

14 August 2025

The Directors  
**Chuang's Consortium International Limited**  
25th Floor, Alexandra House,  
18 Chater Road,  
Central,  
Hong Kong

Dear Sirs,

**Re: Valuation of House A, No. 37 Island Road, Deep Water Bay, Hong Kong**

### **Terms of Engagement**

In accordance with your instructions for us to assess the market value of House A, No. 37 Island Road, Deep Water Bay, Hong Kong (the “**Property**”) in which Chuang's Consortium International Limited (the “**Company**”) and its subsidiaries have interests, we confirmed that we have carried out inspection of the Property and have made relevant enquiries and obtained such further information as we consider necessary for providing you with our opinion of the value of the Property, as at 31 May 2025 (the “**Valuation Date**”) for public disclosure purposes.

### **The Valuation Date**

The Valuation Date is 31 May 2025 and our opinion of value applies only to that date. We have assumed that the Property was in the same condition on the Valuation Date as it was on the inspection date.

### **The Property**

The Property is House A in No. 37 Island Road, which is a 3-storey house built over a storey of car parks developed in 2009.

## **Valuation Standards**

The valuation has been carried out in accordance with the Hong Kong Institute of Surveyors (HKIS) Valuation Standards published by the Hong Kong Institute of Surveyors and the Royal Institution of Chartered Surveyors' RICS Valuation — Global Standards, both incorporating the International Valuation Standards published by the International Valuation Standards Council (IVSC).

Colliers International (Hong Kong) Limited (“**Colliers**”) is regulated by the Royal Institution of Chartered Surveyors (RICS) which monitors regulated firms under its conduct and disciplinary regulations. In accordance with RICS regulatory requirements, Colliers International (Hong Kong) Limited maintains a complaints handling procedure, details of which are available upon request.

We have complied with the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited.

## **Environment, Social and Governance (ESG)**

Where our advice is based on International Valuation Standards (“**IVS**”), we have had regard to (i) those significant environmental, social and governance (“**ESG**”) factors which were readily apparent to us from our inspection of the Property, if undertaken and (ii) which we consider significantly impact our advice. This is a requirement of the IVS. In our advice we have endeavoured to analyse whether any significant ESG factors affect the value assessed. Please acknowledge that we are property valuers and that we do not have any expertise in conducting environmental audits or any audits regarding the compliance of any entity associated with the subject property in relation to their social responsibility or corporate governance. Such an assessment is beyond the scope and purpose of our advice. You should seek specific advice in relation to these matters, given that our observations are of a very general nature.

## **Valuation Basis**

Our valuation is based on Market Value which is defined as the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

## **Valuation Approaches**

We have valued the Property by the Market Approach.

The **Market Approach** estimates the value of a property by comparing recent sales of similar interests in the building or buildings located in its surrounding area. By analysing such sales which qualify as ‘arms-length’ transactions, between willing buyers and sellers, adjustments are made for size, location, time, amenities and other relevant factors when

comparing such sales prices to assess the value of the subject property. This approach is commonly used to value a property when reliable sales evidence of properties of a similar nature are available.

### **Source of Information**

All investigations have been conducted independently and without influence from any third parties in any way. We have relied to a very considerable extent on the information provided by the Company and have accepted advice given to us on such matters as particulars of occupancy, ownership title, lettings, statutory notices, easements, tenure, joint venture agreements and all other relevant matters. Dimensions, measurements and areas included in the Valuation Particulars are based on information provided and are only approximations.

### **Title Investigations**

We have conducted relevant land searches from the Land Registry. However, we have neither examined the original documents to verify the ownership nor to ascertain the existence of any amendments which do not appear on the copies handed to us and we have assumed no responsibility for such matters.

### **Site Measurement**

We have not carried out detailed on-site measurements to verify the correctness of the floor areas in respect of the Property but have assumed that the areas shown on the documents and plans provided to us are correct.

### **Site Inspection**

Internal inspection of the Property, befitting this valuation, was undertaken by Mr. Eric Tsang, Ms. Selena Lam and Mr. Stanley Wong on 13 June 2025. Investigation was carried out as necessary.

We confirm that 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 survey of the Property, and are therefore unable to comment on the structural conditions.

