

PROPERTY VALUATION

Prepared for

Imperium Financial Group Limited

19 September 2024
CO/240719PV



Prepared by

Ravia Global Appraisal Advisory Limited

Performance Exceeds Expectation



19 September 2024

Imperium Financial Group Limited

Room 03, 26/F,
One Harbour Square,
No.181 Hoi Bun Road, Kwun Tong,
Kowloon, Hong Kong

Dear Sirs/Madams,

Re: Property valuation of 4 parcels of lands located at 56 & 146 Mt Eliza Road, Kerrie, Victoria 3434, Australia (the “property”)

In accordance with the instructions of Imperium Financial Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) to value the property in Australia, 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 as at 30 June 2024 (the “**Date of Valuation**”) for the purpose of incorporation in the circular of the Group dated 19 September 2024.

1. BASIS OF VALUATION

Our valuation of the property is our opinion of the market value of the concerned property which we would define as intended to mean “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 wherein the parties had each acted knowledgeably, prudently and without compulsion”.

Market value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

2. VALUATION METHODOLOGY

We have valued the property by direct comparison approach assuming sale of the property in its existing state and by making reference to comparable sales transactions as available in the relevant market.

3. TITLE INVESTIGATION

We have been provided with copies of extracts of title documents relating to the property. However, we have not inspected the original documents to verify the ownership or to verify any amendments which may not appear on the copies handed to us. We have relied on the information given by the Group regarding the title and other legal matters relating to the property.

4. VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the property in the 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 value of such property.

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 allowance has been made for the property to be sold in one lot or to a single purchaser.

5. SOURCE OF INFORMATION

In the course of our valuation, we have relied to a very considerable extent on the information provided by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of property, particulars of occupation, site areas and all other relevant matters which can affect the value of the property. All documents have been used for reference only.

Dimension, measurements and areas included in the valuation report attached are based on information provided to us and are therefore only approximations. We have not been able to carry out detailed on-site measurements to verify the site areas of the property and we have assumed that the areas shown on the documents handed to us are correct. We were also advised by the Group that no material facts have been omitted from the information provided.

6. VALUATION CONSIDERATION

We have inspected the property, however, we have not carried out investigation on site to determine the suitability of the soil conditions or any form of potential contamination or hazard which might affect the future usage. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary costs will be incurred for the continuity of future use.

We have not carried out on-site measurement to verify the site area of the property under consideration, but we have assumed that the site area shown on the documents handed to us are correct. Except as otherwise stated, all dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us by the Group and are therefore approximations.

No allowance has been made in our report for any charges, mortgages or amounts owing on any property interest nor for any expenses or taxation which may be incurred in affecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions, title defects and outgoings of an onerous nature which could affect its value.

In valuing the property, we have complied with the HKIS Valuation Standards (2020 Edition) published by The Hong Kong Institute of Surveyors.

7. REMARKS

In accordance with our standard practice, we must state that this report is for the use only of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents and neither the whole, nor any part of this report may be included in any published documents or statement nor published in any way without our prior written approval of the form and context in which it may appear.

Unless otherwise stated, all monetary amounts stated in our valuation are in Australian Dollars (AUD).

Our Valuation Certificate is attached herewith.

Yours faithfully,
For and on behalf of

RAVIA GLOBAL APPRAISAL ADVISORY LIMITED



Dr. Alan Lee

PhD(BA) MFin BCom(Property)

MHKIS RPS(GP) AAPI CPV CPV(Business)

Director



Nancy Chan

Bsc (Hons) Surveying

MHKIS MRICS RPS(GP) MCIREA

Associate Director

Note:

Dr. Alan Lee is a Registered Professional Surveyor (General Practice), a member of Hong Kong Institute of Surveyors, and an Associate of Australian Property Institute. He has over 20 years' valuation experience in Hong Kong, Macau, the PRC, the Asia Pacific Region, and European and American countries.

Ms. Nancy Chan is a Registered Professional Surveyor (General Practice), a member of Hong Kong Institute of Surveyors and a member of Royal Institute of Surveyors. She has over 14 years' valuation experience in Hong Kong, Macau, the PRC, the Asia Pacific Region.

