

*The following is the text of a valuation report, prepared for the purpose of incorporation in this composite document received from RHL Appraisal Limited., an independent valuer, in connection with its valuation as at 31 July 2019 of the Properties held by the Group.*



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Room 1010, 10/F, Star House  
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14 October 2019

**The Board of Directors**  
**Unisplendour Technology (Holdings) Limited**  
Unit 02-03, 69/F,  
ICC-International Commerce Centre,  
1 Austin Road West,  
Tsimshatsui,  
Kowloon

Dear Sir / Madam,

#### INSTRUCTIONS

We refer to your instruction for us to value the property interest (“the Properties”) held by **Unisplendour Technology (Holdings) Limited** and its subsidiaries (together referred as the “Group”) located in the People’s Republic of China (“PRC”) and Hong Kong. We confirm that we have carried out property 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 Properties as at 31 July 2019 (the “Valuation Date”).

5.06(8)  
5.07

This letter which forms part of our valuation report explains the basis and methodologies 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 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. 5.06(1)(i)

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

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

**VALUATION METHODOLOGY**

We have valued the Properties interest by using the Direct Comparison Approach by making reference to the comparable market transactions/asking cases as available. Comparable properties of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of market value. 5.06(1)(i)

**VALUATION CONSIDERATIONS**

In valuing the property interest, 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, Rule 11 of the Codes on Takeovers and Mergers and Share Buy-backs issued by Securities And Futures Commission and the International Valuation Standards 2017. 5.05

**VALUATION ASSUMPTION**

In our valuation, unless otherwise stated, we have assumed that:

- i. all necessary statutory approvals for the Properties or the subject building of which the Properties forms part of their use have been obtained;
- ii. transferable land use rights in respect of the Properties for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid;

- iii. no deleterious or hazardous materials or techniques have been used in the construction of the Properties; and
- iv. the Properties are connected to main services and sewers which are available on normal terms.

#### TITLE INVESTIGATION

Para 7 of PN 12

For properties located in Hong Kong, land search is conducted. And for properties located in other cities of PRC. We have been shown copies including but not limited to state-owned land use right certificate, real estate title certificate and purchase agreements. However, we have not examined the original documents to verify the existing titles to the Properties or any amendment which does not appear on the copies handed to us. We have relied considerably on the information given by the Group's PRC legal advisers, Guangdong Mengkai Law Firm, concerning the validity of the titles to the Properties.

#### POTENTIAL TAX LIABILITIES

For the purpose of compliance with Rule 11.3 of the Code on Takeovers and Mergers and as advised by the Group, the potential tax liabilities which will arise on direct disposal of the property interests held by the Group at the amounts valued by us mainly comprise the followings:

##### Hong Kong Properties:

- Profits tax at 16.5% on gain (minus any profit which is capital in nature)
- Stamp duty at progressive rates from 1.5% to 8.5% on the transaction amount (of which both the seller and the buyer are jointly and severally liable)

##### PRC Properties:

- Value added tax ("VAT") at 5% on the transaction amount
- Enterprise income tax at 25% on gain
- Land appreciation tax at progressive rates from 30% to 60% on the appreciation in property value
- Stamp duty at 0.05% on the transaction amount

In respect of the Properties held by the Group, the likelihood of the relevant tax liabilities being crystallized is remote as the Group has no plans for disposal of such properties yet. According to our established practice, in the course of our valuation, we have neither verified nor taken into account such tax liability.

**DECLARATION**

It is declared that we are the “External Valuer” for the subject property valuation assignment.

According to the HKIS Valuation Standards 2017, “an ‘External Valuer’ is a valuer who, together with any associates, has no material links with the client and agent acting on behalf of the client or the subject of the assignment.”

**LIMITING CONDITIONS**

We have conducted on-site inspections to the PRC Properties on 13th August 2019 by our staff Mr. Charlie Chan (BSc in Geomatics).

5.06(1)(m)  
5.06(1)(s)  
5.06(1)(n)

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

We have not carried out any site investigation to determine the suitability of the ground conditions or the services for any property development erected or to be erected thereon. Nor did we undertake archaeological, ecological or environmental surveys for the Properties. Our valuation is prepared on the assumptions that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period. Should it be discovered that contamination, subsidence or other latent defects exists in the Properties or on adjoining or neighboring land or that the Properties had been or are being put to contaminated use, we reserve right to revise our opinion of value.

We have relied very considerable extent on the 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, size and floor areas and all other relevant matters in the identification of the Properties. The plans including but not limited to location plan, site plan, lot index plan, outline zoning plan, building plan if any, in the report are included to assist the reader to identify the Properties for reference only and we assume no responsibility for their accuracy.

