

PROPERTY VALUATION

Prepared for

**Grand Field Group Holdings
Limited**

14 January 2025
AL/241120PV

Prepared by

Ravia Global Appraisal Advisory Limited

Performance Exceeds Expectation



14 January 2025

Grand Field Group Holdings Limited

Unit A, 19/F,
Phase 1 of Kings Wing Plaza,
3 On Kwan Street,
Shek Mun, Shatin,
N.T., Hong Kong

Dear Sirs/Madams,

Re: Property Valuation of Property in the People's Republic of China

In accordance with the instructions of Grand Field Group Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) to value the property held by the Group in the People's Republic of China (the “**PRC**”), we confirm that we have carried out inspections, 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 November 2024 (the “**Date of Valuation**”) for the purpose of incorporation in the circular dated 14 January 2025 issued by the Company.

1. BASIS OF VALUATION

Our valuation of property are our opinion of the market value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation 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”.

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 the direct comparison approach assuming sale of the properties in their existing states with the benefit of vacant possession and by making reference to comparable sales transactions as available in the relevant market.

3. TITLE INVESTIGATION

We have been provided with copies or extracts of title documents relating to the properties in the PRC and have been confirmed by the Group that no further relevant documents have been produced. 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. In the course of our valuations, we have relied upon the legal opinion (the “**Legal Opinion**”) given by the Group’s PRC legal advisor, Guangdong Nianfeng Law Firm (廣東年豐律師事務所)(the “**PRC Legal Adviser**”), regarding the titles of the properties located in the PRC.

4. VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the property in the market in their existing states without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the value of the 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 properties, particulars of occupation, site/floor areas, ages of buildings and all other relevant matters which can affect the value of the property. All documents have been used for reference only.

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

6. VALUATION CONSIDERATION

We have inspected the exterior and, where possible, the interior of the property. No structural survey has been made in respect of the property. However, in the course of our inspection, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. No tests were carried out on any of the building services.

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

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

In valuing the property, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and 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 is in Renminbi (RMB).

Our Valuation Certificate is attached herewith.

Yours faithfully,

For and on behalf of

RAVIA GLOBAL APPRAISAL ADVISORY LIMITED

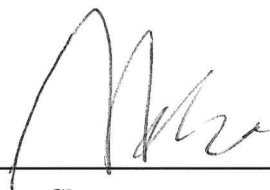


Dr. Alan Lee

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

Dr. Alan W K 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, European countries and American countries.

Ms. Nancy Chan is 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

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in Existing State as at 30 November 2024
1.	<p>Various office and retail units in Guo Jin Era, Huanghe West Road Gulou District, Xuzhou City Jiangsu Province, the PRC</p> <p>中華人民共和國江蘇省徐州市鼓樓區黃河西路國金時代之數個寫字樓及商舖單位 (Details please refer to Note 1)</p>	<p>The property comprises several office and retail units in a composite development, Guo Jin Era, which was completed in about 2015.</p> <p>The entire property development project is located on the southwest side of Huanghe West Road, Gulou District, Xuzhou City, adjacent to a mixed commercial/residential area. The nearby development projects include residential and commercial buildings of different ages and floors.</p> <p>According to the information provided by the Company, the property has a total gross floor area of approximately 5,167.93 sq.m. (details please refer to Note 1), of which the office part is approximately 3,948.15 sq.m. and retail part is approximately 1,219.78 sq.m.</p> <p>The land use rights of the property have been granted for two concurrent terms expiring in 19 March 2049 and 19 March 2079 for office and commercial uses.</p>	<p>As advised by the Group, the property is partially owner occupied and partially vacant as at the Date of Valuation.</p>	<p>RMB26,660,000.</p> <p>(100% interest attributable to the Group)</p>

Notes:

1. The room number and area breakdown of the property are as follows:

Floor	Room No.	Gross Floor Area (sq.m.)
1/F	Room 102	323.64
2/F	Room 201	896.14
3/F	Rooms 301 to 306, 309 to 311, 313, 315	549.99
4/F	Rooms 401 to 406, 409 to 415	619.87
5/F	Rooms 501 to 515	690.12
6/F	Rooms 601 to 615	697.13
7/F	Rooms 701 to 715	697.13
8/F	Rooms 801 to 815	<u>693.91</u>
Sub-total:		<u><u>5,167.93</u></u>

