

13 January 2025

The Board of Directors
Excellence Commercial Property & Facilities Management Group Limited
40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

Dear Sirs,

In accordance with the instructions of Excellence Commercial Property & Facilities Management Group Limited (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) to value the properties in respect of the Acquisitions in the People's Republic of China (the “**PRC**”), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market values of the property interests as at 31 October 2024 (the “**valuation date**”).

Our valuation is carried out on a market value basis. 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”.

In valuing the properties, we have valued property No. 1 by the income approach by taking into account the rental income of the property derived from its existing leases and/or achievable in the existing market with due allowance for reversionary income potential of the leases, which then have been capitalized to determine the market value at an appropriate capitalization rate.

We have adopted the comparison approach in our valuation of property No. 2 by making reference to comparable market transactions in our assessment of the market value of the property interest. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

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 allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited; the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of Real Estate Title Certificates and other documents relating to the property interests and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC Legal Adviser – Zhong Lun Law Firm, concerning the validity of the property interests in the PRC.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defect. No tests were carried out on any of the services.


Inspection of the properties was carried out in November 2024 by Ms. Queena Qiao and Mr. Samuel Feng. Ms. Queena Qiao has more than 8 years' experience in the valuation of properties in the PRC and holds a bachelor degree in asset appraisal from the Nanjing University of Finance & Economics. Mr. Samuel Feng has more than 7 years' experience in the valuation of properties in the PRC and holds a master degree of Engineering Management from the University of Melbourne.

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

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our valuation is summarized below and the valuation certificates are attached.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited



Eddie T. W. Yiu
MRICS MHKIS R.P.S. (GP)
Senior Director

Note: Eddie T. W. Yiu is a Chartered Surveyor who has 31 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

SUMMARY OF VALUES

Properties to be acquired under the Settlement Agreement by the Group for investment in the PRC

No.	Property	Market value in existing state as at 31 October 2024 RMB
1.	Tiansheng Science and Innovation Plaza No. 118 Guotong Road Yangpu District Shanghai The PRC (天盛科創廣場)	1,814,800,000
2.	Junhao Business Center Office Building No. 3 Block 1 No. 1 Lukeng Road Tangxia Town Dongguan City Guangdong Province The PRC (駿豪商務中心商務樓3號辦公樓1棟)	No Commercial Value*
Total:		1,814,800,000

Note:

- * For property No. 2 without proper title certificate held under Shenzhen Excellence Investment Management Co., Ltd. as at the valuation date, we have attributed no commercial value to it. For reference purpose, we have assessed the market value of it assuming its title certificate has been obtained and it can be freely transferred and there is no legal impediment and onerous cost in obtaining the title certificate.

VALUATION CERTIFICATE

			Market value in existing state as at 31 October 2024 RMB												
No.	Property	Description and tenure	Particulars of occupancy												
1.	Tiansheng Science and Innovation Plaza No. 118 Guotong Road Yangpu District Shanghai The PRC (天盛科創廣場)	<p>The property is located at No. 118 Guotong Road, Yangpu District, Shanghai. It is well-served by public transportation with about 30 minutes' driving distance to Shanghai Railway Station, about 45 minutes' driving distance to Shanghai Pudong International Airport and about 50 minutes' driving distance to Shanghai Hongqiao International Airport. The locality of the property is a well-developed residential and commercial area served by adequate public facilities and convenient transportation network.</p> <p>The property comprises various office, retail and ancillary units and 514 car parking spaces within two 11-storey commercial buildings and one 22-storey (plus a 2-storey basement) commercial building known as Tiansheng Science and Innovation Plaza completed in 2015.</p> <p>The property has a total gross floor area of approximately 90,713.34 sq.m. The details are set out as below:</p> <table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Office</td><td>57,227.60</td></tr><tr><td>Retail</td><td>6,341.73</td></tr><tr><td>Ancillary</td><td>1,893.82</td></tr><tr><td>514 car parking spaces</td><td>25,250.19</td></tr><tr><td>Total:</td><td>90,713.34</td></tr></table> <p>The land use rights of the property have been granted for terms of 50 years expiring on 21 April 2058 for office use and 40 years expiring on 21 April 2048 for commercial use.</p>	Usage	Gross Floor Area (sq.m.)	Office	57,227.60	Retail	6,341.73	Ancillary	1,893.82	514 car parking spaces	25,250.19	Total:	90,713.34	<p>As at the valuation date, portions of the property were leased to various third parties for commercial and office purposes, and the remaining portion of the property was vacant.</p>
Usage	Gross Floor Area (sq.m.)														
Office	57,227.60														
Retail	6,341.73														
Ancillary	1,893.82														
514 car parking spaces	25,250.19														
Total:	90,713.34														
			1,814,800,000												