5.06(1)(o)

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.

We do not accept a liability for any interpretation which we have placed on such information which is more properly the sphere of the legal advisers of the Group. Neither have we verified the correctness of any information supplied to us concerning the Properties.

## REMARKS

We have valued the property interest in Renminbi (RMB) and Hong Kong Dollars (HKD).

We enclose herewith the summary of values and the "Property Particulars and Opinion of Value".



**Serena S. W. Lau**  
*FHKIS, AAPI, MRICS, RPS(GP), MBA(HKU)*  
**Managing Director**



**Jessie X. Chen**  
*MRICS, MSc (Real Estate), BEcon*  
**Senior Associate Director**

*Ms. Serena S. W. Lau is a Registered Professional Surveyor (GP) with over 20 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China and the Asia Pacific Region. Ms. Lau is a Professional Member of The Royal Institution of Chartered Surveyors, an Associate of Australian Property Institute, a Fellow of The Hong Kong Institute of Surveyors as well as a registered real estate appraiser in the PRC.*

5.06(7)  
Para 4.2 of PN12

*Ms. Jessie X. Chen is a Registered Professional Surveyor (Valuation) with over 9 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China and the Asia Pacific Region. Ms. Chen is a Professional Member of The Royal Institution of Chartered Surveyors.*

## SUMMARY OF VALUES

No.	Properties in PRC	Market Value as at 31 July 2019 <i>RMB</i>
1.	An Industrial Complex located at No. 13 Yongping Second Road, Baishixia, Fuyong Town, Bao'an District, Shenzhen, the PRC	337,700,000
2.	Units 2407,2518,2919 and 3316 located at Zhongzhou Huafu, Bao'an District, Shenzhen, the PRC	No commercial value
3.	Units 2D4B, 1C13A,1B18D,2D19F,1B5A and 2E21A located at Zhongmin Court, Songgang Street, Bao'an District, Shenzhen, the PRC	No commercial value
<b>Properties in PRC - Total:</b>		<u><u>RMB337,700,000</u></u>
No.	Properties in Hong Kong	Market Value as at 31 July 2019 <i>HK\$</i>
4.	Unit A4 on 1st Floor of Block 4, Nos. 436-446 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon	14,900,000
5.	Unit H4 on 1st Floor of Block 4, Nos. 436-446 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon	10,700,000

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**APPENDIX V****VALUATION REPORT**

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<b>No.</b>	<b>Properties in Hong Kong</b>	<b>Market Value as at 31 July 2019 HK\$</b>
6.	Car Parking Space No. 44 on G/F, Nos. 436-484 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon	3,400,000
7.	Car Parking Space No. 145 on Basement, Nos. 436-484 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon	2,250,000
<b>Properties in Hong Kong - Total:</b>		<u><u>HK\$31,250,000</u></u>



## PROPERTY PARTICULARS AND OPINION OF VALUE

No.	Property	Description and tenure	Particulars of occupancy	Market Value as at 31 July 2019 RMB	
1.	An Industrial Complex located at No. 13 Yongping Second Road, Baishixia, Fuyong Town, Bao'an District, Shenzhen, the PRC	<p>The property comprises a parcel of land with a site area of approximately 34,550.30 sq.m. (371,896 sq.ft.) on which various industrial buildings / dormitories completed in various stage between 2002 and 2006 erected thereon.</p> <p>The property has a total gross floor area of approximately 52,767.69 sq.m. (567,987 sq.ft.)</p> <p>The land use rights of the property were granted for a term expiring on 4 May 2049 for industrial use.</p>	<p>The main portion of the property is owner-occupied for industrial use and portion of the property is subject to a tenancy agreement.</p> <p>(Please refer to Note.3)</p>	<p>337,700,000 (Renminbi Three Hundred and Thirty Seven Million and Seven Hundred Thousand Only)</p>	<p>5.06(1)(a) 5.06(1)(b) 5.06(1)(c) 5.06(1)(f) 5.06(1)(g) 5.06(1)(i) 5.06(5)(c) 5.10(b) 5.10(d)</p>

## Notes:

1. Pursuant to 46 Real Estate Title Certificates, the ownerships of the Property with a total gross floor area of approximately 52,767.69 sq.m. were 100% vested in 日東電子發展(深圳)有限公司, as advised by the Group it is 100% indirectly held by the Company, and the land use rights of the Property were granted for a term commencing on 5 May 1999 and expiring on 4 May 2049 for industrial use. The 46 Buildings are erected on a land of lot number A212-0060 with a site area of approximately 34,550.3 sq.m. The details of such certificates are as follows:

Certificate Number	Building	Building Usage	Approximate Gross Floor Area (sq. m.)
Shen Fang Di Zi No. 5000316382 (深房地字第5000316382號)	Level 6 of Dormitory Building D2 (宿舍D2棟六層)	Dormitory (宿舍)	281.26
Shen Fang Di Zi No. 5000316379 (深房地字第5000316379號)	Level 5 of Dormitory Building D2 (宿舍D2棟五層)	Dormitory (宿舍)	281.26
Shen Fang Di Zi No. 5000316374 (深房地字第5000316374號)	Level 4 of Dormitory Building D2 (宿舍D2棟四層)	Dormitory (宿舍)	281.26
Shen Fang Di Zi No. 5000316377 (深房地字第5000316377號)	Level 3 of Dormitory Building D2 (宿舍D2棟三層)	Dormitory (宿舍)	281.26
Shen Fang Di Zi No. 5000316371 (深房地字第5000316371號)	Level 2 of Dormitory Building D2 (宿舍D2棟二層)	Dormitory (宿舍)	281.26
Shen Fang Di Zi No. 5000316370 (深房地字第5000316370號)	Level 1 of Dormitory Building D2 (宿舍D2棟一層)	Dormitory (宿舍)	222.14
Shen Fang Di Zi No. 5000316398 (深房地字第5000316398號)	Level 6 of Dormitory Building E1 (宿舍E1棟六層)		



Certificate Number	Building	Building Usage	Approximate Gross Floor Area (sq.m.)
Shen Fang Di Zi No. 5000316395 (深房地字第5000316395號)	Level 5 of Dormitory Building E1 (宿舍E1棟五層)	Dormitory (宿舍)	222.14
Shen Fang Di Zi No. 5000316393 (深房地字第5000316393號)	Level 4 of Dormitory Building E1 (宿舍E1棟四層)	Dormitory (宿舍)	222.14
Shen Fang Di Zi No. 5000316390 (深房地字第5000316390號)	Level 3 of Dormitory Building E1 (宿舍E1棟三層)	Dormitory (宿舍)	222.14
Shen Fang Di Zi No. 5000316389 (深房地字第5000316389號)	Level 2 of Dormitory Building E1 (宿舍E1棟二層)	Dormitory (宿舍)	222.14
Shen Fang Di Zi No. 5000316384 (深房地字第5000316384號)	Level 1 of Dormitory Building E1 (宿舍E1棟一層)	Dormitory (宿舍)	234.58
Shen Fang Di Zi No. 5000316403 (深房地字第5000316403號)	Level 6 of Dormitory Building E2 (宿舍E2棟六層)	Dormitory (宿舍)	234.58
Shen Fang Di Zi No. 5000316405 (深房地字第5000316405號)	Level 5 of Dormitory Building E2 (宿舍E2棟五層)	Dormitory (宿舍)	234.58
Shen Fang Di Zi No. 5000316406 (深房地字第5000316406號)	Level 4 of Dormitory Building E2 (宿舍E2棟四層)	Dormitory (宿舍)	234.58
Shen Fang Di Zi No. 5000316400 (深房地字第5000316400號)	Level 3 of Dormitory Building E2 (宿舍E2棟三層)	Dormitory (宿舍)	234.02
Shen Fang Di Zi No. 5000316401 (深房地字第5000316401號)	Level 2 of Dormitory Building E2 (宿舍E2棟二層)		
Shen Fang Di Zi No. 5000316399 (深房地字第5000316399號)	Level 1 of Dormitory Building E2 (宿舍E2棟一層)		
Shen Fang Di Zi No. 5000316412 (深房地字第5000316412號)	Level 1 of Electric Room #2 (2# 配電房一層)	Electric Room (配電房)	133.82
Shen Fang Di Zi No. 5000316419 (深房地字第5000316419號)	Level 1 of Pump Room (水泵房一層)	Pump Room (水泵房)	86.88
Shen Fang Di Zi No. 5000316418 (深房地字第5000316418號)	Level 1 of Guard Room no. 2 (2號門衛房一層)	Guard Room (門衛房)	16.98
Shen Fang Di Zi No. 5000316415 (深房地字第5000316415號)	Level 1 of Warehouse (倉庫一層)	Warehouse (倉庫)	3,322.05
Shen Fang Di Zi No. 5000316417 (深房地字第5000316417號)	Level 3 of Canteen C (飯堂C棟三層)	Canteen (飯堂)	547.03
Shen Fang Di Zi No. 5000316408 (深房地字第5000316408號)	Level 2 of Canteen C (飯堂C棟二層)	Canteen (飯堂)	950.42
Shen Fang Di Zi No. 5000316410 (深房地字第5000316410號)	Level 1 of Canteen C (飯堂C棟一層)	Canteen (飯堂)	950.69
Shen Fang Di Zi No. 5000316368 (深房地字第5000316368號)	Level 6 of Dormitory Building D1 (宿舍D1棟六層)	Dormitory (宿舍)	306.32
Shen Fang Di Zi No. 5000316365 (深房地字第5000316365號)	Level 5 of Dormitory Building D1 (宿舍D1棟五層)	Dormitory (宿舍)	306.32