2. Pursuant to Land Use Rights contract (No. 3203012008CR0038) dated 26 December 2008, the land use rights of a piece of land covering an area of 15,528 sq.m. have been granted to Xuzhou Guojin Real Estate Development Co. Ltd (徐州國金房地產開發有限公司)(“Xuzhou Guojin”).
3. Pursuant to Stated-owned Land Use Right Certificate, Xuzhou Guojin has been granted the land use rights of two plots with a total area of 15,528.40 sq.m. Details of the above certificates are set out below:

Certificate Number	Issue Date	Area (sq.m.)	Use	Expiry date
Xu Tu Guoyong (2009) No. 11859	2 June 2009	13,847.40	Finance	19 March 2049
			Residential	19 March 2079
Xu Tu Guoyong (2009) No. 08856	16 March 2010	1,681.00	Finance	19 March 2049
			Residential	19 March 2079
Sub-total:		15,528.40		

4. Pursuant to Construction Land Planning Permit No. Xu Shi Gui Di Di Zi No. 320300200901024 dated 19 March 2009, Xuzhou Guojin was allowed to use a land use area of 23.3 acres for residential, commercial and office uses.
5. Pursuant to Construction Project Planning Permit No. 20090053 dated 1 March 2012, it includes residential building No. 1 and 2, commercial office building No. 3, basement, one public toilet, and one garbage room and a guard room with a total construction area of 47,121.60 sq.m. (of which 31,642.01 sq.m. is plot ratio GFA) has been approved for construction.
6. Pursuant to various Real Estate Title Certificates, the property has a total floor area of approximately 11,604.36 sq.m. and is legally owned by Xuzhou Guojin for office and commercial uses.

7. We have made reference to the below office comparable in arriving the unit rate of RMB\$4,800 after adjustment of nature and location. The comparable were selected according to location and similarities with the subject property.

Comparable No.	Address	Consideration (RMB)	Gross Floor Area (sq.m.)	Unit Rate (RMB per sq.m.)
1	Hexin Plaza	360,000	62.25	5,783
2	Jun Sheng Plaza	520,000	110	4,727
3	Heng Mao Building	190,000	47	4,043

We have made reference to the below retail comparable in arriving the unit rate of RMB10,000 after adjustment of nature and location. The comparable were selected according to location and similarities with the subject property.

Comparable No.	Address	Consideration (RMB)	Gross Floor Area (sq.m.)	Unit Rate (RMB per sq.m.)
1	Huaihai West Road	2,300,000	209	11,000
2	Haiou Road	780,000	94.06	8,293
3	Haodejia Wuzi Shangcheng	400,000	40	10,000

The breakdown of the market value are as follows:

Floor	Gross Floor Area (sq.m.)	Unit Rate (RMB per sq.m.)	Market Value (RMB) (Rounded)
1/F	323.64	10,000	3,200,000
2/F	896.14	5,000	4,500,000
3/F	549.99	4,800	2,640,000
4/F	619.87	4,800	2,980,000
5/F	690.12	4,800	3,310,000
6/F	697.13	4,800	3,350,000
7/F	697.13	4,800	3,350,000
8/F	693.91	4,800	3,330,000
		Sub-total:	<u>26,660,000</u>

8. The inspection was performed by Huang Xiaojing, with 12 years valuation experience, in December 2024.
9. We have been provided with the Legal Opinion on the property prepared by the Group's PRC Legal Adviser, which contains, *inter alia*, the following information:
- Xuzhou Guojin (徐州國金) is in possession of a proper legal title to the property with a total gross floor area of approximately 5,167.93 sq.m. of 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;
 - The existing use of the property is in compliance with the local planning regulations and has been approved by the relevant authorities;
 - The property is not subject to mortgage or any other material encumbrances; and
 - Whether as a whole or on strata basis, the property can be freely transferred to local or overseas purchasers.