

VALUATION REPORT OF

**Property located in Shenzhen**

PREPARED FOR

**Hanvey Group Holdings Limited**

**Date:** 26 March 2025

**Prepared by:** FVA Advisory Limited

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Date: 26 March 2025

**Hanvey Group Holdings Limited**

Units 1503-6, 15<sup>th</sup> Floor

Tower 1, Ever Gain Plaza

No. 88 Container Port Road

Kwai Chung

New Territories, Hong Kong

Dear Sirs,

**Re: Units 801, 802 and 803, 8th Floor, Block 1, Innovation Wisdom Port, Huangpu Nandong Ziran Village, Shajing Town, Baoan District, Shenzhen City, the PRC (the "Property")**

**1. INSTRUCTIONS**

In accordance with the instruction from Hanvey Group Holdings Limited (the "Company") for us to value the Property located at Units 801, 802 and 803, 8th Floor, Block 1, Innovation Wisdom Port, Huangpu Nandong Ziran Village, Shajing Town, Baoan District, Shenzhen City, the PRC, we confirm that we have carried out inspection of the exterior of the Property and the general locale, made relevant 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 as at 28 February 2025 (the "Valuation Date") for your financial reporting purposes.

This letter which forms part of our valuation report explains the basis and methodology of valuation, clarifying assumptions and limiting conditions of this valuation.

**2. BASIS OF VALUATION**

Our valuation of the property interest is made on the basis of **Market Value** as defined by IVSC and adopted by HKIS and RICS, set out as follows:

*"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."*

The valuation presented in this report represents the 100% interest of the Property and not the shareholdings of the Company holding the property interest thereof.

### **3. VALUATION METHODOLOGY**

In the course of our valuation, we have adopted the Direct Comparison Method as the primary valuation method.

The Direct Comparison Method is a method of valuation based on comparing the Property with the prices realized on actual sales and/or asking prices of comparable properties. Comparable properties are generally located in the surrounding areas or in other sub-markets which are comparable to the Property. However, because of the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative difference that may affect the price likely to be achieved by the Property under consideration.

### **4. VALUATION ASSUMPTIONS**

Our valuation has been made on the assumption that the owner sells the Property on the market without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which could serve to affect the capital value of the Property.

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

### **5. TITLE INVESTIGATION**

We have been provided with copies of the title documents relating to the Property. However, we have not examined the original documents to verify ownership or to ascertain the existence of any lease amendments which may not appear on the copies handed to us. All documents and leases have been used for reference only.

## **6. NATURE AND SOURCE OF INFORMATION**

In arriving at our valuation, we have received information from yourself, public and subscription websites, other estate agents and valuers and from our own records. We have applied professional scepticism and have checked the information where reasonably possible. In the absence of evidence to the contrary, we have assumed that information used in the valuation is correct.

## **7. LIMITING CONDITIONS**

We have inspected exterior of the Property and the general locale in October 2024 by Philemon Hui (MRICS). However, we have not carried out detailed onsite measurements to verify the correctness of the areas in respect of the Property but have assumed that the areas shown on the documents are correct. All documents have been used as reference only and all dimensions, measurements and areas are approximations.

We have relied to a considerable extent on information provided by you and have accepted advice given to us on such matters, in particular, but not limited to, the tenure, statutory notices, easements, particulars of occupancy, floor areas and all other relevant matters in the identification of the Property.

We have no reason to doubt the truth and accuracy of the information provided to us. We have also been advised by you that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on any property or any expenses and taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values. We have prepared our valuation on the basis that transferable land use rights in respect of the Properties for its

specific term at nominal annual land use fees have been granted and that any premium payable has already been fully paid.

Liability in connection with this valuation report is limited to the client to whom this report is addressed and for the purpose for which it is carried out only. We will accept no liability to any other parties or any other purposes.

## 8. REMARKS

This report is to be used only for the purpose stated herein, any use or reliance for any other purpose, by you or third parties, is invalid. Neither the whole nor any part of this report can be published, disclosed or referred to in any public document without our written consent.

We enclose herewith the summary of values and the valuation certificates.