Certificate Number	Building	Building Usage	Approximate Gross Floor Area (sq.m.)
Shen Fang Di Zi No. 5000316362 (深房地字第5000316362號)	Level 4 of Dormitory Building D1 (宿舍D1棟四層)	Dormitory (宿舍)	306.32
Shen Fang Di Zi No. 5000316359 (深房地字第5000316359號)	Level 3 of Dormitory Building D1 (宿舍D1棟三層)	Dormitory (宿舍)	306.32
Shen Fang Di Zi No. 5000316357 (深房地字第5000316357號)	Level 2 of Dormitory Building D1 (宿舍D1棟二層)	Dormitory (宿舍)	306.32
Shen Fang Di Zi No. 5000316355 (深房地字第5000316355號)	Level 1 of Dormitory Building D1 (宿舍D1棟一層)	Dormitory (宿舍)	306.32
Shen Fang Di Zi No. 5000316491 (深房地字第5000316491號)	Level 5 of Factory Building A (廠房A棟五層)	Factory Building (廠房)	2,907.72
Shen Fang Di Zi No. 5000316327 (深房地字第5000316327號)	Level 4 of Factory Building A (廠房A棟四層)	Factory Building (廠房)	2,994.58
Shen Fang Di Zi No. 5000316325 (深房地字第5000316325號)	Level 3 of Factory Building A (廠房A棟三層)	Factory Building (廠房)	2,994.58
Shen Fang Di Zi No. 5000316322 (深房地字第5000316322號)	Level 2 of Factory Building A (廠房A棟二層)	Factory Building (廠房)	2,994.58
Shen Fang Di Zi No. 5000316318 (深房地字第5000316318號)	Level 1 of Factory Building A (廠房A棟一層)	Factory Building (廠房)	2,994.58
Shen Fang Di Zi No. 5000316342 (深房地字第5000316342號)	Level 4 of Factory Building G1 (廠房G1棟四層)	Factory Building (廠房)	3,173.56
Shen Fang Di Zi No. 5000316339 (深房地字第5000316339號)	Level 3 of Factory Building G1 (廠房G1棟三層)	Factory Building (廠房)	3,173.56
Shen Fang Di Zi No. 5000316336 (深房地字第5000316336號)	Level 2 of Factory Building G1 (廠房G1棟二層)	Factory Building (廠房)	3,173.56
Shen Fang Di Zi No. 5000316332 (深房地字第5000316332號)	Level 1 of Factory Building G1 (廠房G1棟一層)	Factory Building (廠房)	3,161.41
Shen Fang Di Zi No. 5000316352 (深房地字第5000316352號)	Level 4 of Factory Building G2 (廠房G2棟四層)	Factory Building (廠房)	3,201.13
Shen Fang Di Zi No. 5000316349 (深房地字第5000316349號)	Level 3 of Factory Building G2 (廠房G2棟三層)	Factory Building (廠房)	3,201.13
Shen Fang Di Zi No. 5000316346 (深房地字第5000316346號)	Level 2 of Factory Building G2 (廠房G2棟二層)	Factory Building (廠房)	3,201.13
Shen Fang Di Zi No. 5000316344 (深房地字第5000316344號)	Level 1 of Factory Building G2 (廠房G2棟一層)	Factory Building (廠房)	3,155.06
Shen Fang Di Zi No. 5000316421 (深房地字第5000316421號)	Level 1 of Electric Room (小配電房一層)	Electric Room (配電房)	50.84
Shen Fang Di Zi No. 5000316413 (深房地字第5000316413號)	Level 1 of Electric Room #1 (1#配電房一層)	Electric Room (配電房)	117.16
		<b>Total</b>	<b><u>52,767.69</u></b>

