THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your securities in **Hon Kwok Land Investment Company, Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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

(Incorporated in Hong Kong with limited liability)

(Stock Code: 160)

MAJOR TRANSACTION
IN RELATION TO THE DISPOSAL OF THE TARGET GROUP

Capitalised terms used in this cover page have the same meanings as those defined in this circular. To the extent that there are any inconsistencies between the English version and the Chinese version of this circular, the English version shall prevail.

The Provisional Sale and Purchase Agreement and the transactions contemplated thereunder have been approved by way of written Shareholder's approval pursuant to Rule 14.44(2) of the Listing Rules in lieu of a general meeting of the Company. This circular is being despatched to the Shareholders for information only and no Shareholders' meeting will be held.

17 December 2025

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In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"Agreed Property Value"	the agreed property value of the Property of HK$338,000,000 under the Provisional Sale and Purchase Agreement
"Bank Loan"	the total outstanding principal amount of the loan secured by the Property owed by the Company to a licensed bank in Hong Kong as at the Completion Date and any interest accrued thereon
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday or Sunday) on which no "black rainstorm warning" or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted in Hong Kong at 9:00 a.m. on that day and on which licensed banks are open in Hong Kong to the general public for business
"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 the Company
"Company"	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
"Completion Accounts"	the consolidated statement of profit or loss of the Group for the period from 1 April 2025 up to the Completion Date and the consolidated balance sheet of the Group as at Completion be prepared and audited
"Completion"	completion of the sale and purchase of the Sale Share and the assignment of the Sale Loans in accordance with the terms and conditions of the Provisional Sale and Purchase Agreement

"Completion Date"	the date on which Completion takes place, being the 3rd Business Day following satisfaction or waiver of all conditions precedent as set out in the Provisional Sale and Purchase Agreement, or such other date as the Vendor and the Purchaser may agree in writing
"Completion Net Asset Value"	the Net Asset Value based on the completion accounts of the Target Group to be prepared by the Vendor at its own costs and delivered to the Purchaser no later than 40 Business Days after the Completion Date
"connected person(s)"	has the same meaning ascribed thereto under the Listing Rules
"Consideration"	the consideration payable by the Purchaser to the Vendor for the Sale Share and the Sale Loans under the Provisional Sale and Purchase Agreement
"Director(s)"	the director(s) of the Company
"Disposal"	the proposed disposal of the Sale Share and the assignment of the Sale Loans by the Vendor to the Purchaser pursuant to the terms and conditions of the Provisional Sale and Purchase Agreement
"Encumbrances"	means a mortgage, charge, pledge, lien, option, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, having similar effect and any agreement or obligation to create or grant any of the aforesaid, other than those security documents under the Bank Loan and any tenancies relating to the Property
"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
"Hotel"	the hotel being currently operated at the Property under the name of "The Bauhinia Hotel (TST) 寶軒酒店(尖沙咀)"

"Hotel Licence"	the hotel licences issued by the Hotel and Guesthouse Accommodation Authority in respect of the Hotel
"Initial Consideration"	the initial Consideration being the aggregate of the Agreed Property Value plus the Proforma Net Asset Value of the Target Group
"King Capital"	King Capital Development Limited (英都發展有限公司), a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of Oseling Investments
"Latest Practicable Date"	15 December 2025
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Longstop Date"	31 December 2025 (or such later date as may be agreed in writing between the Vendor and the Purchaser)
"Net Asset Value"	an amount equal to (a) the total consolidated current assets of the Target Group (for avoidance of doubt, including utilities deposits and accounts receivables but other than the value of the Property) minus (b) the total consolidated current liabilities of the Target Group except for the Sale Loans, any inter-company balances which shall be repaid, set-off, novated, terminated or otherwise eliminated or assigned and transferred to the Vendor before Completion, and deferred tax liabilities (if any)
"Oseling Investments"	Oseling Investments Limited, a company incorporated in BVI with limited liability and is an indirect wholly-owned subsidiary of the Company
"Proforma Net Asset Value"	the Net Asset Value based on the proforma completion accounts of the Target Group to be delivered by the Vendor to the Purchaser at least before 5 Business Days prior to (but excluding) the Completion Date
"Property"	all those pieces or parcels of ground registered in the Land Registry as Kowloon Inland Lots Nos. 8806, 8860 and 9357 together with all messuages erections and buildings thereon known as Knutsford Place, Nos. 5, 7 and 9 Observatory Court, Kowloon, Hong Kong

"Provisional Sale and Purchase Agreement"	the conditional sale and purchase agreement dated 28 October 2025 entered into amongst the Vendor and the Purchaser in relation to the Disposal
"Purchaser"	Brightwood Management Limited (顯駿管理有限公司), a company incorporated under the laws of Hong Kong with limited liability
"RMB"	Renminbi, the lawful currency of the People's Republic of China
"Sale Loans"	the shareholder's loan owing by Oseling Investments to the Vendor as at Completion
"Sale Share"	the one issued ordinary share of and in Oseling Investments to be sold by the Vendor to the Purchaser pursuant to the Provisional Sale and Purchase Agreement, representing the entire equity interest in Oseling Investments
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
"Shareholder(s)"	the shareholder(s) of the Company
"sq.ft."	square feet
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Group"	Oseling Investments, King Capital and The Bauhinia Hotel (TST)
"The Bauhinia Hotel (TST)"	The Bauhinia Hotel (TST) Management Limited (寶軒酒店(尖沙咀)管理有限公司), a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of Oseling Investments
"Vendor" or "HKL Holdings (BVI)"	HKL Holdings (BVI) Limited, a company incorporated in BVI with limited liability and is a direct wholly-owned subsidiary of the Company
"%"	per cent.