Notes:

1. Pursuant to 2 Real Estate Title Certificates – Hu (2021) Yang Zi Bu Dong Chan Quan Di Nos. 014281 and 014306, the property with a total gross floor area of approximately 90,713.34 sq.m. is owned by Shanghai Tianzhusheng Technology Co., Ltd. (上海天築盛科技有限公司, “Tianzhusheng Technology”, a connected party of the Company, a 50%-owned subsidiary of Excellence Real Estate Group Co., Ltd. (卓越置業集團有限公司)). The relevant land use rights of the property with a site area of approximately 17,601.90 sq.m. have been granted to Tianzhusheng Technology for terms of 50 years expiring on 21 April 2058 for office use and 40 years expiring on 21 April 2048 for commercial use.
2. Pursuant to various Tenancy Agreements, portions of the property with a total gross floor area of approximately 50,938.09 sq.m. are leased to various tenants for commercial and office purposes with various expiry dates between 31 October 2024 and 31 December 2029. As at the valuation date, the total passing monthly rent was approximately RMB6,807,000, exclusive of management fees, water and electricity charges.
3. Pursuant to a Mortgage Contract – No. TZSYTDY202208 and relevant agreements, the property is subject to a mortgage in favour of Bank of Communications Co., Ltd. Shanghai Yangpu Branch.
4. Our valuation has been made on the following basis and analysis:
 - a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;
 - b. The unit rent of these comparable office units ranges from RMB125 to RMB135 per sq.m. per month, the unit rent of these comparable retail units on the first floor ranges from RMB320 to RMB350 per sq.m. per month; and
 - c. Based on our research in the surrounding area of the property, the stabilized market yield ranged from 4% to 5% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 4.5% as the capitalization rate in the valuation.
5. We have been provided with a legal opinion regarding the property interest by the Company’s PRC Legal Adviser, which contains, *inter alia*, the following:
 - a. Tianzhusheng Technology has obtained the ownership rights of the property; and
 - b. The property has been mortgaged in favour of Bank of Communications Co., Ltd. Shanghai Yangpu Branch. The transfer of the property is restricted by law until the mortgage is discharged.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2024 RMB
2.	Junhao Business Center Office Building No. 3 Block 1 No. 1 Lukeng Road Tangxia Town Dongguan City Guangdong Province The PRC (駿豪商務中心 商務樓 3號 辦公樓1棟)	<p>The property is located at No. 1 Lukeng Road, Tangxia, Dongguan City. It is well-served by public transportation with about 30 minutes' driving distance to Dongguan South Railway Station, about 45 minutes' driving distance to Shenzhen North Railway Station and about 50 minutes' driving distance to Shenzhen Bao'an International Airport. The locality of the property is a golf and resort area served by various public facilities and transportation means.</p> <p>The property comprises all the 181 office units (designed for apartment usage) within a 14-storey apartment building, named Junhao Business Center Office Building No. 3 Block 1, also known as Dongguan Mission Hills Yulinshan District Six Block A, completed in 2017.</p> <p>The property has a total gross floor area of approximately 11,926.77 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 6 July 2049 for business financial use.</p>	As at the valuation date, the property was vacant.	No Commercial Value (refer to Note 3)

