



Valplus Consulting Limited

Rm 907, 9/F, Houston Centre,
63 Mody Road, East Tsim Sha Tsui,
Kowloon, Hong Kong
Web: <http://valplus.com.hk>
Email: info@valplus.com.hk
Tel: +852 2553 9906



VPC Alliance (KL) Sdn Bhd

Suite 1701, 17th Floor Central Plaza,
No. 34, Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia
Web: www.vpc.com.my
Email: vpcakl@vpc.com.my
Tel: +603 2148 8968

28 June 2024

The Board of Directors,
Kin Yat Holdings Limited,
7th Floor,
Galaxy Factory Building,
25 – 27 Luk Hop Street,
San Po Kong, Kowloon,
Hong Kong

Our Ref: B2024-059B

Dear Sirs/Madams,

Re : Valuation of an industrial complex located at No. 3, Jalan Kempas 5/5, Kawasan Perindustrian Kempas, 81200 Johor Bahru, Johor, Malaysia

In accordance with the instructions from Kin Yat Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) for us to value the captioned property interests (the “**Property**”) held by the Group located in Malaysia, we confirm that we have made relevant enquires and obtained such further information as we consider necessary for providing you with our opinion on the market value of such property interests in existing state as at 31 March 2024 (the “**Valuation Date**”).

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

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1. PURPOSE OF VALUATION

This report is being solely prepared for the directors and management of the Company for reference and incorporation into a scheme document of the Company in connection with the proposed privatization of the Company by Resplendent Global Limited by way of a scheme of arrangement under Section 99 of the Companies Act of Bermuda, and under the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “SEHK”) and the Hong Kong Code on Takeovers and Mergers issued by The Securities and Futures Commission (the “SFC”).

2. BASIS AND PREMISE OF VALUE

Our valuation represents our opinion on the market value which we would define 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”.

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

In valuing the Property, we have complied with all the requirements set out in Rule 11 of the Code on Takeovers and Mergers (the “**Takeover Code**”) issued by the SFC, the Chapter 5 and the Practice Note 12 of the Rules Governing the Listing of Securities issued by the SEHK, the International Valuation Standards published by the International Valuation Standards Council, the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors and the Malaysian Valuation Standards 6th Edition issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

3. SOURCE OF INFORMATION

In undertaking our valuation of the Property, we have relied on advice, documents, information and materials provided by the management of the Group and its representatives (together, the “**Management**”). The major documents and information include but not limited to (i) land titles; and (ii) legal opinions dated 25 June

2024 (the “**Legal Opinions**”) provided by the Group’s Malaysia legal adviser, Christina Chia Law Chambers, all of which are set out in the notes of this valuation report.

4. VALUATION METHODOLOGIES

In valuing the Property which is held for owner occupation by the Group, we have adopted a combination of market and cost approach in assessing the land portion and the buildings standing on the land respectively. Hence, the sum of the two results represents the market value of the property as a whole.

In the valuation of the land portion, we have adopted the direct comparison method by making reference to comparable sales evidence or sales asking as available in the relevant market. The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available.

As the nature of the buildings and structures cannot be valued by comparison with open market transactions, they have therefore been valued by using cost approach. The cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, as evidenced by observed condition or obsolescence present, whether arising from physical, functional or economic causes. Actual costs incurred for upgrading of the assets to be appraised will also be considered in this approach. The cost approach generally furnishes the most reliable indication of value for assets without a known market of comparable sales.

5. TITLE INVESTIGATION

We have caused land searches at Johor Registry of Land Titles in Johor Bahru regarding the title of the Property and have been provided by the Group with copies of certain extracts on title documents and other documents in relation to the subject property interests. However, we have not searched and examined the original documents to verify ownership or to ascertain the existence of any amendments which may not appear on the copies handed to us.

In the course of our valuation, we have relied on the Legal Opinions regarding the title to and the interests in the Property. No responsibility is assumed for legal matters

in nature and no investigation has been made to the title of or any liabilities against the property valued.

6. SITE INSPECTION

The site inspection of the Property was conducted on 6 May 2024 by Ms. Zoinita Zainuddin, a Registered Valuer with a Degree in Urban Land Administration of University of Portsmouth, with over 32 years of relevant experience in valuation of properties in Malaysia. No structural survey has been made and it was not possible to inspect the woodwork and other parts of the structures which were covered, unexposed or inaccessible. We are therefore unable to report whether the property interests are free from rot, infestation or any other defects. No test was carried out on any of the services.

7. VALUATION ASSUMPTIONS

- Our valuation has been made on the assumption that the owner sells the property interests on the open market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which could serve to affect the values of the property interests. No forced sale situation in any manner is assumed in our valuation; and
- No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

8. LIMITING CONDITIONS

We have relied to a considerable extent on the information provided by and have accepted advice from the Company on such matters as planning approvals, statutory notices, easements, tenures, occupancy, lettings, site, floor areas, rooms, facilities, identifications and all other relevant materials regarding the property interests.

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 provided. All documents have been used as reference only. 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 have not carried out detailed measurement to verify the correctness of the areas of the property interests but have assumed that the areas shown on the documents and floor plans available to us are correct. Dimensions, measurements and areas included in the attached valuation report are based on information contained in the documents provided to us for reference only and, therefore are only approximations. In addition, we assumed that no encroachment or trespass exists, unless noted in the valuation report.

No environmental impact study has been ordered or made. Full compliance with applicable national, provincial and local environmental regulations and laws is assumed unless otherwise stated, defined and considered in the valuation report.