No investigation has been carried out to determine the suitability of ground conditions for any future development. We have assumed that these aspects are satisfactory and no extraordinary expenses or delay will be incurred during the construction period. No on-site measurement has been taken to verify the correctness of site area in respect of the Property. We have assumed that the site area shown on the documents are correct.

## Valuation Assumptions

- Our valuation has been made on the assumption that the seller disposes of the Property in the open market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the value of the Property.
- Our valuation has been made on the assumption that the Property would be sold in the open market in their existing state, with the benefit of vacant possession, without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which could affect the value of the Property.
- We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value.
- No allowance has been made for any charges, mortgages or amounts owing on the Property or for any expenses or taxations which may be incurred in effecting a sale.
- It is assumed that any land premium or other fees payable for the acquisition, transfer, sale, letting or mortgage of the Property have been fully paid and settled.
- We have assumed proper title has been obtained, and the Property and the interest valued therein can be freely transferred, mortgaged and let in the market.
- As the Property is held under a long term government lease, we have assumed that the owner has free and uninterrupted rights to use the Property for the whole of the unexpired term of the lease, in accordance with the terms of the lease.
- We are not aware of any easements or rights of way affecting the Property and have assumed that none exist.
- We have assumed that all information, estimates and opinions furnished to us and contained in this report including all information provided by the Company, are true and correct, fit for valuation purposes, and from reliable sources. We can assume no responsibility for accuracy.
- We have not carried out any detailed site measurements to verify the correctness of areas, nor have we tested any of the services and facilities. We have assumed that the areas shown on the documents provided to us are correct and that the services and facilities are in good working order.
- We have assumed that the Property is free from any contamination and environmental problems or hazards.
- We have assumed that the Property is structurally sound, in a good state of repair and maintained in a condition fit for purpose.
- We have assumed that the Property has been constructed, occupied, and used in full compliance with, and without contravention of, all relevant laws, ordinances and statutory requirements.

- We have assumed that for any use of the Property upon which this valuation report is based, any and all required licences, permits, certificates, and authorizations have been obtained and are ordinarily renewable.

## Valuers

The valuation has been prepared by Mr. Eric Tsang, Acting Head of Valuation & Advisory Services of Colliers, assisted by Ms. Selena Lam, Director and Mr. Stanley Wong, Valuer.

Neither the valuer nor Colliers International (Hong Kong) Limited is aware of any pecuniary interest or conflict of interest that could reasonably be regarded as being capable of affecting the ability to give an unbiased and objective opinion of the Property's value.

## Currency

All monetary figures stated in this report are in Hong Kong Dollars (HK\$).


## Valuation

We are of the opinion that the Market Value of the Property, subject to the contents, terms and conditions contained within and annexed to this report, as at 31 May 2025, was in the sum of:

**HK\$662,000,000**  
**(Hong Kong Dollars Six Hundred and Sixty Two Million Only)**

Our Valuation Particulars are attached hereto.

Yours faithfully,  
For and on behalf of  
**Colliers International (Hong Kong) Limited**

  
\_\_\_\_\_  
**Selena Lam**  
*BSc (Surv) MRICS MHKIS*  
Director of Valuation & Advisory Services

  
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**Eric Tsang**  
*BSc MRICS MHKIS MCIREA R.P.S. (GP)*  
Acting Head of Valuation & Advisory Services

*Note:* Mr. Eric Tsang holds a Bachelor of Science Degree, is a Member of The Royal Institution of Chartered Surveyors, a Member of The Hong Kong Institute of Surveyors, a Member of the China Institute of Real Estate Appraiser and Agents, a Registered Professional Surveyor (General Practice) and a Holder of Estate Agents (Individual) License with over 25 years' experience in the real estate industry. His valuation experience covers Hong Kong and the People's Republic of China.

Ms. Selena Lam holds a Bachelor of Science Degree, is a Member of The Royal Institution of Chartered Surveyors and a Member of The Hong Kong Institute of Surveyors with over 10 years' experience in the real estate industry in Hong Kong.

Mr. Stanley Wong holds a Bachelor of Engineering Degree, a Master of Science Degree and a Probationer of the Royal Institution of Chartered Surveyors with over 2 years' experience in the real estate industry in Hong Kong.