2. Pursuant to the tenancy agreement between 日東電子發展(深圳)有限公司 and 深圳光弘通信技術有限公司, Block G2 of the property with the approximate gross floor area of 12,758.45 sq.m. is tenanted for the monthly rental of RMB 357,236 for an expiring term from 1 November 2018 to 30 October 2023. 5.10(a)
3. Pursuant to the tenancy agreement between 日東電子發展(深圳)有限公司 and 深圳光弘通信技術有限公司, Block D1 and Block D2's 1-3th Floor of the property with the approximate gross floor area of 2,681.7 sq.m. is tenanted for the monthly rental of RMB 55,200 for an expiring term on 31 July 2019. And then Block D1 and D2 of the property with the approximate gross floor area of 3525.48 sq.m. for the monthly rental of RMB 72,000 for an expiring term from 1 August 2019 to 30 October 2023.
4. The property is situated at east of Baishixia Village in, Fuyong Town, Bao' an District, west of the national highway No.G4 (4 國道, 京港澳高速). The subject locality comprises mainly industrial complexes, town villages and various newly developed residential developments and an upward trend is observed in subject property market this year as there are increasing town renewal projects in surrounding.
5. We have been provided with a legal opinion by the Group's PRC legal adviser, Guangdong Mengkai Law Firm, regarding the legal title of the property, which contains, inter alia, the followings:
- (i) the property is legally held by 日東電子發展(深圳)有限公司;
- (ii) 日東電子發展(深圳)有限公司 is entitled to transfer, lease, mortgage or dispose of the property freely in the market;
- (iii) the property is subject to various mortgages in favor to 興業銀行股份有限公司深圳分行; and
- (iv) the property is free from any third parties' encumbrance.
- 5.06(1)(j)  
5.06(1)(g)  
5.10(e)  
5.10(g)  
Para5.1 of PNI2  
Para8.2 of PNI2

## PROPERTY PARTICULARS AND OPINION OF VALUE

No.	Property	Description and tenure	Particulars of occupancy	Market Value as at 31 July 2019 RMB	
2.	Units 2407, 2518, 2919 and 3316 located at Zhongzhou Huafu, Bao'an District, Shenzhen, the PRC	The property comprises four residential units on respective level 24, 25, 29 and 33 of a 33-storey tower within a residential development known as Zhongzhou Huafu completed in about 2013.  The property has a gross floor area of approximately 154.59 sq.m. (1,664 sq.ft.)	Portion of the property is subject to two tenancy agreements, while the remaining is currently vacant.  (Please refer to Notes 2&3)	No commercial Value (Please see note No.4 below)	5.06(1)(a) 5.06(1)(b) 5.06(1)(c) 5.06(1)(f) 5.06(1)(g) 5.06(1)(i) 5.06(5)(c) 5.10(b) 5.10(d)

## Notes:

- Pursuant to a Subscription Agreement — Shen Bao Qi Ren Zi (2014) No. 013 (深寶企認字(2014)第013號) dated 24 October 2014, the property with a gross floor area of approximately 154.59 sq. m. is bought by 日東電子科技(深圳)有限公司 (Name officially changed to 紫光日東科技(深圳)有限公司 on 27 December 2016), as advised by the Group it is 100% indirectly held by the Company, for residential use. 5.06(1)(p)  
5.10(a)
- Pursuant to the Bao'an District Corporate Staff Public Rental Housing Purchase Contract — Shen Bao Qi Zi (2014) No.13 (深寶企字(2014)第13號), the ownership of the property has been 100% vested in 日東電子科技(深圳)有限公司 (Name officially changed to 紫光日東科技(深圳)有限公司 on 27 December 2016) for a total consideration of RMB 977,625 for a term expiring on 17 January 2082.
- Pursuant to a tenancy agreement entered into between 紫光日東科技(深圳)有限公司 (the "Lessor") and 吳素娟 (the "Lessee"), unit 2919 of the property with a gross floor area of 41.85 sq.m. is leased to the Lessee with a term commencing on 1 February 2018 and expiring on 1 February 2020 at a monthly rental of RMB 100 exclusive of management fee and service charges for residential use.
- Pursuant to a tenancy agreement entered into between 紫光日東科技(深圳)有限公司 (the "Lessor") and 汪力 (the "Lessee"), unit 2518 of the property with a gross floor area of 43.2 sq.m. is leased to the Lessee with a term commencing on 1 February 2018 and expiring on 1 February 2020 at a monthly rental of RMB 100 exclusive of management fee and service charges for residential use.
- Pursuant to the lawyer's opinion, the property is kind of public residential for corporate qualified staff. And the owner cannot freely transfer, lease, or dispose of the properties without obtaining the approval of administrative department. Therefore, concerning certain restriction of property ownership, we have attributed no commercial value to the property. And for reference purpose only, assuming that the property can be freely transferred in the open market without any additional land premium or administration charge, we have the opinion that as at the Valuation Date, the market value of the properties is RMB980,000.
- The property is situated at central of Bao'an District, south west of the national highway No.G4 (4國道, 京港澳高速). The subject locality comprises mainly newly developed residential developments, town villages and various shopping malls.

