



Valuation Report

prepared for

**Emperor International Holdings
Limited**

Valuation of Flats on Second Floor together
with Flat Roof, Flats on Third Floor, Flats on
Fourth Floor, Advertising Space A and
Common Areas and Facilities, Nos. 4-8
Canton Road, Tsim Sha Tsui, Kowloon,
Hong Kong

Vincorn Consulting and Appraisal Limited
Units 1602-4, 16/F
308 Central Des Voeux
No. 308 Des Voeux Road Central
Hong Kong



The Board of Directors

Emperor International Holdings Limited
28/F, Emperor Group Centre,
No. 288 Hennessy Road,
Wanchai, Hong Kong

31 March 2025

Dear Sirs,

INSTRUCTION AND VALUATION DATE

We refer to your instructions for us to assess the Market Value of the property interests located in Hong Kong to be disposed of by Emperor International Holdings Limited (the “Company”) and its subsidiaries (hereinafter together referred to as the “Group”) for the purposes of public disclosure. We confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary in order to provide you with our opinion of the Market Value of the property interests as at 13 February 2025 (the “Valuation Date”).

VALUATION STANDARDS

The valuation has been prepared in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors effective from 31 December 2024 with reference to the International Valuation Standards published by the International Valuation Standards Council effective from 31 January 2025; and the requirements set out in the Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

VALUATION BASIS

Our valuation has been undertaken on the basis of Market Value. Market Value is defined as “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”.

VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowances have been made for any charges, mortgages or amounts owing on the property interests, nor for any expenses or taxations which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect the values of the property interests.

As the property interests are held under long term leasehold interests, we have assumed that the owner has free and uninterrupted rights to use the property interests for the whole of the unexpired term of the leasehold interests.

VALUATION METHODOLOGY

When valuing the property interests to be disposed of by the Group, we have adopted Market Approach.

Market Approach is universally considered as the most accepted valuation approach for valuing most forms of property. This involves the analysis of recent market evidence of similar properties to compare with the subject under valuation. Each comparable is analysed on the basis of its unit rate; each attribute of the comparables is then compared with the subject and where there are any differences, the unit rate is adjusted in order to arrive at the appropriate unit rate for the subject. This is done by making percentage adjustments to the unit rate for various factors, such as time, location, building age, building quality and so on.

LAND TENURE AND TITLE INVESTIGATION

We have made enquires and relevant searches at the Hong Kong Land Registry. However, we have not searched the original documents nor have we verified the existence of any amendments, which do not appear in the documents available to us. All documents have been used for reference only.

All legal documents disclosed in this letter and the valuation certificate are for reference only. No responsibility is assumed for any legal matters concerning the legal titles to the property interests set out in this letter and the valuation certificate.

INFORMATION SOURCES

We have relied to a considerable extent on the information provided by the Group. We have also accepted advice given to us on matters such as identification of the property, particulars of occupancy, areas and all other relevant matters. Dimensions, measurements and areas included in the valuation are based on information contained in the documents provided to us and are, therefore, only approximations.

We have also been advised by the Group that no material factors or information have been omitted or withheld from information supplied and consider that we have been provided with sufficient information to reach an informed view. We believe that the assumptions used in preparing our valuation are reasonable and have had no reason to doubt the truth and accuracy of information provided to us by the Group which is material to the valuation.

INSPECTION AND INVESTIGATIONS

The property was inspected externally and internally. Although not all areas were accessible for viewing at the time of inspection, we have endeavoured to inspect all areas of the property. Investigations were carried out as necessary. Our investigations have been conducted independently and without influence from any third party in any manner.

We have not tested any services of the property and are therefore unable to report on their present conditions. We have not undertaken any structural surveys of the property and are therefore unable to comment on the structural conditions. We have not carried out any investigations on site to determine the suitability of the ground conditions for any future developments. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be required.

We have not carried out any on-site measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the documents or deduced from the plans are correct. All documents and plans have been used as reference only and all dimensions, measurements and areas are therefore approximations.

CURRENCY

Unless otherwise stated, all monetary figures stated in this report are in Hong Kong Dollars (“HKD”).

The valuation certificate is attached hereto.

