



Graval Consulting Limited  
Suites 2401-02, 24/F,  
Shui On Centre, 6-8 Harbour Road,  
Wanchai, Hong Kong

22 May 2026

The Board of Directors  
South China Holdings Company Limited  
36th Floor, The Centrium,  
60 Wyndham Street, Central,  
Hong Kong

Dear Sirs and Madams,

Re : Valuation of a land and the plant building (including all erections and facilities thereof) erected thereon located at No. 150 Xiekeng Road, Xiekeng Management Zone and Erkeng Area of Xiekeng Village, Qingxi Town, Dongguan City, Guangdong Province, the People's Republic of China (the "**Property**")

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#### **INSTRUCTIONS**

We refer to your instruction for us to value the property interests held by South China Holdings Company Limited (the "**Company**") or its subsidiaries (together referred as the "**Group**") located in the People's Republic of China (the "**PRC**"). We confirm that we have carried out inspection, 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 in existing state as at 28 February 2026 (the "**Valuation Date**") for the purpose of incorporation into the circular issued by the Company on the date hereof.

This letter which forms part of our valuation report explains the basis and methodology(ies) of valuation, clarifying assumptions, valuation considerations, title investigations and limiting conditions of this valuation.

## **BASIS OF VALUATION**

The valuation is our opinion of the market value (“**Market Value**”) which is defined by the Hong Kong Institute of Surveyors 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 STANDARDS**

In valuing the property interests, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the HKIS Valuation Standards 2024 Edition published by the Hong Kong Institute of Surveyors (“**HKIS**”), the RICS Valuation — Global Standards (Effective on 31 January 2025) published by the Royal Institution of Chartered Surveyors (“**RICS**”) and the International Valuation Standards (“**IVS**”) published by International Valuation Standards Council (“**IVSC**”) (Effective on 31 January 2025).

## **VALUATION METHODOLOGY(IES)**

According to the RICS Valuation — Global Standards (Effective on 31 January 2025), there are three generally accepted valuation approaches: market approach, income approach and cost approach.

Market approach is an approach that provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available.

Income approach is an approach that provides an indication of value by converting future cash flows to a single current capital value.

Cost approach is an approach that provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or construction.

The income approach is generally adopted for rent-generating properties given an active open leasing market and/or properties with tenancy agreements in generating rental payment. However, the property is primarily for owner-occupied only as at the Valuation Date so that we considered the income approach is inapplicable to the valuation.

The cost approach only considers the cost to reproduce or replace in new condition the property appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation. Hence, we considered the cost approach is inapplicable to the valuation that as there is no convincing association of the values of the property with costs.

In valuing the Property, we have adopted the Market approach as there is sufficient market information of the similar assets in the locality. Market approach is a common and popular approach in valuing such kind of property in the industry.

#### **TITLE INVESTIGATION**

We have been shown copies of various documents relating to the property interest. However, we have not examined the original documents to verify the existing title to the property interest or to ascertain any amendment which does not appear on the copies handed to us. We have assumed that the copies of the documents obtained are consistent with their originals. All documents have been used for reference only. We have relied considerably on the information given by the Group's PRC legal advisers, 廣東君信經綸君厚律師事務所 (Guang Dong J&J Law Firm\*), concerning the validity of the title to the property interest located in the PRC.

#### **AREA MEASUREMENT AND INSPECTION**

Our Mr. Dennis Wong (BSc) has inspected the Property on 6 January 2026. In the course of our inspections, we did not note any serious structural defects. However, no structural survey has been made and we are therefore unable to report whether the Property are free from rot infestation or any other defects. No tests were carried out on any of the services.

We have not carried out detailed on-site measurement to verify the correctness of the areas in respect of the Property but have assumed that the areas shown on the documents handed to us are correct. All dimensions, measurements and areas are approximate.

Moreover, we have not carried out investigations on site to determine the suitability of the ground conditions and the services etc., for any future development. Nor did we undertake archaeological, ecological or environmental surveys for the Property. Our valuation is prepared on the assumption that these aspects are satisfactory and no extraordinary expenses or delay will be incurred during the development period.

No environmental impact study has been ordered or made. Full compliance with applicable national, provincial and local environmental regulations and laws is assured unless otherwise stated, defined and considered in the valuation report.

Our valuation has been made on the basis that there is no substantial change in the physical conditions of the Property between the Valuation Date and the date of our inspection.