VALUATION CERTIFICATE

Property held by the Group for investment purpose in Australia

Property	Description and Tenure	Particulars of Occupancy	Market Value in Existing State as at 30 June 2024
4 parcels of lands located at 56 & 146 Mt Eliza Road, Kerrie, Victoria 3434, Australia	<p>The property comprises 4 parcels of lands with a total site area of approximately 172.08 hectares.</p> <p>As advised by the Group, the property is for substantially improved and significant thoroughbred stud farm operation, which is currently operated as “Widden Stud” with eight resident stallions. The property is variously developed with multiple residences, stallion and covering barns, stable and veterinary facilities, a pre training complex, together with a 1,600 metres’ sand track, with some of these improvements no longer fully utilised, and various foaling and day yards and agistment paddocks.</p> <p>The property is situated with a frontage to the northeastern side of Mt Eliza Road, north of the intersection of Gisborne Kilmore Road within Kerrie. The property is located in a short distance to the north of Melbourne airport and within close proximity to the Inglis – Oaklands Junction Sales complex.</p> <p>The property is irregular in shape and is predominantly cleared and sown to rye grass-based pastures. Remnant trees are situated across the holding including stands of mature cypress trees along the main driveway and around the main improvements.</p> <p>The property is predominantly surrounded by rural properties, including grazing properties, lifestyle holdings and selected equine properties.</p> <p>As advised by the Group, the land use rights of the property is held by freehold.</p>	<p>The property together with farm and veterinary facilities and structures and the assets on the land is subject to a tenancy for a 5-year term expiring on 30 March 2026 with 1st option term of 5 years, at a current rent of AUD315,187.50 per annum plus goods and service tax, used as a stud farm for selective thoroughbred breeding, agistment of livestock and thoroughbred training and pre training purposes.</p>	AUD5,300,000.

Notes:

1. Pursuant to 4 Register Search Statements (Title Searches), Volume 10412 Folio 302, Volume 9051 Folio 996, Volume 9737 Folio 630 and Volume 9553 Folio 468, the registered owner of the property is Sun Farm Land Pty Ltd (currently known as Imperium Farm Pty Ltd, an indirect wholly-owned subsidiary of the Group) dated 15 October 2013.
2. As advised by the Group, the property comprises Lot 7 on Plan of Subdivision No. 113038 ("Lot 7"), Lot 2 on Plan of Subdivision No. 111306 ("Lot 2"), Crown Allotment 32 Section A Parish of Kerrie ("Crown Allotment 32") and Crown Allotment 33 Section A Parish of Kerrie ("Crown Allotment 33").
3. According to the Register Search Statement – Volume 10412 Folio 302, Lot 7 of the property is subject to any encumbrances created by Section 98 Transfer of Land Act 1958 or Section 24 Subdivision Act 1988 and any other encumbrances shown or entered on the plan or imaged folio set out under DIAGRAM LOCATION (see LP113038 for further details and boundaries). The encumbrances include easement in favour of Sunbury Waterworks Trust.
4. According to the Register Search Statement – Volume 9051 Folio 996, Lot 2 of the property is subject to any encumbrances created by Section 98 Transfer of Land Act 1958 or Section 24 Subdivision Act 1988 and any other encumbrances shown or entered on the plan or imaged folio set out under DIAGRAM LOCATION (see LP111306 for further details and boundaries). The encumbrances include easement in favour of Sunbury Waterworks Trust and easement of drainage and sewerage.
5. According to the Register Search Statement – Volume 9737 Folio 630, Crown Allotment 32 is subject to details of any other encumbrances see the plan or imaged folio set out under DIAGRAM LOCATION (see TP259861L for further details and boundaries). The encumbrances include easement in favour of Sunbury Waterworks Trust.
6. According to the Register Search Statement – Volume 9553 Folio 468, Crown Allotment 33 is subject to details of any other encumbrances see the plan or imaged folio set out under DIAGRAM LOCATION (see TP274851D for further details and boundaries). The encumbrances is nil.
7. As advised by the Group, according to the Planning Property Reports by the Transport and Planning Department of Victoria State Government, the property is located within the Macedon Ranges Shire Council and within a 'Farming Zone' under the provisions of the Macedon Ranges Planning Scheme. The property is also included in a Designated Bushfire Prone Area and in part in an Aboriginal Cultural Heritage Sensitivity Area.
8. The inspection was performed by Iris Ng, BSc Surveying, with 3-year valuation experience, in August 2024.
9. We have been instructed by the Group to value the property based on the following assumptions:
 - a. Sun Farm Land Pty Ltd (currently known as Imperium Farm Pty Ltd, an indirect wholly-owned subsidiary of the Group) is in possession of a proper legal title to the property and is entitled to transfer the property with its residual term of land use rights at no extra land premium or other onerous payment payable to the government;
 - b. All land premium and other costs of ancillary utility services has been settled in full;
 - c. The property is not subject to mortgage or any other material encumbrances;
 - d. The existing use of the property is in compliance with the local planning regulations and has been approved by the relevant government authorities; and
 - e. Whether as a whole or on strata basis, the property can be freely transferred to local or overseas purchasers.