Yours faithfully,
For and on behalf of

Vincorn Consulting and Appraisal Limited



Vincent Cheung

BSc(Hons) MBA FHKIS FRICS R.P.S.(GP)
MCIREA MHKSI MISCM MHIREA FHKIoD
RICS Registered Valuer
Registered Real Estate Appraiser & Agent PRC
Managing Director

Note:

Vincent Cheung is a fellow of the Hong Kong Institute of Surveyors, a fellow of the Royal Institution of Chartered Surveyors, a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in Hong Kong Special Administrative Region (“Hong Kong”), a member of China Institute of Real Estate Appraisers and Agents, a member of Hong Kong Securities and Investment Institute, a member of Institute of Shopping Centre Management, a member of Hong Kong Institute of Real Estate Administrators, a fellow of the Hong Kong Institute of Directors, a Registered Valuer of the Royal Institution of Chartered Surveyors and a Registered Real Estate Appraiser and Agent People’s Republic of China. He is suitably qualified to carry out the valuation and has over 27 years of experience in the valuation of fixed and intangible assets of this magnitude and nature in the subject region.

VALUATION CERTIFICATE

Property Interests Held for Investment to be Disposed of by the Group in Hong Kong

Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 13 February 2025
<p>Flat on Second Floor together with Flat Roof, Flat on Third Floor, Flat on Fourth Floor, Advertising Space A and Common Areas and Facilities, Nos. 4-8 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong</p>	<p>The property comprises the whole of second floor, third floor, fourth floor, an advertising space together with common areas and facilities of a 5-storey composite building, located at Tsim Sha Tsui.</p> <p>As per information on the approved building plans, the property has a total gross floor area ("GFA") of approximately 4,213.00 square feet ("sq.ft."). As per information provided by the Group and crossed check with our scale off measurement on approved plan, the property has a total saleable area of approximately 2,733.00 sq.ft. plus a flat roof area of approximately 654.00 sq.ft. As per Occupation Permit No. K22/69, the property was completed in about 1969.</p> <p>The subject lot, Kowloon Inland Lot No. 9547 is held under Conditions of Exchange No. UB9322 for a term of 150 years commencing from 25 June 1888.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to a tenancy with a term of 10 years from 1 January 2024 to 31 December 2033, at a monthly rent of HKD80,000, exclusive of rates and management fee and inclusive of government rent.</p>	<p>HKD80,300,000 (HONG KONG DOLLARS EIGHTY MILLION AND THREE HUNDRED THOUSAND)</p>

Notes:

1. The property was inspected by Wingka Chan *Probationer of HKIS Candidate of RICS* on 28 February 2025.
2. The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
3. The details of the land search records of the property dated 27 February 2025 are summarised below:-

Item	Details
Registered Owner:	<u>Flat on 2nd Floor and Flat Roof, Flat on 3rd Floor and Flat Roof, Flat on 4th Floor and Flat Roof and Advertising Space A</u>

	<p>Most Delight Limited</p> <p>By an assignment with plans dated 9 August 2018, registered vide Memorial No. 18090301820026</p> <p><u>Common Areas and Facilities</u></p> <p>Emperor Property Management (HK) Limited</p> <p>By a re-registration of assignment of common areas and facilities dated 9 August 2018, registered vide Memorial No. 19053102060026</p>
Shares of the Lot:	8/15th
Government Rent:	HKD248 per annum (Kowloon Inland Lot No. 9547)
Major Encumbrances:	<p><u>All Units</u></p> <ul style="list-style-type: none"> Deed of Mutual Covenant and Management Agreement with Plans in favour of Emperor Property Management (HK) Limited (Manager) dated 9 August 2018, registered vide Memorial No. 18090301820038; <p><u>Flat on 2nd Floor and Flat Roof</u></p> <ul style="list-style-type: none"> Notice No. WCBZ/S202273/01/K-W01W by the Building Authority under S.24C(1) of the Building Ordinance dated 22 November 2007, registered vide Memorial No. 08071101290072 (Remarks: Re Tenement C on 2/F of 1/15 Share).

4. The property is erected on Kowloon Inland Lot No. 9547, which is held under Conditions of Exchange No. UB9322. The salient conditions are summarised below:-

Item	Details
Lot Numbers:	Kowloon Inland Lot No. 9547
Lease Term:	150 years commencing from 25 June 1888
Major Special Conditions:	<ul style="list-style-type: none"> The lot shall not be used for industrial purposes and no factory building shall be erected thereon. No part of any structure to be erected on the lot shall exceed a height of 200 feet above the Colony principal datum.

5. The property falls within an area zoned “Commercial (6)” under Kowloon Planning Area No. 1 – Draft Tsim Sha Tsui Outline Zoning Plan No. S/K1/29 exhibited on 17 January 2025.