#### **VALUATION ASSUMPTION**

In valuing the property interests, we have assumed that the owner has free and uninterrupted rights to use the property interest for the whole of the unexpired term as granted and is entitled to transfer the property interest with the residual term without payment of any further premium to the government authorities or any third parties.

Our valuation has been made on the assumption that the owner sells the property interests of the Property on the open market in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the values of the property interests. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the property and no forced sale situation in any manner is assumed in our valuation.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests valued nor for any expenses or taxation 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 its value.

All consents, approvals and license from relevant government authorities for the property interests have been granted without any onerous conditions or undue time delay which might affect their values. All the required licenses, consents, or other legislative or administrative authority from any local, provincial, or national government, private entity or organization either have been or can be obtained or renewed for any use which the valuation report covers.

All applicable zoning and use regulations and restrictions have been complied with unless nonconformity has been stated, defined, and considered in the valuation report. However, we have assumed that the utilization of the property interest and improvements are within the boundaries of the property interest described and that no encroachment or trespass exists, unless noted in the valuation report.

#### **LIMITING CONDITIONS**

We have relied to a considerable extent on information provided by the Group and have accepted advices given to us on such matters, in particular, but not limited to tenure, planning approvals, statutory notices, easements, particulars of occupancy, site and floor areas, room and facilities schedule and all other relevant matters in the identification of the Property.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by the Group that no material fact has 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.

This valuation 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. No reference to our name or our valuation report in whole or in part, in any document you prepare and/or distribute to third parties may be made without written consent.

## **REMARKS**

Unless otherwise stated, all money amounts stated are in Renminbi (RMB).

The English transliteration of the Chinese name(s) in this valuation report, where indicated by an asterisk (\*), is included for information purposes only, and should not be regarded as the official English name(s) of such Chinese name(s).

We hereby confirm that we are independent of and not connected with the Group, and have neither present nor prospective interests in the Group, the Property or the values reported herein.

We enclose herewith the valuation report.

Yours faithfully,

For and on behalf of

**Graval Consulting Limited**



**Sr Lawrence Chan Ka Wah**

*MRICS, MHKIS, R.P.S. (GP), MCIREA, RICS Registered Valuer*  
Partner

*Sr Lawrence Chan Ka Wah is a member of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, Registered Professional Surveyors in the General Practice Section, a RICS Registered Valuer and a member of the China Institute of Real Estate Appraisers and Agents, who has over 20 years' experience in the valuation of properties in Hong Kong, Macau, the PRC and the Asia-Pacific Region. Lawrence joined Graval Consulting Limited in 2020.*

## VALUATION REPORT

### Property interests to be disposed of by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 28 February 2026 RMB												
<p>Land and the plant building (including all erections and facilities thereof) erected thereon located at No. 150 Xiekeng Road, Xiekeng Management Zone and Erkeng Area of Xiekeng Village, Qingxi Town, Dongguan City, Guangdong Province, the PRC</p> <p>(中國廣東省東莞市清溪鎮謝坑管理區及謝坑村二坑謝坑路150號之土地及該土地上矗立之廠房建築物(包括其所有附著物及設施))</p>	<p>The Property comprises two contiguous pieces of land with a total site area of approximately 132,727.92 sq.m., on which two 3-storey factories, a 5-storey factory, six single-storey warehouse, ten 5-storey dormitories, a 3-storey restaurant, a single-storey electricity room and canteen, and numerous ancillary facilities erected thereon and were completed between 1998 and 2013.</p> <p>The total gross floor area of the Property is approximately 102,388.26 sq.m.. The details are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Use</th> <th style="text-align: right;">Approximate Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Factory</td> <td style="text-align: right;">54,705.47</td> </tr> <tr> <td>Warehouse</td> <td style="text-align: right;">16,800.00</td> </tr> <tr> <td>Dormitory</td> <td style="text-align: right;">23,024.64</td> </tr> <tr> <td>Restaurant, Canteen and ancillaries</td> <td style="text-align: right;">7,858.15</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>102,388.26</b></td> </tr> </tbody> </table> <p>The land use rights of the Property were granted for a term expiring on 17 November 2048 (re: site area of approximately 66,723.05 sq.m.) and expiring on 21 November 2054 (re: site area of approximately 66,004.87 sq.m.) for industrial use respectively.</p>	Use	Approximate Gross Floor Area (sq.m.)	Factory	54,705.47	Warehouse	16,800.00	Dormitory	23,024.64	Restaurant, Canteen and ancillaries	7,858.15	<b>Total</b>	<b>102,388.26</b>	<p>As advised by the Company, portion of the Property ("Factory C1") with a gross floor area of approximately 11,485 sq.m. was leased for a term of 3 years commencing on 1 March 2024 and expiring on 28 February 2027 at a monthly rent of RMB 206,730 exclusive of utilities charges and subject to rent refund clauses.</p> <p>The remaining portions of the Property is owner-occupied by the Group for production and other ancillary purpose as at the Valuation Date.</p>	<p>279,000,000</p> <p>(Renminbi Two Hundred and Seventy Nine Million Only)</p> <p>(Subject to assumption made on Note 8)</p>
Use	Approximate Gross Floor Area (sq.m.)														
Factory	54,705.47														
Warehouse	16,800.00														
Dormitory	23,024.64														
Restaurant, Canteen and ancillaries	7,858.15														
<b>Total</b>	<b>102,388.26</b>														