7. We have been provided with a legal opinion by the Group's PRC legal adviser, Guangdong Mengkai Law Firm, regarding the legal title of the property, which contains, inter alia, the followings:
- (i) the property is legally held by 日東電子科技(深圳)有限公司;
  - (ii) Upon approved, 日東電子科技(深圳)有限公司 is entitled to lease, occupy or mortgage the property freely in the market;
  - (iii) the property is free from any mortgage or third parties' encumbrance; and
  - (iv) there is no legal impediment for 日東電子科技(深圳)有限公司 to obtain real estate title certificate.

5.06(1)(j)  
5.06(1)(q)  
5.10(e)  
5.10(g)  
Para5.1 of PN12  
Para8.2 of PN12

## PROPERTY PARTICULARS AND OPINION OF VALUE

No.	Property	Description and tenure	Particulars of occupancy	Market Value as at 31 July 2019 RMB	
3.	Units 2D4B, 1C13A, 1B18D, 2D19F, 1B5A and 2E21A located at Zhongmin Court, Songgang Street, Bao'an District, Shenzhen, the PRC	The property comprises six residential units located at Zhongmin Court, a residential development with various towers of 25-storey high completed in about 2012.  The property has a gross floor area of approximately 601.00 sq.m. (6,469 sq.ft.)	Portion of the property is subject to two tenancy agreements, while the remaining is currently vacant.  <i>(Please refer to Notes 2&amp;3)</i>	No commercial Value <i>(Please see note No.4 below)</i>	5.06(1)(a) 5.06(1)(b) 5.06(1)(c) 5.06(1)(f) 5.06(1)(g) 5.06(1)(i) 5.06(5)(c) 5.10(b) 5.10(d)

## Notes:

- Pursuant to a Subscription Agreement — Shen Bao Qi Ren Zi (2014) No. 013 (深寶企認字(2014)第013號) dated 24 October 2014, the property with a gross floor area of approximately 601.00 sq. m. is bought by 日東電子科技(深圳)有限公司 (Name officially changed to 紫光日東科技(深圳)有限公司 on 27 December 2016), as advised by the Group it is 100% indirectly held by the Company, for residential use. 5.10(a)
- Pursuant to the Bao'an District Corporate Staff Public Rental Housing Purchase Contract — Shen Bao Qi Zi (2014) No.13 (深寶企字(2014)第13號), the ownership of the property has been 100% vested in 日東電子科技(深圳)有限公司 (Name officially changed to 紫光日東科技(深圳)有限公司 on 27 December 2016) for a total consideration of RMB 2,646,816 for a term expiring on 14 January 2083.
- Pursuant to a tenancy agreement entered into between 紫光日東科技(深圳)有限公司 (the "Lessor") and 韋建明 (the "Lessee"), unit 2E21A of the property with a gross floor area of 92.77 sq.m. is leased to the Lessee with a term commencing on 1 April 2018 and expiring on 1 April 2020 at a monthly rental of RMB 100 exclusive of management fee and service charges for residential use.
- Pursuant to a tenancy agreement entered into between 紫光日東科技(深圳)有限公司 (the "Lessor") and 林國浪 (the "Lessee"), unit 1B18D of the property with a gross floor area of 90.78 sq.m. is leased to the Lessee with a term commencing on 5 April 2018 and expiring on 5 April 2020 at a monthly rental of RMB 200 exclusive of management fee and service charges for residential use.
- Pursuant to the lawyer's opinion, the property is kind of public residential for corporate qualified staff. And the owner cannot freely transfer, lease, or dispose of the properties without obtaining the approval of administrative department. Therefore, concerning certain restriction of property ownership, we have attributed no commercial value to the property. And for reference purpose only, assuming that the property can be freely transferred in the open market without any additional land premium or administration charge, we have the opinion that the market value of the properties is approximately RMB2,640,000.
- The property is situated at Songgang Street, north of Bao'an District, east of the Guangshen main road (廣深公路). The subject locality comprises mainly developed residential developments and town villages.

7. We have been provided with a legal opinion by the Group's PRC legal adviser, Guangdong Mengkai Law Firm, regarding the legal title of the property, which contains, inter alia, the followings:
- (i) the property is legally held by 日東電子科技(深圳)有限公司;
  - (ii) Upon approved, 日東電子科技(深圳)有限公司 is entitled to lease, occupy or mortgage the property freely in the market;
  - (iii) the property is free from any mortgage or third parties' encumbrance; and
  - (iv) there is no legal impediment for 日東電子科技(深圳)有限公司 to obtain real estate title certificate.

