

12 December 2025

The Board of Directors  
**Star Group Company Limited**  
Unit 603, 6/F, Tower I  
Admiralty Centre  
18 Harcourt Road  
Admiralty  
Hong Kong

Dear Sirs,

**Re: Valuation of Office and Ancillary Areas on 20<sup>th</sup> Floor, Silver Fortune Plaza, No. 1 Wellington Street, Hong Kong (the 'Subject Property')**

In accordance with the instructions from Star Group Company Limited ('Star Group Company' or the 'Company') for us to carry out the valuation of Office and Ancillary Areas on 20<sup>th</sup> Floor, Silver Fortune Plaza, No. 1 Wellington Street, Hong Kong (hereinafter referred to as the 'Subject Property'), 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 Subject Property as at **31 October 2025** (hereinafter referred to as the 'Date of Valuation').

This letter, forming part of our valuation report, identifies the Subject Property being valued, explains the basis and methodology of our valuation and lists out the assumptions and the title investigation we have made in the course of our valuation as well as the limiting conditions.

**BASIS OF VALUATION**

Our valuation of the property interest in the Subject Property is our opinion of the 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 and where the parties had each acted knowledgeably, prudently and without compulsion.'

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. The market value of the Subject Property is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

Our valuation has been carried out in accordance with 'HKIS Valuation Standards 2024' issued by The Hong Kong Institute of Surveyors and the 'International Valuation Standards (IVS)' published by the International Valuation Standards Council which came into effect in 2025.

Our valuation has been prepared under the generally accepted valuation procedures and is in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## **VALUATION METHODOLOGY**

We have valued the Subject Property by using the Market Approach and cross-checked by Income Approach. Market Approach is based on comparing the Subject Property to be valued directly with other comparable properties, which have transferred its legal ownership close to the date of valuation. Comparable properties of similar size, 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 capital values. Locational and economical characteristics are important criteria to be analysed when comparing such comparables against the Subject Property to be valued.

For Income Approach, we have adopted the direct capitalization method which is based on capitalisation of a conventional market-based income (cash flows) to produce a single current capital value. In estimating the appropriate capitalization rate, factors such as the level of interest rates, rates of return expected by participants for similar investments and the risk inherent in the anticipated benefit stream are considered.

## **VALUATION ASSUMPTIONS**

In valuing the property interests, we have assumed that the registered owner has free and uninterrupted rights to use or to assign the property interests for the whole of the unexpired term granted subject to payment of rent and that all requisite land premium/purchase consideration otherwise payable have been fully settled. Our valuation has also been made on the assumption that the Subject Property is to be sold in the open market without the benefit of a deferred terms contract, leaseback, joint venture, or any similar arrangement that would serve to affect their values. No account has been taken of any option or right of pre-emption concerning or affecting the sale of the Subject 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 amount owing on the Subject Property nor for any expenses or taxation that may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Subject Property is free from encumbrances, restrictions, and outgoings of an onerous nature that could affect their values.

It is assumed that all applicable zoning, land use regulations and other restrictions have been complied with unless a non-conformity has been stated, defined and considered in the valuation report.

## **TITLE INVESTIGATION**

We have caused land searches to be made at the Land Registry and have been provided with extracts of title documents. We have been advised by the Company that no further relevant documents have been produced. However, we have not examined the original documents to verify the ownership and to ascertain the existence of any amendments that may not appear on the copies handed to us. All documents have been used for reference only. No investigation has been made for the legal title or any liabilities attached to the Subject Properties.



## LIMITING CONDITIONS

We have inspected the exterior, and where possible, the interior of the Subject Property on 2 December 2025 under supervision of the Valuer. However, no structural survey has been made nor have any tests been carried out on any of the services provided in the Subject Property. We are, therefore, not able to report that the Subject Property is free from rot, infestation or any other structural defects. Yet, in the course of our inspection, we did not note any serious defects.

Moreover, we have not carried out any site investigations to determine or otherwise the suitability of the ground conditions, the presence or otherwise of contamination and the provision of or otherwise suitability for services etc. for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred in the event of any redevelopment.

No detailed on-site measurements have been made during our inspection. Dimensions, measurements and areas included in the valuation report attached are based on information contained in the documents provided to us and are therefore approximations only.

Having reviewed all relevant documentation, we have relied to a considerable extent on the information provided by the Company and have accepted advice given to us on such matters as planning approvals, statutory notices, easements, tenure, completion date of buildings, particulars of occupancy, site and floor plans, floor areas and other relevant matters in the identification of the Subject Property in which the registered owners have valid interest. We have not seen original planning consents and have assumed that the Subject Property has been erected and are being occupied and used in accordance with such consents.

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

Except for the purpose of disclosure in the public circular to be issued by the Company in connection with the disposal of the Subject Property, neither the whole nor any part of this valuation report or any reference thereto may be included in any published document, circular or statement nor published in any way whatsoever without the prior written approval of Prudential Surveyors (Hong Kong) Limited as to the form and context in which it may appear.