Notes:

1. Pursuant to 5 Real Estate Ownership Certificates all registered on 10 December 2020, the land use rights of the portion of the Property with a site area of approximately 66,004.87 sq.m. were granted to 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Company Limited\*) for a term expiring on 21 November 2054 for industrial use. Moreover, as stipulated in the Real Estate Ownership Certificates, the ownership of the buildings of the portion of the Property with a total gross floor area of approximate 12,000.00 sq.m. is vested in 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Company Limited\*). The details are as follows:

Real Estate Ownership Certificate No.	Building	No. of Storey	Approximate Gross Floor Area (sq.m.)
Yue (2020) Dong Guan Bu Dong Chan Quan Di No.0321128	Factory 1	1	2,400.00
Yue (2020) Dong Guan Bu Dong Chan Quan Di No.0321138	Factory 2	1	2,400.00
Yue (2020) Dong Guan Bu Dong Chan Quan Di No.0320883	Factory 3	1	2,400.00
Yue (2020) Dong Guan Bu Dong Chan Quan Di No.0321101	Factory 4	1	2,400.00
Yue (2020) Dong Guan Bu Dong Chan Quan Di No.0321103	Factory 5	1	2,400.00
<b>Total:</b>			<b>12,000.00</b>

2. Pursuant to 18 Real Estate Ownership Certificates all registered on 4 February 2021, the land use rights of the portion of the Property with a site area of approximately 66,723.05 sq.m. were granted to 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Company Limited\*) for a term expiring on 17 November 2048 for industrial use. Moreover, as stipulated in the Real Estate Ownership Certificates, the ownership of the buildings of the portion of the Property with a total gross floor area of approximate 73,134.79 sq.m. is vested in 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Company Limited\*). The details are as follows:

Real Estate Ownership Certificate No.	Building	No. of Storey	Approximate Gross Floor Area (sq.m.)
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038480	Factory A1	3	7,020.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038854	Factory A2	3	6,996.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038640	Factory A3	3	7,020.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038627	Factory B1	3	7,020.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038663	Factory B2	3	7,176.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038719	Factory B3	3	7,020.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038874	Dormitory A	5	2,532.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0039582	Dormitory B	5	2,532.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038576	Dormitory C3	5	2,532.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038862	Dormitory C4	5	2,532.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038886	Dormitory C5	5	2,532.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038619	Dormitory C6	5	2,532.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038497	Dormitory H	5	1,411.72
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038896	Dormitory I	5	1,920.42
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038645	Dormitory J	5	1,968.50
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0039581	Dormitory 7	5	2,532.00
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0039580	Restaurant	3	6,538.15
Yue (2021) Dong Guan Bu Dong Chan Quan Di No.0038559	Electricity room/canteen	1	1,320.00
<b>Total:</b>			<b>73,134.79</b>

3. Pursuant to two Construction Work Planning Permits, 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Company Limited\*) has been approved to construct a factory and a warehouse with a total gross floor area of 17,253.47 sq.m.. The details are as follows:

Construction Work Planning Permit No.	Date of Issue	Building	No. of Storey	Approximate Gross Floor Area (sq.m.)
Jian Zi Di No. 2010-22-10001	23 December 2011	Factory C1	5	12,453.47
Jian Zi Di No. 2012-22-10002	15 June 2012	Warehouse J	1	4,800.00
<b>Total:</b>				17,253.47