5.06(1)(j)  
5.06(1)(q)  
5.10(e)  
5.10(g)  
Para5.1 of PN12  
Para8.2 of PN12



## PROPERTY PARTICULARS AND OPINION OF VALUE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 July 2019	
4	Unit A4 on 1st Floor of Block 4, Nos. 436-446 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon  33/20623rd shares of and in Kun Tong Inland Lot No. 94	The property comprises a factory unit on the 1st Floor of a 14-storey (plus 1 car parking basement level) industrial building. The subject building was completed in about 1980.  According to the measurement from the registered floor plan, the saleable area of the property is 2,389 sq.ft. or thereabouts.  The lot is held under Government Lease for a term of 21 years renewable for 21 years commencing on 1st July 1955. In our valuation, we take into account that such lease was extended without premium until 30th June 2047 and that a rent of three percent of the rateable value of the property is charged from the date of extension.	According to the information provided by the instructing party, the property was owner occupied as at the valuation date.	HK\$14,900,000 (Hong Kong Dollars Fourteen Million and Nine Hundred Thousand Only)	5.06 (1) 5.06 (2)

*Notes:*

1. According to the Land Registry Record, the registered owner of the property is SUN EAST ELECTRONIC EQUIPMENT COMPANY LIMITED for a consideration of HK\$ 2,170,740.00 vide memorial no. UB5391546 dated 10th July 1992. As advised by the Group, Sun East Electronic Equipment Company Limited is wholly-owned subsidiary of the Company.
2. The property is subject to the following encumbrances:
  - (i) Deed of Mutual Covenant vide memorial no. UB1690730 dated 27th February 1979.
  - (ii) Mortgage in favour of Overseas Trust Bank Limited for the consideration is all moneys vide memorial no. UB5391547 dated 10th July 1992.
  - (iii) Deed of Variation in favour of DBS Bank (Hong Kong) Limited (The Successor Bank of Overseas Trust Bank Limited) for a consideration of all monies vide memorial no. 09111900790020 dated 2nd November 2009.
3. The property falls within zone "Other Specified Uses (Business)" under Approved Kwun Tong (South) Outline Zoning Plan No. S/K14S/22 dated 9 November 2018.
4. The property was inspected by our Ms. Flora Chan (BSc in Estate Management) on 18 August 2019. Upon our inspection, the external condition of the property was fair.
5. The Property is situated along Kwun Tong Road close to the junction of Hoi Yuen Road in the district of Kwun Tong in Kowloon. This locality is an established commercial and industrial area. Public transports serving the vicinity include franchised buses, Mass Transit Railway (MTR), minibuses and taxis. The MTR Kwun Tong Station is situated within short walking distance from the building. According to the statistics from the Rating and Valuation Department, the yield for the same type of the property is about 2.8% (Provisional figures from Hong Kong Property Review Monthly Supplement August 2019).

## PROPERTY PARTICULARS AND OPINION OF VALUE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 July 2019	
5	Unit H4 on 1st Floor of Block 4, Nos. 436-446 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon	The property comprises a factory unit on the 1st Floor of a 14-storey (plus 1 car parking basement level) industrial building. The subject building was completed in about 1980.	According to the information provided by the instructing party, the property was owner occupied as at the valuation date.	HK\$10,700,000 (Hong Kong Dollars Ten Million and Seven Hundred Thousand Only)	5.06 (1) 5.06 (2)
	23/20623rd shares of and in Kun Tong Inland Lot No. 94	According to the measurement from the registered floor plan, the saleable area of the property is 1,680 sq.ft. or thereabouts.	The lot is held under Government Lease for a term of 21 years renewable for 21 years commencing on 1st July 1955. In our valuation, we take into account that such lease was extended without premium until 30th June 2047 and that a rent of three percent of the rateable value of the property is charged from the date of extension.		

*Notes:*

1. According to the Land Registry Record, the registered owner of the property is SUN EAST ELECTRONIC EQUIPMENT COMPANY LIMITED for a consideration of HK\$1,400,000.00 vide memorial no. UB8211382 dated 18th September 2000. As advised by the Group, Sun East Electronic Equipment Company Limited is wholly-owned subsidiary of the Company.
2. The property is subject to Deed of Mutual Covenant vide memorial no. UB1690730 dated 27th February 1979.
3. The property falls within zone "Other Specified Uses (Business)" under Approved Kwun Tong (South) Outline Zoning Plan No. S/K14S/22 dated 9 November 2018.
4. The property was inspected by our Ms. Flora Chan (BSc in Estate Management) on 18 August 2019. Upon our inspection, the external condition of the property was fair.
5. The Property is situated along Kwun Tong Road close to the junction of Hoi Yuen Road in the district of Kwun Tong in Kowloon. This locality is an established commercial and industrial area. Public transports serving the vicinity include franchised buses, Mass Transit Railway (MTR), minibuses and taxis. The MTR Kwun Tong Station is situated within short walking distance from the building. According to the statistics from the Rating and Valuation Department, the yield for the same type of the property is about 2.8% (Provisional figures from Hong Kong Property Review Monthly Supplement August 2019).

