建業實業有限公司
Chinney Investments, Limited

(Incorporated in Hong Kong with limited liability)
(Stock Code: 216)

漢國置業有限公司
Hon Kwok Land Investment Company, Limited

(Incorporated in Hong Kong with limited liability)
(Stock Code: 160)

JOINT ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

DISPOSAL OF A HOTEL PROPERTY IN OSAKA, JAPAN

On 31 July 2026, The Bauhinia Hotels Group Japan 3 entered into the Sale and Purchase Agreement with the Purchaser in relation to the disposal of the Property at the consideration of JPY1,675 million (equivalent to approximately HK$82.1 million), inclusive of local consumption tax.

The Bauhinia Hotels Group Japan 3 is solely funded and controlled by the JV Company which is in turn 60% owned by Best Range Global, a direct wholly-owned subsidiary of Hon Kwok and an indirect non-wholly-owned subsidiary of CIL.

One of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but is less than 25% (and all other applicable percentage ratios are below 5%) for Hon Kwok. Accordingly, the Disposal constitutes a discloseable transaction for Hon Kwok and is subject to the notification and publication requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

Except for the consideration ratio, all other applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal are below 5% for CIL. CIL considered that the consideration ratio produces an anomalous result and applied to the Stock Exchange to apply an alternative size test. The Stock Exchange exercised its discretion under Rule 14.20 of the Listing Rules to adopt such alternative size test, and as the same is also below 5% for CIL, the Disposal does not constitute a notifiable transaction for CIL under Chapter 14 of the Listing Rules. Nevertheless, CIL makes this announcement on a voluntary basis jointly with Hon Kwok.

On 31 July 2026, The Bauhinia Hotels Group Japan 3 entered into the Sale and Purchase Agreement with the Purchaser in relation to the disposal of the Property at the consideration of JPY1,675 million (equivalent to approximately HK$82.1 million), inclusive of local consumption tax.

The Bauhinia Hotels Group Japan 3 is solely funded and controlled by the JV Company which is owned as to 60% by Best Range Global, a direct wholly-owned subsidiary of Hon Kwok and an indirect non-wholly owned subsidiary of CIL.

THE SALE AND PURCHASE AGREEMENT

Date:	31 July 2026
Parties:	(i) The Bauhinia Hotels Group Japan 3; and (ii) the Purchaser To the best of the knowledge, information and belief of the respective directors of CIL and Hon Kwok, having made all reasonable enquiries, the Purchaser is a third party independent of CIL, Hon Kwok and their respective connected persons. Please refer to the paragraph headed "Information about the Purchaser" below for further information.
Assets to be disposed of:	The Property is located at a land site at 2 Chome-5-18, Shikitsuhigashi, Naniwa-ku, Osaka, Japan. It is a 9-storey hotel building with a total gross floor area of approximately 1,042 square meters and consists of 48 hotel rooms. The Property has been leased to and is now operating as a boutique hotel by an independent hotel operator.
Consideration and basis of determination:	The Consideration shall be paid and satisfied by the Purchaser in the following manner: - JPY160 million (equivalent to approximately HK$7.8 million), shall be paid in cash before 31 August 2026; and - the balance of JPY1,515 million (equivalent to approximately HK$74.3 million), shall be paid in cash upon completion of the Disposal. The appraised market value of the Property as at 30 June 2026 was JPY1,500 million (equivalent to approximately HK$73.5 million) based on the valuation by an independent property valuer. The Consideration of JPY1,675 million (equivalent to approximately HK$82.1 million) represented a premium of approximately 11.7% of the valuation of the Property as of 30 June 2026.

The Consideration is determined after arm's length negotiations between the JV Company and the Purchaser on normal commercial terms with reference to the valuation report prepared by an independent property valuer, after considering the prevailing market value of the Property and, amongst others, the view of CIL and Hon Kwok on the upcoming trend of the property market in Japan and the decision to fine-tune the overall investment strategy. Please refer to the paragraph headed "Reasons for and benefits of the Disposal" below.

Completion: Completion of the Disposal is expected to take place on or before 30 September 2026.

Termination: The Bauhinia Hotels Group Japan 3 or the Purchaser may terminate the Sale and Purchase Agreement if either of them materially breaches the terms thereon and does not perform remedial actions after receiving the notice demanding such remedial within a period of not less than 20 days, under which the party exercising the termination right may claim against the defaulting party a penalty as liquidated damages for an amount equivalent to 10% of the Consideration (excluding any consumption taxes).