## VALUATION PARTICULARS

Property interests for investment property which the Company is considering disposing of:

Property	Description and tenure	Particulars of occupancy	Market Value as at 31 May 2025
House A, No. 37 Island Road, Deep Water Bay, Hong Kong	House A in No. 37 Island Road (the Property) is a 3-storey house built over a storey of car parks. According to the information from the Company, the Property has a total area of about 11,620 sq. ft. (comprising house area, covered car parking area, garden area and a private swimming pool).	The Property was vacant as at the date of inspection on 13 June 2025.	HK\$662,000,000 (Hong Kong Dollars Six Hundred and Sixty Two Million Only)
Lot Number: Rural Building Lot No. 599			
Share of the Lot: 579/2,110			
	Pursuant to the Occupation Permit No. HK12/2009(OP), the Property was built in 2009. Rural Building Lot No. 599 is held under Government Lease for a term of 75 years renewable for 75 years, commencing from 28 March 1949. According to the information provided by the Rating and Valuation Department, the Property has a saleable area of 5,277 sq. ft..		

*Notes:*

- (1) The registered owner of the Property is Island 37 Investment Limited by an Assignment dated 29 April 2005, registered vide Memorial No. 05051902470662 (formerly known as Chuang's Finance & Investments Limited).
- (2) The Property was inspected by Mr. Eric Tsang, Ms. Selena Lam and Mr. Stanley Wong on 13 June 2025.
- (3) The Property lies on Rural Building Lot No. 599 held under Government Lease for a term of 75 years renewable for 75 years, commencing from 28 March 1949. The total Government Rent is HK\$148 per annum for the Property.

- (4) The Property has/is subject to the following registrations/encumbrances:
- (a) Occupation Permit (Permit No. HK 12/2009(OP)) dated 20 April 2009 and registered vide Memorial No. 09052102590163.
  - (b) Debenture Incorporating a First Legal Charge and a First Floating Charge dated 26 June 2009 in favour of Hang Seng Bank Limited and registered vide Memorial No. 09070602750187.
  - (c) Modification Letter (Remarks: from the Government of the Hong Kong Special Administrative Region by the District Lands Officer/Hong Kong West & South) in respect of the government lease dated 6 October 2009 and registered vide Memorial No. 09100702520043.
  - (d) Confirmation Deed (in respect of the Debenture dated 26th June 2009 Memorial No. 09070602750187) dated 28 October 2009 and registered vide Memorial No. 09110202470012.
  - (e) Deed of Mutual Covenant and Management Agreement with Plans in favour of Uniworld Property Management Limited as Management Company dated 6 August 2010 and registered vide Memorial No. 10081802840489.
  - (f) Confirmation Deed (in respect of the Debenture dated 26th June 2009 Memorial No. 09070602750187) dated 12 November 2015 and registered vide Memorial No. 15111802080090.
  - (g) Government Notice No. 10071 pursuant to Section 22(2) of The Government Rent and Premium (Appointment) Ordinance (CAP. 125) relating to the government rent dated 31 December 2015 and registered vide Memorial No. 16010602170223.
  - (h) Confirmation Deed (in respect of the Debenture dated 26th June 2009 Memorial No. 09070602750187) dated 13 July 2018 and registered vide Memorial No. 18071902530353.
  - (i) Confirmation Deed (in respect of the Debenture dated 26th June 2009 Memorial No. 09070602750187) dated 23 December 2021 and registered vide Memorial No. 22011102540233.
- (5) The above land search was conducted as of 20 June 2025.
- (6) The Property lies within an area zoned “Residential (Group C) 3” under Approved Shouson Hill & Repulse Bay Outline Zoning Plan No. S/H17/13, gazetted on 15 November 2013.
- (7) The Property is situated on an upward sloping section of Island Road. The surrounding area is characterized by upscale homes complimented with a view over Deep Water Bay. Amenities including Deep Water Bay Beach, The Hong Kong Golf Club, Repulse Bay Beach, and The Pulse shopping mall are all within 6 minute driving distance from the Property. Public transport such as buses, public light buses and taxis are readily available along Island Road.