漢國置業有限公司
Hon Kwok Land Investment Company, Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 160)

Executive Directors:
Mr. James Sing-Wai Wong *(Chairman)*
Mr. Donald Yin-Shing Lam *(Managing Director)*

Non-executive Directors:
Dr. Emily Yen Wong
Mr. Philip Bing-Lun Lam

Independent non-executive Directors:
Ms. Janie Fong
Mr. James C. Chen
Ms. Rui-Hua Chang

Registered Office:
23rd Floor
Wing On Centre
111 Connaught Road Central
Hong Kong

17 December 2025

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION
IN RELATION TO THE DISPOSAL OF THE TARGET GROUP

INTRODUCTION

Reference is made to the announcement dated 28 October 2025 of the Company in relation to the Disposal.

The Board announced that on 28 October 2025 (after trading hours), the Vendor and the Purchaser entered into the Provisional Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell and assign, and the Purchaser has conditionally agreed to purchase and take assignment of, the Sale Share and the Sale Loans. The Consideration for the Sale Share and the Sale Loans shall be aggregate of (i) the Agreed Property Value of the Property of HK$338,000,000; and (ii) the Completion Net Asset Value of the Target Group. The Target Group comprises of Oseling Investments, King Capital and The Bauhinia Hotel (TST). Oseling Investments is an investment holding company holding 100% equity interest of King Capital and The Bauhinia Hotel (TST), whereas each of King Capital and The Bauhinia Hotel (TST) holds the Property and the Hotel Licence respectively.

The purpose of this circular is to provide you with, among other things, further details of the Disposal and other information as required to be disclosed under the Listing Rules.

PROVISIONAL SALE AND PURCHASE AGREEMENT

Set out below are the principal terms of the Provisional Sale and Purchase Agreement:

Date

28 October 2025

Parties

1. HKL Holdings (BVI) as Vendor;

2. Brightwood Management Limited as Purchaser; and

3. The Company as guarantor to guarantee the performance of obligations of the Vendor.

Subject Matter

Pursuant to the Provisional Sale and Purchase Agreement, the assets to be disposed of by the Vendor to the Purchaser comprise (i) the Sale Share; and (ii) the Sale Loans. The Vendor has conditionally agreed to sell the Sale Share and assign the Sale Loans to the Purchaser free from the Encumbrances. Further details of the Target Group are set out in the section headed "Information on the Target Group, the Property and the Hotel" below.

Consideration and Payment Terms

The Consideration to be paid by the Purchaser for the Sale Share and the benefit of the Sale Loans shall be an amount equal to the amount of the Agreed Property Value of HK$338,000,000 plus the Completion Net Asset Value of the Target Group.

For the purpose of determining the Consideration under the Provisional Sale and Purchase Agreement, Net Asset Value means the total consolidated current assets of the Target Group (for avoidance of doubt, including utilities deposits and accounts receivables but other than the value of the Property) minus the total consolidated current liabilities of the Target Group except for the Sale Loans, any inter-company balances which shall be repaid, set-off, novated, terminated or otherwise eliminated or assigned and transferred to the Vendor before Completion, and deferred tax liabilities (if any). To the best knowledge of the management of the Group after having made reasonable enquiries, as at the Latest Practicable Date, the Target Group had no other non-current assets or liabilities except for the Hotel.

The Consideration was determined primarily based on the Agreed Property Value, which was agreed after arm's length negotiations between the Vendor and the Purchaser by reference to, among others, market values of comparable properties of this type, and adjusted to reflect the current market sentiment of property market in Hong Kong. The preliminary market valuation of the Property as at 31 March 2025 as appraised by an independent valuer appointed by the Company based on market approach was approximately HK$351,000,000. Notwithstanding the Agreed Property Value represented a discount of about 3.7% to the preliminary market valuation of the Property as aforesaid, the Board is of the view that the Consideration is fair and reasonable, having taken into account that (i) a modest discount is consistent with prevailing market practice in Hong Kong under the current competitive property market condition, and facilitates the disposal of the Property; and (ii) the Disposal provides the Group with an opportunity to realise its investment in the Property and redeploy its resources more efficiently to pursue other business opportunities. Please refer to the valuation report of the Property with valuation date updated to 31 October 2025 set out in Appendix II to this circular.

The Consideration will be payable in the following manner:

(i) deposit in the sum of HK$33,800,000 representing 10% of the Agreed Property Value shall be paid to the Vendor's solicitors upon signing of the Provisional Sale and Purchase Agreement (the "**Deposit**");

(ii) an amount representing the balance of the Initial Consideration (being the aggregate of the Agreed Property Value plus the Proforma Net Asset Value of the Target Group) after deducting the Deposit shall be paid to the Vendor (or its designated party) on the Completion Date; and

(iii) an amount representing the adjustment being the difference of the Completion Net Asset Value and the Proforma Net Asset Value to be paid by the Purchaser (if the Completion Net Asset Value is larger than the Proforma Net Asset Value) or the Vendor (if the Completion Net Asset Value is smaller than the Proforma Net Asset Value) within 5 Business Days after the delivery of the Completion Accounts, which will be provided within 40 Business Days after the Completion.

Conditions Precedent

Completion is conditional upon the following conditions being satisfied (and/or waived by the Purchaser):

(a) King Capital being able to show and give title to the Property in accordance with the applicable laws in Hong Kong pursuant to the provisions of the Provisional Sale and Purchase Agreement;

(b) the Purchaser having undertaken the due diligence investigation on the business, financial and legal aspects of the Target Group (other than in respect of the title of the Property) and the Purchaser has not identified any issue(s) as specified in accordance with the terms of the Provisional Sale and Purchase Agreement;

(c) the warranties as set out in the Provisional Sale and Purchase Agreement remaining true and accurate in all material respects on the date on which Completion would take place; and

(d) the transaction contemplated under the Provisional Sale and Purchase Agreement being transacted in accordance with the requirements under the Listing Rules.

The Purchaser may at any time before the Longstop Date waive in writing any of the conditions precedent set out above (except for (d)).

