, who is a resident in Thailand and is an Independent Third Party.

Dragon

Dragon Home Real Estate Consulting Co., Ltd., a limited company registered under the laws of Thailand, which is owned as to 50%, 49% and 1% by Mr. Thithinan, Mr. Liang Ribin and Ms. Patcharee Usa respectively. Dragon is principally engaged in the business of real estate agency. Dragon and its shareholders are Independent Third Parties.

Mr. Thithinan

A businessman who is a resident in Thailand, who is principally engaged in the business of real estate agency and engineering. Mr. Thithinan is an Independent Third Party.

LISTING RULES IMPLICATIONS

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Since under the Memorandum, it was contemplated that Mr. Thithinan will acquire all the Sale Land which was originally contracted by Kwungs Thailand to acquire, and Kwungs Thailand may acquire all the Sale Land from Mr. Thithinan, size tests shall be calculated based on the aggregate consideration for acquiring all the Sale Land from Mr. Thithinan.

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Memorandum, including the assignment of the rights in the Land Sale and Purchase Agreements, the Loan, and the acquisition of Sale Land, exceed 5% but are less than 25%, the transactions contemplated under the Memorandum constitute discloseable transactions for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Kwung’s Aroma Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1925)
“connected persons”	has meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Dragon”	Dragon Home Real Estate Consulting Co., Ltd., a limited company registered under the laws of Thailand, an Independent Third Party
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, third party(ies) who is/are independent of, and not connected with the Company and its connected persons
“Kwung’s Investments”, “Purchaser”	Kwung’s Investments Limited, a limited company registered under the laws of Thailand, a direct wholly-owned subsidiary of the Company

“Kwungs Thailand”	Kwungs Aroma (Thailand) Co., Ltd., a limited company registered under the laws of Thailand, an indirect wholly-owned subsidiary of the Company
“Land Sale and Purchase Agreement I”	the land sale and purchase agreement, the details of which were disclosed in the section headed “ACQUISITION OF LAND IN THAILAND – Land Sale and Purchase Agreements – Land Sale and Purchase Agreement I”
“Land Sale and Purchase Agreement II”	the land sale and purchase agreement, the details of which were disclosed in the section headed “ACQUISITION OF LAND IN THAILAND – Land Sale and Purchase Agreements – Land Sale and Purchase Agreement II”
“Land Sale and Purchase Agreement III”	the land sale and purchase agreement, the details of which were disclosed in the section headed “ACQUISITION OF LAND IN THAILAND – Land Sale and Purchase Agreements – Land Sale and Purchase Agreement III”
“Land Sale and Purchase Agreements”	Land Sale and Purchase Agreement I, Land Sale and Purchase Agreement II, and Land Sale and Purchase Agreement III
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the interest free loan of THB113,964,125 to Mr. Thithinan pursuant to the Memorandum
“Mr. Thithinan”	Mr. Arkom Thithinan, a resident of Thailand, whose information is disclosed in more detail in the section headed “Information of the Parties Involved” in this announcement
“Sale Land”	Sale Land I, Sale Land II and Sale Land III
“Sale Land I”	the land being the subject matter of Land Sale and Purchase Agreement I
“Sale Land II”	the land being the subject matter of Land Sale and Purchase Agreement II
“Sale Land III”	the land being the subject matter of Land Sale and Purchase Agreement III

“Seller(s)”	the respective seller(s) of the Sale Land, the details of which were respectively disclosed in the section headed “ACQUISITION OF LAND IN THAILAND – Land Sale and Purchase Agreements”
“Share(s)”	ordinary shares of HK\$0.001 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
“Thailand”	the Kingdom of Thailand
“THB”	Thai baht, the lawful currency of Thailand
“%”	per cent

By order of the Board
Kwung’s Aroma Holdings Limited
JIN Jianxin
Chairman

Hong Kong, 4 March 2026

As at the date of this announcement, the executive Directors are Mr. JIN Jianxin and Mr. TIAN Dong; and the independent non-executive Directors are Mr. LAI Chun Yu, Ms. XU Qiong and Mr. ZHOU Kai.