- (8) We have considered the following residential properties transactions as available in the relevant market in our valuation of the Property. These comparables are all situated on Island Road. The unit rate of these comparables on effective saleable area basis ranged from approximately HK\$90,552 to HK\$95,880 per sq. ft.. After due adjustments on time, view, size, age and building quality, etc., we have adopted unit rate of approximately HK\$109,820 per sq. ft., on an effective saleable area basis of the Property of about 6,028 sq. ft., to arrive at the market value of HK\$662,000,000 for the Property.

The details of comparables are as follows:

	Comparable 1	Comparable 2	Comparable 3
Development Name	33 Island Road	33 Island Road	33 Island Road
Address	33 Island Road	33 Island Road	33 Island Road
House No.	8	2	5
District	Deep Water Bay	Deep Water Bay	Deep Water Bay
Year Built	2004	2004	2004
View	Seaview	Seaview	Seaview
Saleable Area (sq. ft.)	4,720	4,597	4,597
Effective Saleable Area (ESA) (sq. ft.)	5,273	5,170	5,267
Transaction Date	March 2025	April 2024	September 2021
Consideration (HK\$)	480,000,000	468,000,000	505,000,000
Unit Rate (HK\$/sq. ft.)	91,030	90,522	95,880

- (9) Comparables have been selected based on their homogeneity with the Property.

The list of Comparables is exhaustive. Only transactions located on 33 Island Road were suitable due to similar status as luxury residential housing, having similar location, view, size, age & quality, etc. and only the three most recent transactions on 33 Island Road had a transaction date close enough to the Valuation Date to be used.

Adjustments have been made with respect to: Time, Location, View, Size, Age & Building quality, Nuisance from Island Road, Exclusive Use of Swimming Pool, Size & Layout of Car Parking Area, and Nature of Transaction.

It was ascertained that the use of these 3 Comparables was sufficient to determine the market value of the Property.

The adjustments to Comparables are:

- Time: Time adjustments have been applied to Comparables 1–3 with reference to Price Indices for Private Domestic (Class E) as shown in Hong Kong Property Review Monthly Supplement (July 2025) published by Rating and Valuation Department.
- Location: Comparables 1–3 are located in the same area as the Property. Hence, no adjustments on Location have been applied to Comparables 1–3.
- View: The Property is situated higher up on the Island Road slope and can enjoy superior seaview compared to Comparables 1–3. Hence, upward adjustments on View have been applied to Comparables 1–3.
- Size: Based on our understanding of the current luxury residential market, a larger area attracts quantum discounts. The sizes of Comparables 1–3 are smaller than that of the Property. Hence, downward adjustments on Size have been applied to Comparables 1–3.
- Age & Building Quality: The Property was completed and obtained its Occupation Permit in 2009, while Comparables 1–3 were completed and obtained their Occupation Permit in 2004. Moreover, as per our inspection findings and based on the information provided, the Property was



recently renovated in 2021, as such its interior condition is considered to be superior to that of the Comparables. Hence, upward adjustments on Age & Building Quality have been applied to Comparables 1–3.

- (f) Nuisance from Island Road: Comparables 2 and 3 are close to the main section of Island Road and are more affected by the noise generated by oncoming traffic, whereas the Property is located higher up on a slope and enjoys higher privacy. Hence, upward adjustments on Nuisance from Island Road have been applied to Comparables 2 and 3 to reflect such difference.
- (g) Exclusive Use of Swimming Pool: the Property enjoys exclusive use of its own swimming pool, while the 33 Island Road development has a single common swimming pool shared by all residents. Hence, upward adjustments on Exclusive Use of Swimming Pool have been applied to Comparables 1–3.
- (h) Size & Layout of Car Parking Area: The size of the car parking area of the Property is larger than those of Comparables 1–3. Moreover, the car park layout of the Property is considered better and its area can accommodate more cars. Hence, upward adjustments on Size & Layout of Car Parking Area have been applied to Comparables 1–3.
- (i) Nature of Transaction: We have examined the preliminary sale & purchase agreement of Comparable 1. The vendor as mortgagee exercised its power of sale and the prior owner was ordered wound up by the Court of First Instance of the High Court, this is considered foreclosure transaction at a discount to market price. Hence, upwards adjustment on Nature of Transaction has been applied to Comparable 1 to reflect such difference.

After applying the aforementioned adjustments, the net adjustments made were upwards for all 3 Comparables.