6. The general description and market information of the property are summarised below:-

Location	: The property is located at Nos. 4-8 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.
Transportation	: Hong Kong International Airport and Tsim Sha Tsui East MTR Station are located approximately 32.8 kilometres and 350 metres away from the property respectively.
Nature of Surrounding Area	: The area is predominately a commercial area in Tsim Sha Tsui.

7. Pursuant to the information provided by the Group, Most Delight Limited and Emperor Property Management (HK) Limited are indirect wholly-owned subsidiaries of the Group.

8. In the course of our valuation of the property, we have considered and analysed commercial sale comparables.

The commercial sale comparables collected on an exhaustive basis are considered relevant to the property in terms of property type, location, building age, floor level, size and transaction date. A total of five commercial sale comparables which are upper floor commercial units with a saleable area over 60 sq.ft. located in prime street of Yau Tsim Mong District with a building age difference of not greater than 10 years from the property and were transacted within 1 year on or before the valuation date have been identified and analysed. The unit rates of the adopted commercial sale comparables range from HKD21,495 to HKD39,452 per sq.ft. on the basis of effective saleable area. The following table shows the details of commercial sale comparables with the adopted adjustments:

	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Development	Sin Tat Square	In's Point	Sino Centre	Allied Plaza	In's Point
Address	No. 83 Argyle Street	Nos. 530-538 Nathan Road	Nos. 582-592 Nathan Road	No. 760 Nathan Road	Nos. 530-538 Nathan Road
District	Mong Kok	Yau Ma Tei	Mong Kok	Prince Edward	Yau Ma Tei
Year of Completion	1963	1969	1979	1973	1969
Property Type	Commercial	Commercial	Commercial	Commercial	Commercial
Floor	1/F	2/F	2/F	1/F	1/F
Unit	F9	278A	229	56	101
Effective Saleable Area (sq.ft.)	62.00	72.00	73.00	107.00	144.00
Vertical Access	Lift & Escalator	Lift & Escalator	Lift & Escalator	Lift & Escalator	Lift & Escalator
Nature	Agreement for Sale & Purchase	Agreement for Sale & Purchase	Agreement for Sale & Purchase	Memorandum Agreement for Sale & Purchase	Agreement for Sale & Purchase
Date of Instrument	30 December 2024	5 October 2024	24 September 2024	10 April 2024	5 April 2024
Consideration (HKD)	2,000,000	2,600,000	2,880,000	2,300,000	3,500,000
Effective Saleable Unit Rate (HKD/sq.ft.)	32,258	36,111	39,452	21,495	24,306
Adjustment					
Time	Nil	(3.2%)	(-5.1%)	(14.5%)	(14.5%)
Location	+3.0%	+5.0%	+3.0%	+10.0%	+5.0%
Building Age	+0.6%	Nil	(1.0%)	(0.4%)	Nil
Floor Level	(1.0%)	Nil	Nil	(1.0%)	(1.0%)
Size	(1.9%)	(1.8%)	(1.8%)	(1.8%)	(1.7%)
Vertical Accessibility	(5.0%)	(5.0%)	(5.0%)	(5.0%)	(5.0%)
Total	(4.4%)	(5.3%)	(9.8%)	(13.5%)	(17.0%)
Adjusted Effective Saleable Unit Rate (HKD/sq.ft.)	30,851	34,214	35,595	18,595	20,167

Adjustments in terms of different aspects, including time, location, building age, floor level, size and vertical accessibility, have been made to the unit rates of the adopted comparables. After due adjustments in terms of the aforesaid aspects, the adjusted unit rates of the adopted commercial sale comparables range from HKD18,595 to HKD35,595 per sq.ft. on the basis of effective saleable area. The five adjusted unit rates of commercial sale comparables are assigned with the same weight and represent a weighted average of HKD27,884 per sq.ft. on the basis of effective saleable area for the benchmark unit.

Further adjustments in terms of floor, size and ancillary amenities have been made to the adopted unit rates of each unit of the property, based on the benchmark unit rate of HKD27,884 per sq.ft. After due adjustments in terms of the aforesaid aspects, the adjusted unit rates of each unit of the property range from HKD27,661 to HKD30,115 per sq.ft. on the basis of effective saleable area, which represents an average unit rate of HKD28,528 per sq ft on the basis of effective saleable area. The Market Value of the property with a total effective saleable area of 2,814.75 sq.ft. is hence circa HKD80,300,000.

