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**ALTUS**  
**ALTUS HOLDINGS LIMITED**  
**浩德控股有限公司**  
*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8149)**

**DISCLOSEABLE TRANSACTION**  
**DISPOSAL OF PROPERTY**

The Board is pleased to announce that on 13 March 2024, the Group, through the Vendor, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor has agreed to sell the Property to the Purchaser for a cash consideration of JPY178.0 million (equivalent to approximately HK\$9.5 million).

As the highest applicable percentage ratio as defined under Rule 19.07 of the GEM Listing Rules in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

The Board is pleased to announce that on 13 March 2024, the Vendor entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor has agreed to sell to the Purchaser the Property for a cash consideration of JPY178.0 million (equivalent to approximately HK\$9.5 million).

**THE SALE AND PURCHASE AGREEMENT**

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

Date: 13 March 2024

Parties: The Vendor

The Purchaser

Subject of the Disposal: The Property

**1. The Vendor**

The Vendor is a company incorporated in Japan with limited liability on 8 September 2005. It is the TK Operator of a TK Arrangement and Starich Resources Limited, which is the TK Investor and a wholly-owned subsidiary of the Company, is beneficially interested in all of the economic benefits of the Vendor's property interests. Pursuant to HKFRS 10 Consolidated Financial Statements, the Vendor is considered as a controlled entity of the Company.

## **2. The Purchaser**

The Purchaser is 石川清子(Ishikawa Kiyoko), a Japanese.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Purchaser is an Independent Third Party.

## **3. The subject of the Disposal**

The Property was acquired by the Vendor in March 2020 at a consideration of JPY145.0 million. It is a five-storey building built in 2010 and located in Shiroishi-ku, Sapporo, Japan.

The Property was fully-leased as at 31 January 2024 and contributes annual rental income of JPY11.7 million (equivalent to approximately HK\$0.6 million) based on existing tenancy agreements.

The Property shall be sold to the Purchaser free from encumbrances.

## **4. The Consideration**

The Consideration of JPY178.0 million (equivalent to approximately HK\$9.5 million) was determined after arm's length negotiations between the Purchaser and the Vendor. When determining the Consideration, the Directors have taken into account the carrying value and fair value of the Property, rental value enhancement or redevelopment potential of the Property, as well as deployment opportunities of proceeds from the Disposal. The Directors believe that the above provides a reasonable basis for its assessment of the Disposal.

## **5. Payment method**

The Purchaser had paid a sum of JPY17.0 million (equivalent to approximately HK\$0.9 million) (i.e. the Deposit) to the Vendor on the date of the Sale and Purchase Agreement.

The remaining balance of JPY161.0 million (equivalent to approximately HK\$8.6 million) will be settled in full by the Purchaser to the Vendor on Completion.

## **6. Completion**

Completion is expected to take place on or around 19 April 2024.

In the event where the Vendor terminates the Sale and Purchase Agreement before Completion, the Vendor is liable to return the Deposit and additionally pay an amount equivalent to the Deposit to the Purchaser. In the event where the Purchaser terminates the Sale and Purchase Agreement before Completion, the Deposit shall be forfeited.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

The Group has been pursuing the strategy of unlocking the value of its portfolio properties through (i) refurbishment to enhance rental value; (ii) redevelopment to enhance rental and sale value; and (iii) outright sale to buyers.

The Property is considered not suitable from the perspective of the above strategy (i) and (ii), in particular due to its sub-optimal land size. The Disposal meanwhile allows the Group to realise its investment in the Property at a price substantially higher than its carrying value and fair value as well as the Group's original acquisition cost in March 2020.

The Directors, including the independent non-executive Directors, are of the view that the terms of the 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 EFFECTS OF THE DISPOSAL AND PROPOSED USE OF THE NET PROCEEDS**

The carrying value and the fair value of the Property as at 31 March 2023 as valued by an independent professional valuer was JPY149.0 million (equivalent to approximately HK\$7.9 million). Based on enquiry with valuers and assessment of the directors of the Company, there has been no material change to general market environment thereafter from 31 March 2023 up to the date of this announcement.

Subject to review and confirmation by the auditor, taking into consideration of the transaction costs relating to the Disposal (comprising principally commission to the broker and the asset manager of approximately JPY7.3 million (equivalent to approximately HK\$0.4 million)), the Group is expected to record a gain of JPY21.7 million (equivalent to approximately HK\$1.2 million) from the Disposal (being the difference between the Consideration (less direct disposal expenses) and the carrying value of the Property).