If any of the conditions precedent set out in the Provisional Sale and Purchase Agreement has not been satisfied (or waived) on or before the Longstop Date, then unless the parties thereto agree in writing, either the Vendor or the Purchaser may, at its option, by notice to the other party: (i) postpone the Longstop Date to a date falling not more than 20 Business Days after the original Longstop Date; or (ii) terminate the Provisional Sale and Purchase Agreement.

Completion

Completion shall take place in Hong Kong on the 3rd Business Day following satisfaction or waiver of all conditions precedent as set out in the Provisional Sale and Purchase Agreement or such other date as the Vendor and the Purchaser may agree in writing.

As disclosed in the announcement of the Company dated 15 December 2025, the Company has obtained written shareholder's approval from CIL in respect of the Provisional Sale and Purchase Agreement and the transactions contemplated thereunder, and all the conditions precedent as stipulated in the section headed "Conditions Precedent" above have been fulfilled. As such, Completion has taken place on 12 December 2025. Accordingly, as from 12 December 2025, the Group has ceased to have any interests in the Target Group and the financial results and assets and liabilities of the Target Group will no longer be consolidated into the consolidated financial statements of the Group. Upon Completion, the Property will be delivered on an as-is basis and in relation to premises of the Property not subject to any tenancy, with vacant possession to the Purchaser, and the Group will no longer be interested in or operating the Hotel, which will then be operated by the Purchaser.

INFORMATION ON THE TARGET GROUP, THE PROPERTY AND THE HOTEL

Oseling Investments Limited

Oseling Investments is a company incorporated in BVI with limited liability and is an indirect wholly-owned subsidiary of the Company immediately before Completion. Oseling Investments is principally engaged in investment holding.

King Capital Development Limited

King Capital is a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of Oseling Investments. King Capital is principally engaged in property investment and is the owner of the Property.

The Bauhinia Hotel (TST) Management Limited

The Bauhinia Hotel (TST) is a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of Oseling Investments. The Bauhinia Hotel (TST) is principally engaged in hotel operation and management. It owns the Hotel Licence and is operating and managing the Hotel.

The Property and The Hotel

The Property is located at Knutsford Place, Nos. 5, 7 and 9 Observatory Court, Kowloon, Hong Kong. It is a 23-storey building erected over a site area of approximately 3,937 sq.ft., having a total gross floor area of approximately 60,894 sq.ft. and is operating as the Hotel under the name of The Bauhinia Hotel (TST) 寶軒酒店(尖沙咀).

Financial information of the Target Group

Set out below is a summary of the unaudited combined accounts of the Target Group for the two financial years ended 31 March 2025 and 31 March 2024:

	For the financial year ended	
	31 March 2025	**31 March 2024**
	(unaudited)	*(unaudited)*
	HK$	*HK$*
Revenue	6,518,472	9,417,783
Operating cost	(2,317,458)	(9,860,116)
Operating profit/(loss)	4,201,014	(442,333)
Fair value gains/(losses) on investment properties	(37,100,000)	6,917,460
Profit/(loss) before taxation	(32,898,986)	6,475,127
Tax	–	–
Profit/(loss) after taxation	(32,898,986)	6,475,127

The unaudited combined net assets of the Target Group as at 31 March 2025 were approximately HK$353,349,500 (excluding the amount of Sale Loans of approximately HK$519,900,000 to be assigned to the Purchaser pursuant to the Provisional Sale and Purchase Agreement) and the unaudited combined net assets of the Target Group as at 31 March 2024 were approximately HK$393,000,000 (excluding the amount of Sale Loans of approximately HK$526,800,000).

Currently the Property is mortgaged to a licensed bank in Hong Kong for the Bank Loan granted to the Company with an outstanding balance of HK$198,000,000. Part of the Consideration will be directly utilized to repay the Bank Loan in full at Completion so as to release and discharge the securities on the Property.

INFORMATION ON THE VENDOR AND THE GROUP

The Vendor is HKL Holdings (BVI) Limited, which is incorporated in BVI and a direct wholly-owned subsidiary of the Company. HKL Holdings (BVI) is principally engaged in investment holding.

The Company is incorporated in Hong Kong with limited liability and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 160). The Company is an investment holding company and the Group is principally engaged in the businesses of (i) property development, (ii) property investment and (iii) property and carpark management.

INFORMATION OF THE PURCHASER

The Purchaser is a private company incorporated in Hong Kong with limited liability and is controlled by Mr. Wong Man Li, who is engaging in business in furniture industry.

As at Latest Practicable Date, to the best of the knowledge, information and belief of the Directors, having made reasonable enquiries, the Purchaser and Mr. Wong are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group aims at rationalizing the property portfolio and resource allocations to prepare for the next phase of growth. As such, the Board considers that the Disposal provides a valuable opportunity to unlock the value of its investment in the Property with a positive cash inflow to the Group. Furthermore, the Disposal will also enable the Group to reduce its bank borrowings, improve its liquidity and strengthen the overall financial position for the Group.

The Board is of the view that the Disposal is in the ordinary course of business of the Group, and the terms of the Provisional Sale and Purchase Agreement are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL

As at 31 March 2025, the unaudited combined net assets of the Target Group were approximately HK$353,349,500 (comprising the carrying value of the Property of approximately HK$351,000,000 and the net current assets of approximately HK$2,349,500). Based on the Initial Consideration of HK$340,349,500 and the estimated expenses in relation to the Disposal of approximately HK$1,000,000, it is expected that the Group would record an estimated loss from the Disposal of approximately HK$14,000,000.

As at 30 September 2025, the unaudited shareholders' fund of the Group was approximately HK$10,447,626,000. Upon Completion, based on the estimation of the Directors, (i) the assets of the Group will be decreased by approximately HK$210,000,000; and (ii) the liabilities of the Group will be decreased by approximately HK$196,000,000.

The actual financial effect of the Disposal set out above is for illustrative purpose only and is subject to audit by the auditor of the Company.