INFORMATION OF THE PROPERTY

The Property has a total gross floor area of approximately 1,042 square meters and consists of 48 hotel rooms. The rental income and net (loss)/profit attributable to the Property for the two financial years ended 31 March 2025 and 31 March 2026 were as follows:

	For the year ended 31 March 2025 (audited) *HK$'000*	For the year ended 31 March 2026 (audited) *HK$'000*
Rental Income	953	4,075
Net (loss)/profit before taxation	(477)	2,766
Net (loss)/profit after taxation	(477)	2,766

FINANCIAL EFFECT OF THE DISPOSAL AND THE INTENDED USE OF PROCEEDS

Subject to review and confirmation by the respective auditors of CIL Group and Hon Kwok Group, it is expected that upon completion of the Disposal, Hon Kwok Group will record a gain (after deducting the relevant expenses and charges) of approximately JPY30.6 million (equivalent to approximately HK$1.5 million), and CIL Group will record a gain (after deducting the relevant expenses and charges) of approximately JPY20.8 million (equivalent to approximately HK$1.0

million), which are calculated by reference to the net proceeds from the Disposal and the respective unaudited carrying value of the Property as at 30 June 2026 in respect of Hon Kwok Group and CIL Group of approximately HK$72.0 million).

It is intended that the net proceeds arising from the Disposal of approximately JPY1,032.7 million (equivalent to approximately HK$50.6 million) (after deduction of any amount to be repaid for redeeming the mortgage of the Property on or before the completion of the Disposal and the relevant expenses and charges) will be repatriated back to Hong Kong for general working capital purpose.

INFORMATION ABOUT CIL, HON KWOK AND THE BAUHINIA HOTELS GROUP JAPAN 3

CIL is an investment holding company incorporated in Hong Kong with limited liability. CIL Group is mainly engaged in property investment.

Hon Kwok is an investment holding company incorporated in Hong Kong with limited liability. Hon Kwok Group is mainly engaged in property development, property investment and property related businesses.

The Bauhinia Hotels Group Japan 3 is solely funded and controlled by the JV Company which is in turn 60% owned by Best Range Global, a direct wholly-owned subsidiary of Hon Kwok and an indirect subsidiary of CIL, and 40% by Long View Japan.

INFORMATION ABOUT THE PURCHASER

The Purchaser under the Sale and Purchase Agreement is LLGK1 合同会社 (Godo Kaisha), which is a limited liability corporation formed under the TK (Tokumei Kumiai) Arrangement as defined in the Commercial Code of Japan. The sole TK investor of the Purchaser is a sub-fund of Agility Global Strategy VCC (the "Agility Fund"), which is managed by a licensed fund manager, AP Property Fund Management Pte Ltd, registered under the Monetary Authority of Singapore, with a wide investor base.

The Agility Fund is established in Singapore under Variable Capital Companies Act 2018 and is registered under the Accounting and Corporate Regulatory Authority of Singapore. Its investment targets include, amongst others, mid-sized hotels with clear repositioning potential, focusing on high-demand locations such as Tokyo, Osaka, Kyoto and Sapporo. AP Property Fund Management Pte Ltd is a real estate arm of PhillipCapital Group which is a global financial conglomerate with headquarter in Singapore, and serving over 2 million clients with assets under management of a total of more than USD87 billion.

To the best of the knowledge, information and belief of the respective directors of CIL and Hon Kwok, having made all reasonable enquiries, the Purchaser, the Agility Fund, AP Property Fund Management Pte Ltd and PhillipCapital Group are third parties independent of CIL, Hon Kwok and their respective connected persons.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Property was acquired by The Bauhinia Hotels Group Japan 3 on 10 January 2024 at a consideration (inclusive of local consumption tax) of approximately JPY785 million (equivalent to approximately HK$38.5 million). The Property was acquired with vacant possession and renovation works was completed in late 2024 and was then leased to an independent hotel operator under a designated hotel chain named “R Hotel”.

The Consideration represented a premium of about 11.7% of the market valuation of the Property of JPY1,500 million (equivalent to approximately HK$73.5 million) as at 30 June 2026. Compared with the original acquisition price of the Property by the JV Company in 2024, the Consideration represented an increase of approximately 113.4% over the acquisition price.

CIL Group and Hon Kwok Group monitor the market environment continuously and review its property portfolio from time to time with the aim of maximizing the return to the shareholders on its property investment business. Based on the above, the management of CIL Group and Hon Kwok Group are of the view that the Disposal represents a good opportunity to realise a satisfactory return from the investments in Japan, and to consolidate the resources and rationalize the property portfolio of CIL Group and Hon Kwok Group.

CIL Board is of the view that the terms of the Sale and Purchase Agreement are fair and reasonable and the Disposal is in the interests of CIL and its shareholders as a whole.

Hon Kwok Board is of the view that the terms of the Sale and Purchase Agreement are fair and reasonable and the Disposal is in the interests of Hon Kwok and its shareholders as a whole.

LISTING RULES IMPLICATIONS

One of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but is less than 25% (and all other applicable percentage ratios are below 5%) for Hon Kwok. Accordingly, the Disposal constitutes a discloseable transaction for Hon Kwok and is subject to the notification and publication requirements but exempt from the shareholders’ approval requirement under Chapter 14 of the Listing Rules.