4. Pursuant to two Construction Work Commencement Permits, 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Company Limited\*) has been approved to commence the construction of the factory and warehouse with a total gross floor area of 17,253.47 sq.m.. The details are as follows:

Construction Work Planning Permit No.	Date of Issue	Building	No. of Storey	Approximate Gross Floor Area (sq.m.)
4419002010042000501	20 April 2010	Factory C1	5	12,453.47
4419002012120400101	4 December 2012	Warehouse J	1	4,800.00
<b>Total:</b>				17,253.47

5. Pursuant to a Completion Certificates – Document No. Jian Bei Zheng Zi Di No. 441900201112290001 dated 20 December 2011, the Factory C1 with a gross floor area of approximately 12,453.47 sq.m. was completed in 2011. As advised by the Company, Warehouse J with a gross floor area of approximately 4,800.00 sq.m. was completed in 2013.
6. Pursuant to Tenancy Agreement dated 16 December 2023, supplementary agreement (I) dated 26 February 2024 and supplementary agreement (II) dated 11 June 2024 entered into between 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Company Limited\*) and 廣東中發建築有限公司, portion of the Property (“ Factory C1”) with a gross floor area of approximately 11,485 sq.m. was leased to 廣東中發建築有限公司 for a term of 3 years commencing on 1 March 2024 and expiring on 28 February 2027 at a monthly rent of RMB 206,730 exclusive of utilities charges and subject to rent refund clauses.
7. Pursuant to 房地產最高額抵押協議變更協議(二) (Maximum Loan Amount Mortgage Contract -Amendment Agreement (II)\*) – Document No. (2021) 匯深抵字第 CN11002235638-191206&201222-01-SL02 號 ((2021) Hui Shen Di Zi Di No. CN11002235638-191206&201222-01-SL02) entered into between 匯豐銀行(中國)有限公司深圳分行 (HSBC Bank (China) Company Limited, Shenzhen Branch\*) (the “Mortgagee”) and 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Company Limited\*) (the “Mortgagor”), portion of the Property (i.e. Factory 2, Factory 3, Factory A1, Factory A2, Factory A3, Factory B1, Factory B2, Factory B3, Dormitory A, Dormitory B, Dormitory C3, Dormitory C4, Dormitory C5, Dormitory C6, Dormitory H, Dormitory I, Dormitory J, Dormitory 7, Restaurant, Electricity room/canteen) with a total gross floor area of approximately 77,934.79 sq.m. was mortgaged from the Mortgagor to the Mortgagee for a maximum loan amount of RMB 130,000,000.

8. As advised by the Company, a 5-storey factory (Factory C1) and a single-storey warehouse (Warehouse J) of the Property with a total gross floor area of approximately 17,253.47 sq.m. of the Property have not been obtained the Building Ownership Certificate as at the Valuation Date. Due to the lack of Building Ownership Certificate, those portions of the Property are not entitled to be transferred. Hence, we have ascribed no commercial value to those portions of the Property in our valuation.

For indicative purpose, the market value of those portions of the Property is RMB 58,000,000, by assuming those portions of the Property have been obtained the Building Ownership Certificates and are legally transferable in the market.

9. Our Mr. Dennis Wong (BSc, has over 20-year experience in valuation industry) inspected the Property on 6 January 2026, the external and internal conditions of the Property were fair.
10. The Property is situated at the southwestern of Xiekeng Road (謝坑路) near its the junction of Qiangxi Liantang Road (清溪蓮塘路) within the area known as Xiekeng Village (謝坑村), Qingxi Town (清溪鎮) of Dongguan City (東莞市). Buildings in the locality comprise factories complex, warehouses and workshops. The hub area of Qingxi Town (清溪鎮) is about 15-minute driving distance from the Property; while Shenzhen Baoan International Airport (深圳寶安國際機場) and Dongguannan Railway Station (東莞南站) are about 45-minute and 20-minute driving distance respectively.
11. In valuing the Property, there is generally no centralized, publicly available registry of the actual transaction prices for industrial properties in the PRC. We have adopted market approach in our valuation by making reference to five listing comparables. The use of listing price comparables instead of complete transaction prices is in line with recognized market practices within the PRC real estate appraisal community as a result of limited available data on completed transaction prices. Those listing comparables are gathered from hz.58.com (58.同城房產), a popular agency online platform in the PRC, which are considered to be major and popular providers of property listing information in the PRC. The five listing comparables form an exhaustive list of transactions based on the selection criteria below.