Yours faithfully,



Jeff Sin, MRICS

Director

For and on behalf of

**FVA Advisory Limited**

Room 2302, 23/F, Lee Garden Two,  
28 Yun Ping Road, Causeway Bay,  
Hong Kong

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 28 February 2025
1. Units 801, 802 and 803, 8th Floor, Block 1, Innovation Wisdom Port, Huangpu Nandong Ziran Village, Shajing Town, Baoan District, Shenzhen City, the PRC (as known as the "Property")	<p>The Property comprises three industrial units on 8<sup>th</sup> floor of an 18-storey industrial building with three basement levels.</p> <p>The subject building is constructed of reinforced concrete with aluminum curtained external elevations.</p> <p>The total gross floor area of the Property is 1,034.39 sq. m..</p> <p>The Property is held for a term on 50 years commencing from 25 December 1993 and expiring on 24 December 2043 for industrial purpose.</p>	As advised by the company, the Property was self-occupied as of the Valuation Date	RMB18,200,000 (Renminbi Eighteen Million Two Hundred Thousand)

**Notes:**

- As per the Real Estate Right Certificate Nos. 0096932, 0096945 and 0096941, the Property is held by 深圳福井精密科技有限公司, an indirect wholly-owned subsidiary of the Company, for a term 50 years expiring on 24 December 2043.
- As per the request from the Company, the market rent applicable to the Property is RMB 61,000 per month.
- The estimated Market Value correspond to 1) Land and building; 2) Leasehold improvements; and 3) Furniture, fixture and office equipment on the book of 深圳福井精密科技有限公司.
- The Property was originally purchased on date and at cost below:  
Unit 801: 13 May 2020, RMB 9,462,150 (plus tax paid RMB 283,865)  
Unit 802: 18 May 2020, RMB 9,661,950 (plus tax paid RMB 289,859)  
Unit 803: 18 May 2020, RMB 8,804,430 (plus tax paid RMB 264,132)
- In undertaking our valuation of the Property, we have made reference to various market comparables. All comparables have the same usage of property and are situated in close proximity or a similar location to the Property, with different transaction / offering dates. Market comparables were selected based on available information in the market, as well as discussions



with market consultants to verify the validity of the comparable transactions or asking prices. The selection criteria included (1) **Similarity**: properties that are similar in size, location, condition, and features to the subject property; and (2) **Proximity**: properties that are geographically close to the subject property. Adjustments are then made to account for differences between the Property and the comparables, ensuring an accurate and fair valuation. Based on our analysis, only 5 comparable transactions or asking prices met the abovementioned requirements and were selected with details below:

	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Innovation Wisdom Port	會展灣中港廣場	星展廣場	盛薈世紀薈大廈	福城時代廣場
Year Built	2017	2020	2016	2022	2024
Gross Floor Area (sq. m.)	560	236	400	1,828	2,000
Transaction / offer Date	12/1/2018	6/5/2021	9/30/2024	9/30/2024	9/30/2024
Nature	Average asking price	Average asking price	Asking Price	Asking Price	Asking Price
Unit Rate (RMB/sq.m.)	28,000	30,000	16,800	14,000	23,000
Adjusted Unit Rate (RMB/sq. m.)	19,000	20,064	13,520	14,696	18,497
View	Open City	Sea View	Open City	Open City	Open City
Floor	mid zone	mid zone	mid zone	high zone	mid zone

Although the transaction or offer dates of comparables 1 and 2 are relatively earlier, comparables 1 and 2 were selected because they are actual transactions that took place and are considered to be most similar to the Property (we have reviewed changes in market conditions from the transaction or offer dates to Valuation Date and considered both of them still relevant). Comparables 3, 4 and 5 were also included as they are more recent and considered to be a good representation of current market conditions.

We have compared the factors and made adjustments on location, view, age, time, size, floor and asking discount. Time adjustment is made to reflect the changes in market condition over time. Size adjustment is made to account for the difference in marketability and affordability of properties in different sizes. Age adjustment is made to reflect the difference in physical condition as a result of wear and tear. Downward adjustment on asking price is made to reflect the general discount between asking price and transaction price due to negotiation. View and floor adjustments are made to reflect the difference in view, privacy and noise level.

After taking into account the above-mentioned adjustments, the adjusted unit rates for the Property is RMB 17,600 per sq. m. on RMB 18,200,000.