Except for the consideration ratio, all other applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal are below 5% for CIL. CIL considered that the consideration ratio produces an anomalous result and applied to the Stock Exchange to apply an alternative size test. The Stock Exchange exercised its discretion under Rule 14.20 of the Listing Rules to adopt such alternative size test, and as the same is also below 5% for CIL, the Disposal does not constitute a notifiable transaction for CIL under Chapter 14 of the Listing Rules. Nevertheless, CIL makes this announcement on a voluntary basis jointly with Hon Kwok.

DEFINITIONS

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

"Best Range Global"	Best Range Global Limited, a company incorporated in BVI with limited liability and is a direct wholly-owned subsidiary of Hon Kwok
"BVI"	the British Virgin Islands
"CIL"	Chinney Investments, Limited (建業實業有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 216), and is the holding company of Hon Kwok
"CIL Board"	the board of directors of CIL
"CIL Group"	CIL and its subsidiaries (including Hon Kwok Group)
"connected person(s)"	has the same meaning ascribed thereto under the Listing Rules
"Consideration"	the consideration in the sum of approximately JPY1,675 million (equivalent to approximately HK$82.1 million) payable by the Purchaser to The Bauhinia Hotels Group Japan 3 for the Disposal
"Disposal"	the disposal of the Property (including its trust beneficiary right) by The Bauhinia Hotels Group Japan 3 to the Purchaser pursuant to the terms and conditions of the Sale and Purchase Agreement
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hon Kwok"	Hon Kwok Land Investment Company, Limited (漢國置業有限公司), a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 160), and is directly owned as to 68.09% by CIL
"Hon Kwok Board"	the board of directors of Hon Kwok
"Hon Kwok Group"	Hon Kwok and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China

"JPY"	Japanese Yen, the lawful currency of Japan
"JV Company"	Optimal Trade Holdings Limited (貿旺控股有限公司), a company incorporated in BVI with limited liability and is owned as to 60% by Best Range Global and 40% by Long View Japan
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long View Japan"	Long View Japan Limited (恆景日本有限公司), a company incorporated in BVI with limited liability and is 100% owned by Mr. Hui Ka Leung, Thomas
"Property"	comprises land and a 9-storey hotel building situated at 2 Chome-5-18, Shikitsuhigashi, Naniwa-ku, Osaka, Japan
"Purchaser"	LLGK1 合同会社 (Godo Kaisha), a limited liability corporation formed under the TK Arrangement under the laws of Japan
"Sale and Purchase Agreement"	the sale and purchase agreement dated 31 July 2026 entered into between The Bauhinia Hotels Group Japan 3 and the Purchaser in respect of the Disposal
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"The Bauhinia Hotels Group Japan 3"	The Bauhinia Hotels Group Japan 3 合同会社 (Godo Kaisha), a limited liability corporation formed by agreement with the JV Company (being the investor) under the laws of Japan
"TK Arrangement"	a contractual arrangement between the Purchaser and its foreign investor (known as TK investor) contributing the funding required for the acquisition of the Property under the Sale and Purchase Agreement, as defined in the Commercial Code of Japan, which is a typical investment structure adopted by foreign investor when investing in Japan
"USD"	US dollars, the lawful currency of United States of America
"%"	per cent.

For the purpose of this announcement, amounts denominated in JPY have been translated into HK$ at an exchange rate of JPY1.00 = HK$0.049. No representation is made that any amounts in JPY and HK$ can be or could have been converted at the relevant dates at the above rates or at any other rates at all.

By Order of the Board
Chinney Investments, Limited
(建業實業有限公司)
Ka-Yee Wan
Company Secretary

By Order of the Board
Hon Kwok Land Investment Company, Limited
(漢國置業有限公司)
Ka-Yee Wan
Company Secretary

Hong Kong, 31 July 2026

At the date of this announcement, the directors of CIL are Mr. James Sing-Wai Wong (Chairman), Mr. Yuen-Keung Chan (Vice Chairman), Mr. Raymond Ming-Joe Chow (Managing Director) and Mr. Winfred Wai-Lap Fan (Finance Director) as executive directors; Dr. Emily Yen Wong as non-executive director; and Mr. Richard Chi-Ho Lo, Mr. Randall Todd Turney and Mr. Stephen Henry Chu as independent non-executive directors.

At the date of this announcement, the directors of Hon Kwok are Mr. James Sing-Wai Wong (Chairman) and Mr. Donald Yin-Shing Lam (Managing Director) as executive directors; Dr. Emily Yen Wong and Mr. Philip Bing-Lun Lam as non-executive directors; and Ms. Janie Fong, Mr. James C. Chen and Ms. Rui-Hua Chang as independent non-executive directors.