## PROPERTY PARTICULARS AND OPINION OF VALUE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 July 2019	
6	Car Parking Space No. 44 on G/F, Nos. 436-484 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon  5/20623rd shares of and in Kun Tong Inland Lot No. 94	The property comprises a car parking space on the Ground Floor of a 14-storey (plus 1 car parking basement level) industrial building. The subject building was completed in about 1980.  The lot is held under Government Lease for a term of 21 years renewable for 21 years commencing on 1st July 1955. In our valuation, we take into account that such lease was extended without premium until 30th June 2047 and that a rent of three percent of the rateable value of the property is charged from the date of extension.	According to the information provided by the instructing party, the property was owner occupied as at the valuation date.	HK\$3,400,000 (Hong Kong Dollars Three Million and Four Hundred Thousand Only)	5.06 (1) 5.06 (2)

*Notes:*

1. According to the Land Registry Record, the registered owner of the property is SUN EAST ELECTRONIC EQUIPMENT COMPANY LIMITED for a consideration of HK\$320,000.00 (PT.) vide memorial no. UB3941799 dated 3rd December 1988. As advised by the Group, Sun East Electronic Equipment Company Limited is wholly-owned subsidiary of the Company.
2. The property is subject to Deed of Mutual Covenant vide memorial no. UB1690730 dated 27th February 1979.
3. The property falls within zone "Other Specified Uses (Business)" under Approved Kwun Tong (South) Outline Zoning Plan No. S/K14S/22 dated 9 November 2018.
4. The property was inspected by our Ms. Flora Chan (BSc in Estate Management) on 18 August 2019. Upon our inspection, the external condition of the property was fair.
5. The Property is situated along Kwun Tong Road close to the junction of Hoi Yuen Road in the district of Kwun Tong in Kowloon. This locality is an established commercial and industrial area. Public transports serving the vicinity include franchised buses, Mass Transit Railway (MTR), minibuses and taxis. The MTR Kwun Tong Station is situated within short walking distance from the building.

## PROPERTY PARTICULARS AND OPINION OF VALUE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 July 2019	
7	Car Parking Space No. 145 on Basement, Nos. 436-484 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon  3/20623rd shares of and in Kun Tong Inland Lot No. 94	The property comprises a car parking space on the Basement Floor of a 14-storey (plus 1 car parking basement level) industrial building. The subject building was completed in about 1980.  The lot is held under Government Lease for a term of 21 years renewable for 21 years commencing on 1st July 1955. In our valuation, we take into account that such lease was extended without premium until 30th June 2047 and that a rent of three percent of the rateable value of the property is charged from the date of extension.	According to the information provided by the instructing party, the property was owner occupied as at the valuation date.	HK\$2,250,000 (Hong Kong Dollars Two Million Two Hundred and Fifty Thousand Only)	5.06 (1) 5.06 (2)

*Notes:*

1. According to the Land Registry Record, the registered owner of the property is SUN EAST ELECTRONIC EQUIPMENT COMPANY LIMITED for a consideration of HK\$200,000.00 vide memorial no. UB5560050 dated 4th January 1993. As advised by the Group, Sun East Electronic Equipment Company Limited is wholly-owned subsidiary of the Company.
2. The property is subject to Deed of Mutual Covenant vide memorial no. UB1690730 dated 27th February 1979.
3. The property falls within zone "Other Specified Uses (Business)" under Approved Kwun Tong (South) Outline Zoning Plan No. S/K14S/22 dated 9 November 2018.
4. The property was inspected by our Ms. Flora Chan (BSc in Estate Management) on 18 August 2019. Upon our inspection, the external condition of the property was fair.
5. The Property is situated along Kwun Tong Road close to the junction of Hoi Yuen Road in the district of Kwun Tong in Kowloon. This locality is an established commercial and industrial area. Public transports serving the vicinity include franchised buses, Mass Transit Railway (MTR), minibuses and taxis. The MTR Kwun Tong Station is situated within short walking distance from the building.