Notes:

- Pursuant to 181 Real Estate Title Certificates – Yue (2018) Dong Guan Bu Dong Chan Quan Di No. 0095006 and other 180 title certificate numbers, the property with a total gross floor area of approximately 11,926.77 sq.m. is owned by Shenzhen Leedsburg Elderly Care and Healthcare Service Co., Ltd. (深圳市利茲堡養老養生服務有限公司, "Shenzhen Leedsburg", an independent third party of the Company). The relevant land use rights of the property with a site area of approximately 4,062.30 sq.m. have been granted to Shenzhen Leedsburg for a term expiring on 6 July 2049 for business financial use.
- As advised by the Company and the Company's PRC Legal Adviser, according to an Enforcement Ruling – (2023) Yue 03 Zhi No. 753-2, the property under the name of Shenzhen Leedsburg will be compulsorily transferred to Shenzhen Excellence Investment Management Co., Ltd. (深圳市卓越投資管理有限公司, "Shenzhen Excellence Investment Management", a connected party of the Company, a wholly-owned subsidiary of Excellence Real Estate Group Co., Ltd.) at the price of RMB153,408,896. Shenzhen Excellence Investment Management is currently in the process of completing the registration procedures for property ownership transfer.

Pursuant to the new title certificates of the property provided by the Company, Shenzhen Excellence Investment Management had completed the registration procedures on 5 November 2024.

3. As at the valuation date, Shenzhen Excellence Investment Management had not obtained the Real Estate Title Certificates of the property. Therefore, we have attributed no commercial value to this property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB120,500,000, assuming its title certificate has been obtained and it can be freely transferred by Shenzhen Excellence Investment Management and there is no legal impediment and onerous cost in obtaining the title certificate.
4. According to the Company's statements, the property is not subject to any mortgages.
5. Our valuation has been made on the following basis and analysis:

In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are apartment units newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2024. The unit price of these comparable properties ranges from RMB9,200 to RMB12,300 per sq.m. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Comparable	A	B	C
Name	Zhuozhutiancheng Chenguang	Yian Galaxy Shiji	Xiangzhang Yihao
Location	No. 12 Huanshi North Road, Dongguan City	Xinrong Road, Dongguan City	No. 5 Xicheng Road, Dongguan City
Existing usage	Apartment	Apartment	Apartment
Gross Floor Area (sq.m.)	30.06	56.01	58.50
Location and accessibility	Good	Very good	Good
Unit selling price (RMB/sq.m.)	9,200	12,300	9,800
Adjustment factors:			
Location and accessibility	Similar with the property	Superior than the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Inferior than the property	Inferior than the property	Inferior than the property
Total adjustment	+5%	-15%	+5%
Adjusted unit price (RMB/sq.m.)	9,660	10,460	10,290

Based on the analysis of the three comparable properties, the adjusted average unit rate for the market value of the property is RMB10,100 per sq.m. We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
 - a. Shenzhen Excellence Investment Management obtained the ownership rights of the property through a court-issued ruling of debt repayment by property;
 - b. The transfer of the property can only be processed after Shenzhen Excellence Investment Management has obtained the new title certificate of the property; and
 - c. There is no seizure or freezing of the property.



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7. After the valuation date, Shenzhen Excellence Investment Management obtained 181 new title certificates of the property on 5 November 2024. Pursuant to 181 new Real Estate Title Certificates – Yue (2024) Dong Guan Bu Dong Chan Quan Di No. 0235553 and other 180 title certificate numbers, the property is owned by Shenzhen Excellence Investment Management. The land use rights of the property have been granted to Shenzhen Excellence Investment Management for a term expiring on 6 July 2049 for business financial use. There is no impact on our valuation opinion of this property mentioned in note 3.