Following Completion, the Group will cease to have any interests in the Target Group and the financial results and assets and liabilities of the Target Group will no longer be consolidated into the consolidated financial statements of the Group.

INTENDED USE OF PROCEEDS

Based on the estimated Consideration of HK$340,349,500, the net proceeds for the Disposal (after repayment of the Bank Loan in full) are estimated to be approximately HK$141,000,000. The net cash proceeds from the Disposal will replenish the working capital of the Group for payment of operating expenses, including approximately HK$60.0 million as salaries, approximately HK$8.4 million as rental expenses and approximately HK$70.0 million as bank interest expenses. It will improve its liquidity and strengthen the overall financial position for the Group.

LISTING RULES IMPLICATIONS

One of the relevant percentage ratios, being the consideration ratio, calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 25% for the Company. Accordingly, the Disposal constitutes a major transaction for the Company and is subject to reporting, announcement, circular and the shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or its/his/her associate(s) has a material interest in the Disposal; and accordingly, no Shareholder is required to abstain from voting for the resolution if the Company were to convene a general meeting to approve the Disposal.

As at the Latest Practicable Date, CIL, which directly holds 490,506,139 shares of the Company representing approximately 68.09% of the existing issued share capital of the Company, has approved the Disposal by a written shareholder's approval in accordance with Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of the Company. Accordingly, no Shareholders' meeting will be held by the Company to approve the Provisional Sale and Purchase Agreement and the transactions contemplated thereunder.

Pursuant to Rule 14.41(a) of the Listing Rules, if the transaction is approved by way of a written shareholders' approval from a shareholder or a closely allied group of shareholders under Rule 14.44 of the Listing Rules, the circular must be despatched to the shareholders of the listed issuer within 15 business days after publication of the announcement. The Disposal was announced by the Company on 28 October 2025 and accordingly this circular must be despatched to the Shareholders on or before 19 November 2025 unless such requirement is waived by the Stock Exchange. As additional time was required to finalise certain information to be included in this circular, the Company published the announcements on 19 November and 3 December 2025 informing Shareholders of the delay in despatch of this circular, the reasons and the expected dates of despatch. However, due to an inadvertent oversight, the Company did not apply for a waiver from the Stock Exchange and it constitutes a non-compliance with Rule 14.41(a) of the Listing Rules.

Remedial actions

The Company would like to stress that the non-compliance was a single incident and due to an inadvertent oversight. To avoid re-occurrence of similar events, the Company shall take the following measures and actions:

(i) the company secretarial and legal department of the Company shall take steps to monitor its procedures to support and achieve compliance with the Listing Rules; and

(ii) the Company would, as and when appropriate, seek external legal and/or other professional advice as to compliance requirements of the Listing Rules.

GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
James Sing-Wai Wong
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the three years ended 31 March 2023, 2024 and 2025; and the six months ended 30 September 2025 are disclosed in the following documents of the Company which have been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.honkwok.com.hk):

- pages 51 to 150 of the annual report of the Company for the year ended 31 March 2023 (https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0726/2023072600621.pdf)
- pages 55 to 156 of the annual report of the Company for the year ended 31 March 2024 (https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0729/2024072900660.pdf)
- pages 59 to 165 of the annual report of the Company for the year ended 31 March 2025 (https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0728/2025072800774.pdf)
- pages 3 to 13 of the 2025-26 interim results announcement for the six months ended 30 September 2025 (https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1125/2025112501759.pdf)

2. INDEBTEDNESS OF THE GROUP

As at the close of business on 31 October 2025, being the latest practicable date for the purpose of the statement of indebtedness prior to the printing of this circular, the Group had outstanding secured bank borrowings of approximately HK$6,205,668,000, which were secured by investment properties, properties held for sale under development, completed properties held for sale and leasehold land and building.

As at the close of business on 31 October 2025, there is an amount due to the immediate holding company of the Company of HK$20,000,000.

Lease liabilities

As at 31 October 2025, the Group had lease liabilities of approximately HK$41,430,000, of which approximately HK$19,653,000 was due within one year and approximately HK$21,777,000 was due after one year.

Contingent liabilities

(a) As at 31 October 2025, the Group has given a guarantee of HK$487,500,000 to a bank in connection with a facility granted to a joint venture and such banking facility guaranteed by the Group to the joint venture was utilised to the extent of HK$259,600,000.

(b) As at 31 October 2025, the Group has given guarantees of HK$21,384,000 to banks for housing loans extended by the banks to the purchasers of the Group's properties for a period from the date the loans are granted to the purchasers up to the date of issuance of property ownership certificates to the purchasers.

General

Saved as aforesaid, and apart from intra-group liabilities and normal trade payables in the ordinary course of the business of the Group, at the close of business on 31 October 2025, the Group did not have any (i) other outstanding debt securities, whether issued and outstanding, authorised or otherwise created but unissued; (ii) other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances (other than normal bills payable) or acceptance credits, whether guaranteed, unguaranteed, secured or unsecured borrowings or debt; (iii) other recognised lease liabilities, outstanding mortgages and charges; or (iv) other material contingent liabilities or guarantees. As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the Group's indebtedness position and contingent liabilities since 31 October 2025.

3. WORKING CAPITAL STATEMENT

The Directors, after due and careful enquiry, are of the opinion that upon Completion and after taking into account the financial resources available to the Group, including internal resources and present available banking facilities, the Group has sufficient working capital for its present requirements for the next twelve months from the date of this circular. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

As at 31 March 2025, the Group has a total shareholder's funds of approximately HK$10,527 million. The gearing ratio of the Group, as measured by the net interest-bearing debts of approximately HK$5,301 million over the total shareholders' funds plus non-controlling interests totally approximately HK$10,883 million, was 49% as at 31 March 2025. The Group had cash and bank balances including time deposits of approximately HK$1,043 million as at 31 March 2025 and also had committed but undrawn banking facilities of a total of approximately HK$262 million as at 31 March 2025 available for its working capital purpose. The Directors expect that the Group will continue to maintain healthy financial position to support the business operations.