Net proceeds from the Disposal is expected to be approximately JPY170.7 million (equivalent to approximately HK\$9.1 million) of which around JPY115.5 million (equivalent to approximately HK\$6.1 million) will be used to repay the bank borrowings in support of which the Property is mortgaged. The Group may use the remaining net proceeds for (i) further repayment of bank borrowings; (ii) expanding its property portfolio, including its portfolio of group homes for elderly and special need tenants in Sapporo; and/or (iii) major refurbishment and redevelopment of its portfolio properties.

## **IMPLICATION UNDER THE GEM LISTING RULES**

As the highest applicable percentage ratio as defined under Rule 19.07 of the GEM Listing Rules in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

## DEFINITIONS

In this announcement, the following terms have the meanings set out below unless the context requires otherwise:

“Board”	the board of directors
“Company”	Altus Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange
“Completion”	completion of the Disposal pursuant to the terms and conditions of the Sale and Purchase Agreement
“Consideration”	the consideration for the Disposal, being JPY178,000,000
“Deposit”	the deposit of a sum of JPY17.0 million paid by the Purchaser to the Vendor on the date of entering into of the Sale and Purchase Agreement, pursuant to the Sale and Purchase Agreement
“Director(s)”	director(s) of the Company
“Disposal”	disposal of the Property to the Purchaser by the Vendor pursuant to the terms and conditions of the Sale and Purchase Agreement
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standard issued by the HKICPA
“HKICPA”	the Hong Kong Institute of Certified Public Accountants
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	person(s) or company(ies) who/which is/are not connected with the Company and its connected persons
“JPY”	Japanese yen, the lawful currency of Japan
“Property”	the property known as Wisteria-S, the subject asset to be sold to the Purchaser under the Sale and Purchase Agreement
“Purchaser”	石川清子(Ishikawa Kiyoko)

“Sale and Purchase Agreement”	the sale and purchase agreement dated 13 March 2024 and entered into between the Vendor and Purchaser in relation to the Disposal
“Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares from time to time
“Starich”	Starich Resources Limited, a company incorporated in British Virgin Islands with limited liability on 28 February 2000, an indirect wholly-owned subsidiary of the Company and the TK Investor of a TK Arrangement with YK Hourei as the TK Operator
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed thereto under the GEM Listing Rules
“TK Agreement”	an agreement entered into between a TK Operator and a TK Investor pursuant to a TK Arrangement
“TK Arrangement”	a Japanese tokumei kumiai arrangement entered into between a TK Investor and a TK Operator, whereby TK Investor will provide funds to the TK Operator in return for income derived from the management and operational activities of the TK Operator
“TK Investor”	a subsidiary of the Company which enters into a TK Agreement with a TK Operator pursuant to a TK Arrangement
“TK Operator”	a Japanese limited liability company which holds or owns real estate and which enters into a TK Agreement with a TK Investor
“Vendor” or “YK Hourei”	Yugen Kaisha Hourei, the vendor, a company incorporated in Japan with limited liability on 8 September 2005 and the TK Operator of a TK Arrangement which Starich is the TK Investor. The Company is indirectly beneficially interested in all the economic benefits of its property interests
“%”	per cent.

By order of the Board of  
**Altus Holdings Limited**  
**Arnold Ip Tin Chee**  
*Chairman and Executive Director*

Hong Kong, 13 March 2024

*As at the date of this announcement, the executive Directors are Mr. Arnold Ip Tin Chee (Chairman), Mr. Chang Sean Pey and Ms. Leung Churk Yin Jeanny; and the independent non-executive Directors are Mr. Chao Tien Yo, Mr. Chan Sun Kwong and Mr. Lee Shu Yin.*

*This announcement, for which the directors of the Company (the “**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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 announcement 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 announcement misleading.*

*Conversion of JPY into HK\$, and vice versa, are made in this announcement for illustration purposes only and unless otherwise stated, is based on the exchange rate of JPY1=HK\$0.0532 (on 12 March 2024). Such conversion shall not be construed as representation that any amount in HK\$ and JPY were, may have been, or will be converted into those currencies, or vice versa, in the above rates or at any other rates.*

*This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company at [www.altus.com.hk](http://www.altus.com.hk).*