## DECLARATION

We hereby certify, to the best of our knowledge and belief, that: -

- We are an external valuer, independent from the Company and the property owners, their subsidiaries and their jointly controlled entities (collectively, the 'Group') and their respective directors and controlling shareholder and that we do not have any direct or indirect material interests in the securities or assets of the Group, its connected persons, or any associate of the Group and we have no bias with respect to the parties involved.
- We do not have previous, current or anticipated involvement with the Company in respect of the Subject Property in the past 24 months from the date of instruction or date of agreement of the engagement, whichever is earlier.

**REMARKS**

We hereby confirm that we have neither present nor prospective interests in the Company, the Subject Property and the value reported herein.

Unless otherwise specified, all money amounts stated herein are in Hong Kong Dollars (HK\$).

We attach herewith our valuation report.

We have given and have not withdrawn our consent to the issue of this circular of the Company dated 12 December 2025 with the inclusion of this letter and valuation report and the reference to our name in the form and context in which they respectively appear.

Yours faithfully,

For and on behalf of  
PRUDENTIAL SURVEYORS (HONG KONG) LIMITED



**Michael C K Lee**  
MRICS MHKIS(GP)  
R.P.S. (GP)  
Director



**Ng Sai Hee**  
FHKIS  
R.P.S. (GP)  
Chief Consultant

Mr. Michael C K Lee is a Registered Professional Surveyor (General Practice) with more than 10 years post-qualification experience in valuation of properties in the HKSAR, Macau and mainland China and land matters advisory in Hong Kong. Mr. Lee is also a Member of The Hong Kong Institute of Surveyors and The Royal Institution of Chartered Surveyors.

Mr. S H Ng is a Registered Professional Surveyor (General Practice) with more than 40 years of post-qualification experience in valuation of properties in the HKSAR, Macau, mainland China and the Asia Pacific Region. Mr. Ng is a Fellow Member of The Hong Kong Institute of Surveyors.

*The address of the valuer is 3<sup>rd</sup> Floor, Tung Hip Commercial Building, Nos. 244-252 Des Voeux Road Central, Hong Kong*



## VALUATION REPORT ON SUBJECT PROPERTY

Subject Property	Description and Tenure	Particulars of Occupancy	Market Value in Existing State as at 31 October 2025
<p>1. Office and ancillary areas on 20<sup>th</sup> Floor, Silver Fortune Plaza, No. 1 Wellington Street, Hong Kong</p> <p>3,828/142,919 equal and undivided shares of and in Section A, Section B, Section C, Section D, Section G and Section J of Inland Lot No. 80 (collectively referred to as the "Lots").</p>	<p>The Subject Property comprises the whole 20<sup>th</sup> Floor of Silver Fortune Plaza which was completed in 1992.</p> <p>Saleable area of the Subject Property is 2,842 s.f. or thereabouts (264 s.m. or thereabouts) as measured from the assignment plan.</p> <p>The Subject Property is held under the Government Lease of Inland Lot No. 80 for a term of 999 years from 26 June 1843. The Lots are subject to a total Government rent of HK\$118.32 per annum.</p>	<p>The Subject Property is subject to an intra-group licence agreement.</p>	<p>HK\$48,000,000 (Hong Kong Dollars Forty Eight Millions Only)</p>

## Notes:

1. Silver Fortune Plaza ("Subject Development") occupies a large almost-rectangular shaped through site on the eastern side of Wellington Street, with return frontage onto Wyndham Street, bordering South China Building to the east, neighbouring Yip Fung Building to the north, directly opposite to Duke Wellington House on the other side of Wellington Street. It is located within the central business district of Central, Hong Kong.
2. The Subject Development comprises a 24-storey commercial building which is designed to have shops on lower ground, upper ground, 1<sup>st</sup> to 3<sup>rd</sup> Floors, and offices on 4<sup>th</sup> to 23<sup>th</sup> Floors (14<sup>th</sup> Floor omitted), with main lift lobby on upper ground floor entering from Wyndham Street. The Subject Development is built of reinforced concrete construction with granite/glass-panelled external exteriors and served by 3 passenger lifts, 1 service lift and 2 staircases.
3. The registered owner of the Subject Property is Eternal Great Development Limited by an Assignment dated 31 March 2014 vide Memorial No. 14041701930261 for a consideration of HK\$74,749,000.00.

4. *The Subject Property is subject to the following material encumbrances:*

- *Deed of Dedication with Plan Re Part dated 14 September 1992 vide Memorial No. UB5437096.*
- *Modification Letter dated 15 September 1992 vide Memorial No. UB5445681.*
- *Deed of Mutual Covenant (Previously Regd. by Mem. No. 5780040) dated 26 August 1993 vide Memorial No. UB5993389.*
- *Supplemental Deed to Deed of Mutual Covenant with Plan dated 15 August 1995 vide Memorial No. UB6380069 (Remarks: of M/N 5780040 Re-regd. by M/N 5993389).*
- *Mortgage dated 28 July 2021 in favour of O-Bank Co., Ltd, Hong Kong Branch for all moneys vide Memorial No. 21080601420024.*
- *Rental Assignment dated 28 July 2021 in favour of O-Bank Co., Ltd, Hong Kong Branch vide Memorial No. 21080601420030.*
- *Provisional Agreement for Sale and Purchase dated 4 November 2025 in favour of Wise Brave Limited vide Memorial No. 25112000860020 for a consideration of HK\$48,367,000.00.*