The Group is principally engaged in the businesses of property development and property investment mainly focused in Mainland China, Hong Kong and Japan.

Our Guangzhou residential project "The Riverside", a composite development located on Beijing Road, Yue Xiu District, was launched to market for sale and received satisfactory responses given its prime location and attractive features. As at the Latest Practicable Date, this project generated sale proceeds exceeding RMB650 million.

The Group's 50% joint venture project, located on South Bay Road, Repulse Bay, Hong Kong, is being developed into premium luxury residences. Construction works are progressing on schedule.

The current occupancy of the Group's major investment properties in Mainland China and Hong Kong maintain satisfactory occupancy rates amid the subdued property market. The management team continue to adopt proactive leasing strategy to enhance the leasing performance. Benefited from the booming tourism market in Japan, the Group's property portfolio achieved satisfactory occupancy with growing rental income.

The revamp works of The Bauhinia Hotel (Central), a hotel/serviced apartment building in Central, Hong Kong, has completed and is targeted to reopen officially in January 2026. The revamp project rebranded the building with stylish and luxury lifestyle with green and sustainability concept. It will enhance the building to generate stable and solid income stream to the Group.

In view of the above and barring unforeseen circumstances, the Directors remain optimistic on the financial and trading prospects of the Group for the current financial year.

The Directors
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17 December 2025

Dear Sirs,

Re: Knutsford Place, Nos. 5, 7 & 9 Observatory Court, Tsim Sha Tsui, Kowloon (the "Property")

In accordance with your instructions for us to value the Property held by Hon Kwok Land Investment Company, Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which is held for investment purposes, we confirm that we have carried out inspections, made relevant searches and enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the Market Value of the Property on a 100% interest basis as at 31 October 2025 (the "Valuation Date") for the purposes of inclusion in a public circular to be issued by the Company in relation to a major transaction.

Basis of Valuation

Our valuation of the Property is our opinion of its Market Value which we would define as intended to mean "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Market Value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

Our valuation has been undertaken in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors ("HKIS"), which incorporates the International Valuation Standards ("IVS"), and (where applicable) the relevant HKIS or jurisdictional supplement. We have also complied with Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Savills has a network of over 700 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

Savills Valuation and Professional Services Limited

Identification and Status of the Valuer

The subject valuation exercise is handled by Mr. Charles Chan and Mr. Eddie So. Mr. Charles Chan is the Managing Director of Savills Valuation and Professional Services Limited ("SVPSL") and a Fellow of HKIS (General Practice Division) with over 41 years' experience in valuation of properties in Hong Kong. Mr. Eddie So is the Senior Director of SVPSL and a Member of HKIS (General Practice Division) with over 31 years' experience in valuation of properties in Hong Kong. Both of them have sufficient knowledge of the relevant market, skills and understanding to handle the subject valuation exercise competently.

Prior to your instructions for us to provide this valuation services in respect of the Property, SVPSL, Mr. Charles Chan and Mr. Eddie So had been involved in valuation of the Property for accounting purposes in the past 12 months.

We are independent of the Group. We are not aware of any instances which would give rise to potential conflict of interest from SVPSL, Mr. Charles Chan or Mr. Eddie So in the subject exercise. We confirm SVPSL, Mr. Charles Chan and Mr. Eddie So are in the position to provide objective and unbiased valuation for the Property.

Valuation Methodology

The sales comparison approach, also referred to as the market approach, is widely recognized as the most reliable valuation approach when sufficient market data is available. Given the presence of adequate and relevant comparable sales in the market, in preparing our valuation of the Property, we have principally adopted the sales comparison approach and made reference to sales of comparable properties as available in the market. In our valuation, we have considered the different attributes between the Property and the comparables in terms of transaction time, location, view, and other relevant factors, and have made adjustments accordingly.

Title Investigation

We have not been provided with copies of title documents relating to the Property, but we have caused searches of the Property at the Land Registry. We have not, however, searched the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us. As advised by the Group and to the best of their knowledge, there are no significant investigations, notices, pending litigations, breaches of law or title defects against the Property. In our valuation, we have assumed that the Property has good legal titles and is freely transferable in the market. We do not accept a liability for any interpretation which we have placed on such information which is more properly the sphere of your legal advisers.

Valuation Consideration and Assumptions

In the course of our valuation, we have relied to a very considerable extent on information given by the Group and have accepted information given to us on such matters as planning approvals, statutory notices, easements, tenure, particulars of occupancy, tenancy details, trading accounts, floor areas, ESG matters (if any) and all other relevant matters. We have no reason to doubt the truth and accuracy of the information provided to us by the Group. We have been advised by the Group that no material facts have been omitted from the information provided.

We have not carried out on-site measurements to verify the correctness of the floor areas in respect of the Property. Dimensions, measurements and areas included in this report are based on information contained in the documents provided to us and are therefore only approximations.

We have inspected the exterior of the Property and where possible, we have also inspected the interior of the Property. Our inspection was carried out by Ms. Laura Leung, MRICS and Ms. Hazel Ho, BSc on 5 November 2025. No structural surveys have been made, but during our inspection, we did not note any serious defects. We are not, however, able to report that the Property is free of rot, infestation, or any other structural defect. No tests were carried out to any of the services. No environmental studies for the Property have been made.

In undertaking our valuation, we have assumed that the interiors of the uninspected portions of the Property are finished and maintained in a reasonable condition commensurate with its age and uses, and the Property is in its original/approved layout without any unauthorized structures, extensions, and alterations. We have also assumed in our valuation that the Property is provided with normal and satisfactory building services for its existing uses as at the Valuation Date.