Listing Comparables	1	2	3	4	5
Location	Qingxi Town, Dongguan City (東莞市清溪鎮)	Qingxi Town, Dongguan City (東莞市清溪鎮)	Qingxi Town, Dongguan City (東莞市清溪鎮)	Qingxi Town, Dongguan City (東莞市清溪鎮)	Qingxi Town, Dongguan City (東莞市清溪鎮)
Usage	Factory	Factory	Factory	Factory	Factory
Gross Floor Area (sq.m.)	1,527	1,000	2,037	1,000	1,000
Exterior condition	Good	Good	Good	Good	Reasonable
Headroom (m)	8	8	8	7.5	6
Facilities	Factory, Dormitory, Canteen	Factory, Dormitory, Canteen	Factory, Dormitory, Canteen	Factory, Dormitory, Canteen	Factory
Listing Date	February 2026	February 2026	February 2026	February 2026	February 2026
Listing Price (RMB)	7,000,000	4,300,000	7,800,000	3,990,000	4,000,000
Listing Unit Rate (RMB/sq.m.)	4,584	4,300	3,829	3,990	4,000

The selection criteria for the comparables are as follows:

- i. Situated within the same town, i.e. Qingxi Town, Dongguan City;
- ii. Being factory complex with facilities such as factory, dormitory and canteen;
- iii. The listing dates of all listing comparables were within 1 month immediately preceding the Valuation Date.

Appropriate adjustments and analysis are considered to the differences in several aspects including time, nature of transaction, location, property type, quantum, exterior condition, headroom and facilities between the comparables and the Property. The general basis of adjustment is that if the comparables is superior to the Property, a downward adjustment is made. Alternatively, if the comparables is inferior or less desirable than the Property, an upward adjustment is made. Adjustment factors to each comparable are as follows:

Listing Comparables		1	2	3	4	5
Listing Unit Rate (RMB/sq.m.)		4,584	4,300	3,829	3,990	4,000
(i)	Time	0%	0%	0%	0%	0%
(ii)	Nature of Transaction	-10%	-10%	-10%	-10%	-10%
(iii)	Location	0%	0%	0%	0%	0%
(iv)	Property type	0%	0%	0%	0%	0%
(v)	Quantum	-20.2%	-20.3%	-20.1%	-20.3%	-20.3%
(vi)	Exterior condition	-10%	-10%	-10%	-10%	-6%
(vii)	Headroom	-2%	-2%	-2%	-1.5%	0%
(viii)	Facility	0%	0%	0%	0%	35%
Total		-42.2%	-42.3%	-42.1%	-41.8%	-1.3%
Adjusted Unit Rate (RMB/sq.m.)		2,650	2,481	2,217	2,322	3,948
Weighted Unit Rate (RMB/sq.m.)		2,724				

Based on the above analysis of the comparables, we have arrived at the adjusted unit rate of the Property at around RMB 2,724 per sq.m..

Below is the adjustment rationale of each of the adjustment factors made on the differences between the Property and the comparables.

Factor	Rationale
(i) Time	: The listing dates of all listing comparables were within 1 month immediately preceding the Valuation Date. There was no significant change in market condition between the Valuation Date and the listing dates of all comparables. The adjustment rates are zero on time factor.
(ii) Nature of Transaction	: All comparables are listing by willing sellers, downward adjustments are made to reflect the room for negotiation between a willing seller and a willing buyer.  To ensure the valuation accurately represents arm's-length market conditions, based on our due diligence work conducted, 10% downward adjustment reflected the well-documented discrepancy between listing prices and actual transacted prices in the local industrial real estate market.