5. *The Subject Property is situated within 'Commercial' zone in Draft Central District Outline Zoning Plan No. S/H4/17 dated 24 May 2019.*

6. *The building was completed in 1992 as per Occupation Permit No. H123/92 dated 7th October 1992.*

7. *The Subject Property is held for investment purposes.*

8. *The Subject Property was inspected by Mr. Ken Fong (Associate Director of Valuation & Advisory) on 2 December 2025.*

9. *The Subject Property is subject to an intra-group agreement. The details are set out below:-*

*Licensor: Eternal Great Development Limited*

*Licensee: Metropolitan Workshop Limited*

*Term: 1 January 2025 to 31 December 2025 (both days inclusive)*

*License Fee: HK\$132,743.00 per month (inclusive of government rent, rate, management fee and property tax)*

*User: Office*

10. *The Proposed Transaction is subject to a leaseback arrangement, which the Company or one of its subsidiaries shall lease back the Subject Property from the Purchaser. The principal terms of the leaseback arrangement are set out below:*

*Term: Two years commencing from the Completion Date of the Proposed Transaction*

*Premises: The Subject Property with existing fixtures and fittings*

*Rental: HK\$185,000.00 per month (exclusive of government rent, rate and management & air-conditioning charges, etc.)*

*Rental Deposit: HK\$370,000, equivalent to two months' rental*

*User: Office*

11. *According to HKIS Valuation Standards, the valuation approach is classified into three main categories: market approach, income approach and cost approach. In the assessment of Subject Property, market approach is the main approach and income approach is a cross-check method to ensure the assessment by Market Approach is in order. The cost approach is based on the economic principle that a purchaser will pay no more than the cost on an asset to buy it which is usually used on special properties that seldom have market transactions. Therefore, the cost approach is not suitable to be adopted in the assessment of Subject Property.*



12. In selecting comparables for market approach, we have conducted research in public domain and selected registered office unit transactions within 2025 in Central area with similar building age. Adjustments are made to differentiate the characteristics between the Subject Property and the comparable properties in arriving at our opinion of the market value of the Subject Property. Adjustment factors we have considered include: time of transaction (0% to 5.9%), location (-15% to 20%), building age (0% to 6%), quantum (-3% to 11%), floor level (-1.5% to 7%), building facility (-20% to 5%) and view (-10% to 0%). The unit rate assessed for the Subject Property as at the Date of Valuation assessed by market approach is HK\$16,959/s.f. on saleable area basis and the market value is HK\$48,000,000 (rounded). The selected comparable transactions are listed as follows: -

Ref.	Address (Year of Completion)	Transaction Date (Nature)	Saleable Area (s.f.)	Consideration (Saleable area Unit Rate)
1	Unit A & B on 6/F, Jade Centre, No. 98 Wellington Street, Central (1992)	30 Oct 2025 (ASP)	1,046	HK\$12,100,000 (HK\$11,568/s.f.)
2	Office Unit 2306 & 2307 on 23/F, World-Wide House, No. 19 Des Voeux Road Central, Central (1980)	4 Sep 2025 (PASP)	1,620	HK\$44,889,000 (HK\$27,709/s.f.)
3	Unit A & B on 21/F, Jade Centre, No.98 Wellington Street, Central (1992)	30 Jul 2025 (ASP)	1,046	HK\$13,620,000 (HK\$13,021/s.f.)
4	10 <sup>th</sup> Floor "Nine Queen's Road Central" No. 9 Queen's Road Central, Central (1991)	10 Jul 2025 (ASP)	9,700	HK\$218,000,000 (HK\$22,474/s.f.)
5	Office Unit 2303 & 2304 on 23/F, World-Wide House, No. 19 Des Voeux Road Central, Central (1980)	13 May 2025 (PASP)	1,473	HK\$42,288,000 (HK\$28,709/s.f.)
6	Unit 901 & 902 On 9/F, Silver Fortune Plaza, No.1 Wellington Street, Central (1992)	7 Apr 2025 (PASP)	1,024	HK\$17,000,000 (HK\$16,602/s.f.)

13. In counterchecking the assessment by income approach, the assessed market rent for Subject Property is \$159,000/month and a capitalization rate of 4% was adopted. The market value assessed by income approach is HK\$48,000,000 (rounded) which is in line with the assessment under Market Approach. The capitalization rate adopted is by reference to: (a) Rating & Valuation Department's statistics ("Property Market Yields - Private Non-Domestic" released in November 2025 which Garde A office's yield is 3.6% and Garde B office's yield is 4.5%); (b) News of transactions of Nine Queen's Road Central in June 2025 which a yield of 3.9% was reported; and (c) News of transactions of Jade Centre in December 2025 which a yield of 4.1% - 4.5% was reported.