As advised by the Group and to the best of their knowledge, there were no plans for substantial construction, renovation, improvement, development or change of uses of the Property as at the Valuation Date.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Market Conditions Comment

Ongoing political and economic developments continue to create a complex and evolving landscape. Following the introduction of tariffs by the US Administration, there has been significant disruption to the global economy and international stock markets, and whilst the US trade war with China and other countries continues, the situation will remain volatile and the tariff regime may undergo further revisions with continued volatility, adding to global uncertainty. It is therefore important to recognise that our valuation has been prepared against

the fluid backdrop outlined above and the local economic environment. Moreover, investor behaviour can change quickly during such periods of volatility. As such, the conclusions set out in this report are only valid at the Valuation Date and we would recommend that the value of the property is kept under regular review.

Sustainability and ESG Considerations

ESG criteria are a set of standards which can be used to measure the performance of a business or investment in terms of sustainability. These criteria are increasingly being integrated into real estate valuation. At a property level, this includes environmental and climate impacts, the impact of buildings on the health and well-being of tenants/occupiers and local communities, and how a building is managed to encourage sustainable practices.

Nevertheless, quantifying the impact of ESG on value requires specialized expertise and would take time to become evident. A data-driven analysis is essential to understand how ESG performance translates into value.

In these regards, we are unable to quantify the potential impact of ESG matters, if any, on value, as we are not in the position of an expert on the assessment of sustainability and ESG matters. You are recommended to make further enquires and/or obtain further specialist or expert advice regarding ESG matters if necessary.

Except for the purpose of disclosure in the public circular to be issued by the Company in connection with the major transaction, neither the whole nor any part of the valuation report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it may appear.

We enclose herewith our valuation report.

Yours faithfully
For and on behalf of
Savills Valuation and Professional Services Limited

Charles C K Chan
MSc FRICS FHKIS MCIArb R.P.S. (GP)
Managing Director

Eddie C K So
MRICS MHKIS R.P.S. (GP)
Senior Director

Notes:

(1) Mr. Charles C K Chan is a professional surveyor who has over 41 years of experience in the valuation of properties in Hong Kong.

(2) Mr. Eddie C K So is a professional surveyor who has over 31 years of experience in the valuation of properties in Hong Kong.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 October 2025
Knutsford Place Nos. 5, 7 and 9 Observatory Court, Tsim Sha Tsui, Kowloon. Kowloon Inland Lot Nos. 8806, 8860 and 9357.	Knutsford Place is a 23-storey commercial building erected on a site with a site area of 365.8 sq.m. (3,937 sq.ft.). The building is located at the northwest of Observatory Court in Tsim Sha Tsui district of Kowloon Peninsula. Tsim Sha Tsui is a prime commercial, shopping and tourist area. Developments in the vicinity of the building mainly comprise commercial buildings, commercial/residential composite buildings, shopping arcades, hotels and serviced apartments. The building was completed in two phases in 1993 and 2000. Upon completion of the two phases, the building accommodates shops on the Ground Floor to 2nd Floor, and offices on the 3rd Floor to 25th Floor (4th, 14th and 24th Floors are omitted in the floor numbering). In accordance with a set of alteration and addition works plans approved by the Building Authority in 2006 and 2007, new extension areas to the 3rd Floor were constructed and completed in 2008. According to a set of alteration and addition works plans approved by the Building Authority in 2009, part of the Ground and 1st Floors and the entire 15th Floor to 25th Floor were converted for hotel uses. The conversion resulted in 44 guestrooms on 15th Floor to 18th Floor and 20th Floor to 23rd Floor, back-of-house facilities on the 19th Floor, and a lounge on the 25th Floor. The conversion works were completed in September 2010.	As advised by the Group, the Property is currently subject to various intra-group lease arrangements and is currently operated by the Group as a hotel under the trade name "The Bauhinia Hotel – Tsim Sha Tsui (TST)". From April to September 2025, the hotel's guestrooms achieved an average monthly income of approximately HK$1,700,000, with an average occupancy rate of around 98%. Based on information provided by the Group and our recent inspection, the shop on the 1st Floor is currently operating as a restaurant. The shop on the 2nd Floor has been converted to accommodate amenities, including a gymnasium, communal kitchen, common space, self-service laundry, and storage. The 25th Floor continues to function as a lounge.	HK$350,000,000 (Hong Kong Dollars Three Hundred and Fifty Million)

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 October 2025
	According to a set of alteration and addition works plans approved by the Building Authority in 2014, part of the Ground and 2nd Floors and the entire 3rd Floor, 5th Floor to 13th Floor and 19th Floor were converted for hotel uses. The conversion resulted in 54 guestrooms on the 3rd Floor, 5th Floor to 13th Floor and 19th Floor. The conversion works were completed in 2014. According to the above-mentioned building plans and alteration and addition works plans, the Property currently consists of an entrance lobby and front desk counter on the Ground Floor, a shop on the 1st Floor with its own separate entrance on the Ground Floor and a shop on the 2nd Floor, 98 guestrooms spanning the 3rd to 23rd Floor, and a lounge on the 25th Floor. In addition, back-of-house facilities are distributed across the Ground Floor and 3rd to 25th Floors. According to the alteration and addition works plans approved by the Building Authority in 2014, the total gross floor area of the Property is approximately 4,382.228 sq.m. (47,170 sq.ft.), excluding areas of mechanical and electrical facilities, etc. Kowloon Inland Lot Nos. 8806, 8860 and 9357 are held from the Government under a Government Lease and two Conditions of Re-grants No. UB8043 and No. UB8844 respectively, each for a term of 150 years commencing from 25 December 1889. The total Government rent payable for the lots is HK$446 per annum.		

Notes:

(1) Pursuant to the land register records obtained from the Land Registry, the current registered owner of the Property is King Capital Development Limited which is a subsidiary indirectly wholly owned by the Company.

