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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
TERMINATION OF THE DISPOSAL
OF A HOTEL PROPERTY IN ASAKUSA, TOKYO**

This joint announcement is made pursuant to Rule 14.36 of the Listing Rules.

Reference is made to the joint announcement of CIL and Hon Kwok on 28 May 2024 in relation to the disposal of the Property in Asakusa, Tokyo, Japan at the consideration of approximately JPY1,872.5 million (equivalent to approximately HK\$95.50 million). Unless otherwise defined, capitalized items used herein shall have the same meaning as defined in the joint announcement.

Both CIL and Hon Kwok announce that since the Purchaser was unable to obtain financing for settlement of the Consideration, The Bauhinia Hotels Group Japan 2 has, after several rounds of negotiations with the Purchaser since late July 2024, decided to terminate the transaction and both parties have entered into a termination agreement on 31 October 2024 (the "Termination Agreement"), which will take immediate effect.

Pursuant to the Termination Agreement, the deposit for the Disposal of JPY50 million (equivalent to approximately HK\$2.55 million) shall be retained by The Bauhinia Hotels Group Japan 2 and both parties shall be released and discharged from any further obligation or performance of the Sale and Purchase Agreement.

Both CIL Board and Hon Kwok Board are of the view that the termination of the Sale and Purchase Agreement does not have a material effect on the operation and financial conditions of the existing businesses of CIL and Hon Kwok. The JV Company will continue to look for other potential buyers in the market and for the time being, the Property shall remain as a capsule hotel under an existing lease to an independent hotel operator in Japan for a term of 15 years expiring on 30 June 2038.

For the purpose of this announcement, amounts denominated in JPY have been translated into HK\$ at an exchange rate of JPY1.00 = HK\$0.051. 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 October 2024

At the date of this announcement, the directors of CIL are Mr. James Sing-Wai Wong (Chairman), Mr. Yuen-Keung Chan (Vice Chairman and Managing Director) and Mr. Donald Yin-Shing Lam as executive directors; Dr. Emily Yen Wong as non-executive director; and Mr. Richard Chi-Ho Lo, Mr. Winfred Wai-Lap Fan, 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), Mr. Xiao-Ping Li, Mr. Philip Bing-Lun Lam and Mr. Donald Yin-Shing Lam as executive directors; Dr. Emily Yen Wong as non-executive director; and Ms. Janie Fong, Mr. David Tak-Wai Ma, Mr. James C. Chen and Mr. Raymond Ming-Joe Chow as independent non-executive directors.