- (iii) Location : Unit rates of properties located nearer to the commercial and transportation facilities is generally higher, and vice versa. All the listing comparables are situated in the same town, the adjustment rates are zero on location factor.
  - (iv) Property type : All comparables are factory which is similar to the Property. The adjustment rates are zero on property type factor.
  - (v) Quantum : Unit rates of the properties with smaller size are generally higher, and vice versa. The listing comparable of En bloc and/or factories with large size properties where fall within our selection criteria stated above were not available in the market, hence those comparable with smaller size were selected alternatively. In view of size difference for most of the industrial complex is normally within 50,000 sq.m.. It is an acceptable range for the percentage adjustment (i.e. -10% to +10%) being made on the size difference of 50,000 sq.m.. Therefore, a percentage adjustment of 1% for every 5,000 sq.m. is adopted.
  - (vi) Exterior condition : Unit rates of properties with good; reasonable and fair exterior conditions are high, medium and low respectively.
  - (vii) Headroom : Unit rates of properties with higher headroom is generally higher, and vice versa. In view of headroom difference for most of the industrial building is normally within 10 meters. It is an acceptable range for the percentage adjustment (i.e. -10% to +10%) being made on the headroom difference of 10 meters. Therefore, a percentage adjustment of 1% for 1 meter is adopted.
  - (viii) Facility : Facility such as adequate dormitory, canteen, ancillary office, parking space are normally provided in factory complex. Unit rates of properties with more facilities is generally higher, and vice versa.
12. As advised by the Company, 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Limited\*), is a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
13. The Company confirmed that as at the Valuation Date:
- i. No environmental issues such as breach of environmental regulations relating to the Property;
  - ii. No plans for construction, renovation, improvement or development of the Property; and
  - iii. No plan to change the use of the Property.
14. We have been provided with a legal opinion on the property prepared by the Company's PRC legal adviser, 廣東君信經綸君厚律師事務所 (Guang Dong J&J Law Firm\*), which contains, inter alia, the following information:
- i. Other than the portions of the Property with a total gross floor area of approximately 17,253.47 sq.m. mentioned in Note (8), 長榮玩具(東莞)有限公司 (Everwin Toys (Dongguan) Limited\*) is the owner of the Property, has legally and validly obtained the land use rights and the building ownership of the property, and has the right to possess, use, lease, transfer, mortgage, or otherwise dispose of the Property in accordance with the law;

- ii. Other than the Maximum Loan Amount Mortgage Contract -Amendment Agreement (II) mentioned in Note (7), the Property is free from any mortgages, pledge, seizing and legal encumbrances which may cause adverse effects on the ownership of the Property;
- iii. there is no legal impediment to obtain the building ownership of the portions of the Property with a total gross floor area of approximately 17,253.47 sq.m. mentioned in Note (8) from the PRC Government;
- iv. the tenancy agreement mentioned in Note (6) is legally binding, valid, enforceable and protected under the PRC law; and
- v. the following documents were obtained:
  - a. Real Estate Ownership Certificate(s)
  - b. Construction Work Planning Permit(s)
  - c. Construction Work Commencement Permit(s)
  - d. Completion Certificate
  - e. Tenancy Agreement(s)
  - f. Maximum Loan Amount Mortgage Contract -Amendment Agreement (II)





香港測量師學會  
The Hong Kong Institute of Surveyors

茲證明

*This is to certify that*

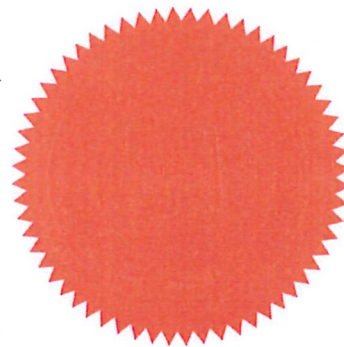
陳嘉華

CHAN KA WAH

於 2010 年 9 月 30 日成為本會專業會員  
*was elected a Member of the Institute on*  
*30th September 2010*

會長 *President*

義務秘書 *Honorary Secretary*



會員編號 *Membership Number: 5554*



SURVEYORS  
REGISTRATION  
BOARD

測量師  
註冊管理局

CERTIFICATE OF REGISTRATION

註冊證明書

This is to certify that

茲證明

**CHAN KA WAH**

**陳嘉華**

having satisfied the SURVEYORS REGISTRATION BOARD of the Hong Kong Special Administrative Region is a  
現得香港特別行政區測量師註冊管理局信納成為

REGISTERED PROFESSIONAL SURVEYOR

註冊專業測量師

in the

執業於

General Practice Division

產業測量組別

Registration No. 2994  
註冊編號

THIS CERTIFICATE IS HELD FROM YEAR TO YEAR

本證明書需每年續期

and subject to the provisions  
of the SURVEYORS REGISTRATION ORDINANCE  
及依從測量師註冊條例的規範

REGISTRAR  
註冊主任

CHAIRMAN  
主席

1st January 2012

Date of Registration  
註冊日期

Certificate No. 4107  
証書編號



兹颁发予

香港测量师学会会员

**陈嘉华**

第三批房地产估价师与香港测量师资格互认

补充测试

**合格证书**

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中国房地产估价师与房地产经纪人学会

2017年7月9日