(2) The Property is, inter alia, subject to the following encumbrances: -

(i) A Licence to permit five categories of offensive trades dated 28 April 2008, and registered vide memorial no. 08051300560019; and

(ii) Legal Charge and Assignment of Rentals and Insurance dated 30 June 2023 in favour of Fubon Bank (Hong Kong) Limited dated 30 June 2023, and registered vide memorial no. 23071000780015.

(3) As at the Valuation Date, the Property is located within an area zoned for "Commercial" under Tsim Sha Tsui Outline Zoning Plan No. S/K1/30 gazetted on 17 October 2025.

(4) As advised by the Group, the existing intra-group lease arrangements related to the Property will be terminated. Accordingly, we have been instructed to disregard these arrangements and have conducted our valuation on the basis of vacant possession.

(5) In conducting our valuation of the hotel portion of the Property, we have considered the sales of hotel properties in the market. Having considered that hotel values are highly sensitive to factors such as location, scale, and prevailing market conditions, we have considered these aspects alongside the characteristics of the Property when selecting comparables. Taking into account of the transaction time, location and scale of the properties, we have selected three sales transactions within the Yau Tsim Mong district over the past two years as comparables.

We consider the selected hotel comparables to be representative and exhaustive, having met the relevant selection criteria. Details of these comparables are set out below.

Date	**Hotel Name and Address**	**Consideration** *(HK$ Million)*	**Gross Floor Area** *(sq.ft.)*	**Unit Rate** *(per sq.ft.)*
31-Jul-2025	Hotel Ease Mong Kok (formerly known as Inn Hotel Hong Kong) No. 60 Portland Street Yau Ma Tei	432.80	48,595	$8,906
21-Feb-2025	MK Stay (formerly known as Hotel MK) No. 11 Changsha Street Mong Kok	188.00	26,140	$7,192
19-Jul-2024	Popway Hotel (now known as One Pace 117) No. 117 Chatham Road South Tsim Sha Tsui	180.00	24,551	$7,332
			Average:	**$7,810**

(6) The unit rates of the hotel comparables range from HK$7,192 to HK$8,906 per sq.ft. In our valuation, we have considered the different attributes between the hotel portion of the Property and the hotel comparables in terms of transaction time, location, building age & condition, view, scale and facilities, and have made appropriate adjustments accordingly.

(7) In applying adjustments to the hotel comparables, if a hotel comparable is superior to the Property in terms of the abovementioned attributes, a downward adjustment would be made to adjust down the unit rate of that hotel comparable, and vice versa. Following these adjustments, the adjusted unit rates of the hotel comparables range from HK$6,852 to HK$7,767 per sq. ft., with an average adjusted unit rate of approximately HK$7,400 per sq. ft., which we have adopted for the hotel portion of the Property.

(8) In conducting our valuation of the retail portion (the 1st Floor shop and the 25th Floor lounge) of the Property, we have considered the sales of upper floor retail properties in the Tsim Sha Tsui district over the past year, as retail property values are highly sensitive to location and prevailing market conditions. Taking into account of the transaction time, location, size, building age, headroom, exposure and accessibility of the properties, we have selected five recent sales transactions in the vicinity of the Property as comparables.

(9) We consider the selected upper floor retail comparables to be representative and exhaustive, having met the relevant selection criteria. Details of these comparables are set out below.

Date	**Comparable**	**Consideration** *(HK$ Million)*	**Saleable Area** *(sq.ft.)*	**Unit Rate** *(per sq.ft.)*
8-Sept-2025	2/F, Real Sight Commercial Building, No. 122 Woosung Street	11.00	1,001	$10,989
6-Jun-2025	Shop on 2/F & External Walls of 1-3/F and Canopy, Tak Sing Alliance Building No. 115 Chatham Road South	12.00	1,308	$9,174
3-Apr-2025	Units 1 and 2, 1/F, Koon Fook Centre, No. 9 Knutsford Terrace	16.50	1,496	$11,029
11-Feb-2025	Shop on 1st Floor, Tak Sing Alliance Building, No. 115 Chatham Road South	12.00	1,308	$9,174
11-Feb-2025	Shop on 3rd Floor, Tak Sing Alliance Building, No. 115 Chatham Road South	12.00	1,308	$9,174
			Average:	**$9,908**

(10) The saleable unit rates of the upper floor retail comparables range from HK$9,174 to HK$11,029 per sq.ft. In our valuation, we have considered the different attributes between the retail portion of the Property and the upper floor retail comparables in terms of transaction time, location, building age, size, headroom, exposure and accessibility, and have made adjustments accordingly.

(11) In applying adjustments to the upper floor retail comparables, if a retail comparable is superior to the Property in term of the abovementioned attributes, a downward adjustment would be made to adjust down the unit rate of that retail comparable, and vice versa. Following these adjustments, the adjusted unit rates of the upper floor retail comparables range from HK$9,284 to HK$12,132 per sq. ft., with an average adjusted unit rate of approximately HK$10,400 per sq. ft. We have adopted a unit rate of HK$10,400 per sq. ft. for the 1st Floor shop and HK$9,900 per sq. ft. for the 25th Floor lounge.

(12) According to the Hong Kong Tourism Board, as at September 2025, Tsim Sha Tsui district has 18,647 hotel rooms which represent around 20% of the total hotel rooms in Hong Kong; and the average occupancy rate of hotels in Tsim Sha Tsui district from April to September 2025 is approximately 86%.

* * * * *

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

Directors' and chief executives' interests and short positions in the shares and underlying shares of the Company and its associated corporations

As at the Latest Practicable Date, none of the Directors and the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

Substantial Shareholders' interests and persons who have an interest or short positions which is discloseable under Divisions 2 and 3 of Part XV of the SFO

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons (not being the Directors or the chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Group:

(i) Long positions in shares of the Company

Name of Shareholder	*Notes*	Capacity in which shares of the Company were held	Number of shares of the company	Approximate percentage of the Company's issued shares *(Note 5)*
Dr. James Sai-Wing Wong ("**Dr. Wong**")	*1, 2,3 & 4*	Through controlled corporations	502,262,139	69.72%
Lucky Year Finance Limited ("**Lucky Year**")	*1 & 2*	Through controlled corporations	490,506,139	68.09%
Chinney Holdings Limited ("**Chinney Holdings**")	*1 & 2*	Through controlled corporation	490,506,139	68.09%
CIL	*1 & 2*	Directly beneficially owned	490,506,139	68.09%

Notes:

1. All the interests stated above represent long positions.
2. Dr. Wong, Lucky Year, Chinney Holdings and CIL are deemed to be interested in the same parcel of 490,506,139 shares by virtue of Section 316 of the SFO.
3. 11,756,000 shares are held by Chinney Capital Limited of which Dr. Wong has beneficial interests therein.
4. Dr. Wong passed away on 16 February 2025.
5. The percentage figures are calculated based on 720,429,301 shares of the Company as at the Latest Practicable Date.

(ii) Long positions in equity interest of the member(s) of the Group

Name of owner in equity interest	Types of interest	Name of such member of the Group in which interest is held	Equity Interest hold	Approximate percentage of shareholding in such member of the Group
Sharp Billion Development Limited *(Note)*	Beneficial Owner	Guangzhou Honkwok Fuqiang Land Development Ltd.	RMB74,000,000	40.00%

Note: Sharp Billion Development Limited is controlled by Dr. Wong. Mr. James Sing-Wai Wong and Dr. Emily Yen Wong, being the Directors, are also director of Sharp Billion Development Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was expected, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

Except that (i) Mr. James Sing-Wai Wong and Dr. Emily Yen Wong, being the Directors, are also directors of CIL, Chinney Holdings and Lucky Year; and (ii) Mr. Donald Yin-Shing Lam, being Director, is also director of CIL, as at the Latest Practicable Date, so far as known to the Company's directors, none of the Company's directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, Mr. James Sing-Wai Wong and Dr. Emily Yen Wong, being Directors, hold directorships in companies principally engaged in property investment. In this respect, Mr. James Sing-Wai Wong and Dr. Emily Yen Wong are regarded as being interested in businesses which might compete with the Group.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, proposed directors or their respective close associates (as if each of them was treated as a controlling shareholder under Rule 8.10 of the Listing Rules) have interests in businesses apart from the Group's businesses which compete, or are likely to complete, either directly or indirectly, with the businesses of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which is not expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. MATERIAL ADVERSE CHANGE

The Directors confirmed that, as at the Latest Practicable Date, there had been no material adverse change in the financial or trading position of the Group since 31 March 2025 (the date to which the latest published audited consolidated financial statements of the Group were made up).

6. DIRECTORS' INTERESTS IN CONTRACTS, ASSETS AND ARRANGEMENT OF SIGNIFICANCE

The Group paid construction and repair costs to subsidiaries of Chinney Alliance Group Limited of HK$150,583,000 for the provision of builder's works, mechanical and electrical engineering works and façade works for the year ended 31 March 2025 (the date to which the latest published audited consolidated financial statements of the Group were made up). Mr. James Sing-Wai Wong, executive director and chairman of the Company, is also an executive director and chairman of Chinney Alliance Group Limited. Both Mr. Philip Bing-Lun Lam and Dr. Emily Yen Wong are directors of the Company and Chinney Alliance Group Limited.

The Company paid interest expense to CIL of HK$1,239,000 for the year ended 31 March 2025 (the date to which the latest published audited consolidated financial statements of the Group were made up). Mr. James Sing-Wai Wong, executive director and chairman of the Company, is also an executive director and chairman of CIL. Both Mr. Donald Yin-Shing Lam and Dr. Emily Yen Wong are directors of the Company and CIL.

As far as the Directors are aware and, save as disclosed in this circular, as at the Latest Practicable Date:

(a) none of the Directors had any material direct or indirect interest in any assets which have been, since 31 March 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and

(b) none of the Directors was materially interested in any contract or arrangement subsisting which is significant in relation to the business of the Group as a whole.

7. EXPERT AND CONSENT

The following sets out the qualification of the expert who has given opinion or advice which is contained or referred to in this circular:

Name	Qualification
Savills Valuation and Professional Services Limited	Independent property valuer

(a) As at the Latest Practicable Date, the above expert had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

(b) As at the Latest Practicable Date, the above expert had given and has not withdrawn its written consent to the issue of this circular, with the inclusion of its report, advise and opinion and references to its name and logo in the form and context in which it appear.

(c) As at the Latest Practicable Date, the above expert had no direct or indirect interests in any assets which has been acquired or disposed of by or leased to any member of the Group since 31 March 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up) or are proposed to be so acquired, disposed of by or leased to any member of the Group.

8. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there was no litigation or claims of material importance known to the Directors to be pending or threatened by or against any member of the Group.

9. MATERIAL CONTRACTS

The Company and any of its subsidiaries had not entered into any material contract (which was not entered into in the ordinary course of business) within the two years immediately preceding the issue of this circular and up to the Latest Practicable Date.

10. MISCELLANEOUS

(a) The registered office of the Company is at 23rd Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong.

(b) The share registrar of the Company is Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong.

(c) The company secretary of the Company is Ms. Ka-Yee Wan. She is an associate member of both The Hong Kong Chartered Governance Institute (formerly The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly The Institute of Chartered Secretaries and Administrators).

(d) The English text of this circular shall prevail over its Chinese text in case of inconsistency.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.honkwok.com.hk) for a period of 14 days from the date of this circular (both days inclusive):

(i) Provisional Sale and Purchase Agreement;

(ii) the valuation report of the Property, the text of which is set out in Appendix II of this circular;

(iii) the written consent referred to in the paragraph headed "7. EXPERT AND CONSENT" of this appendix; and

(iv) this circular.