9. REMARKS

For the purpose of compliance with Rule 11.3 of the Takeovers Code and as advised by the Management, the potential tax liabilities which will arise on direct disposal of the Property held by the Group at amount valued by us mainly comprise the following:

- Real Property Gains Tax at 10% on the appreciation in the property value.

All of the percentage are in approximate and subject to the local government's tax policy. As advised by the Management, the likelihood of the above relevant tax liabilities being crystallised is remote as the Group has no plans for disposal of such property yet.

The Company has reviewed and agreed on the report and confirmed the factual content of the report.

Unless otherwise stated, all monetary amounts stated in this report are in Ringgit ("RM").

We hereby confirm that we have neither present nor prospective interests in the Property, the Group or the value reported herein.

We confirm that we are independent qualified valuer, as referred to Rule 5.08 of the Listing Rules Governing the Listing of Securities on the SEHK, and Rule 11.1(b) and Note to Rule 11 of the Hong Kong Code on Takeovers and Mergers issued by the SFC.

Our Valuation Report is enclosed herewith.

Respectfully submitted,
For and on behalf of
VALPLUS CONSULTING LIMITED



Damon S.T. Wan,
CFA, FRM, MRICS
Director

Respectfully submitted,
For and on behalf of
VPC ALLIANCE (KL) SDN. BHD.



James Wong Kwong Onn,
FRISM, BA (Hons), FPEPS,
Registered Valuer (V 217),
Malaysia
Director

Mr. Damon S.T. Wan is a CFA Charterholder, a Certified FRM and a member of Royal Institution of Chartered Surveyors. Mr. Wan has been working in the professional valuation field since 2008. He is experienced and specialized in performing properties, financial instruments, intangible assets and business valuations for the purposes of corporate advisory, merger & acquisition and public listing. He has over 6 years of experience in the valuation of properties in Hong Kong, Macau, China and the overseas.

Mr James Wong is a Registered Valuer with the Board of Valuers, Appraisals and Estate Agents Malaysia. Mr. James has 50 years of working experience including 5 years experience in the Singapore property market and 45 years as a practising Property Consultant in Malaysia. Mr. James is a regular speaker at property conference and seminars and his comments on the property market are featured regularly in the media, newspapers and property magazines. Mr. James's core competencies are in valuation, investment sales and advice, market and feasibility studies and corporate transactions.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 March 2024
An industrial complex located at No. 3 Jalan Kempas 5/5, Kawasan Perindustrian Kempas, 81200 Johor Bahru, Johor, Malaysia	The Property comprises three parcels of land together with four single to one-and-a half-storey buildings and structures erected thereon and completed in between 2000 and 2003. The total site area and gross floor area of the Property are approximately 10,533.0 sq.m. and 4,875.1 sq.m. The Property is held under freehold for industrial use.	The Property was owner-occupied for industrial and ancillary uses as at the Valuation Date.	RM12,814,000

Notes:

- 1) Pursuant to land searches conducted at Johor Registry of Land Titles in Johor Bahru dated 14 May 2024, the land titles of the Property with a total site area of approximately 10,533.0 sq.m. were granted to Standard Land (Malaysia) Sdn Bhd (“SLMSB”), a wholly-owned subsidiary of the Company, on 22 March 2013 and 25 March 2013 for industrial use. Details are set forth as below:

Title no./ Lot no.	Date of issue	Land use category	Express condition	Tenure	Land area (sq.m.)
GRN 490781/37631	25 March 2013	Industry	Light Industry	Freehold	6,798.0
GRN 490792/37628	22 March 2013	Industry	Light Industry	Freehold	1,897.0
GRN 490793/37629	22 March 2013	Industry	Light Industry	Freehold	1,838.0

**Figures above are subject to rounding.*

- 2) Pursuant to the Certificates of Fitness for Occupation Nos. 467/2000, 468/2000 and 469/2000 dated 20 December 2000, the buildings of the Property were fully completed and fit for occupation.

- 3) Pursuant to the latest available Building Plan issued by Messrs. ARZ Design with (i) job number ARZ 21021; (ii) drawing number LMW-01; and (iii) revision number 04, and approved by the Johor State Director of Customs on 16 February 2022, the built up area of the Property is 4,875.1 sq.m.
- 4) Pursuant to the Business and Advertisement License No. L2010L101453 dated 19 November 2010, the Property is occupied for conducting electronic engineering business for a term until 31 December 2024.
- 5) The market value of land parcels of similar premises in the locality as at the Valuation Date is in the range from RM769.3 per sq.m. to RM921.8 per sq.m.. Appropriate adjustments to the unit rates have been considered to reflect factors including but not limited to time, location and quantum in arriving at our opinion on the value. In our valuation, we have adopted average unit rates of approximately RM807.3 per sq.m., which is consistent with the range of comparable transactions and is thus considered to be fair and reasonable.
- 6) The Property is situated at the established Kempas Industrial Area, where buildings in the locality are mainly low-rise residential and commercial developments. Senai International Airport and Johor Bahru City Centre are about 30-minutes and 20-minutes driving distance away from the Property respectively. Taxis and buses are accessible to the Property.
- 7) We have been provided with the Legal Opinions, which contains, inter alia, the following information:
 - (a) SLMSB is the registered and beneficial owner and enjoys the legal and beneficial interests of the subject Property;
 - (b) as at 31 March 2024, the Property is not subject to any restriction in interest, and SLMSB has the right to sell, transfer, lease, charge the Property without limitation of restriction in interests;
 - (c) as at 31 March 2024, the Property is free from encumbrances and not subject to bank charges;
 - (d) the Property is subject to express condition of "shall be used as factory for light industrial purposes and other usage in connection with it"; and
 - (e) the following legal documents are obtained:

Land title	Yes
Certificate of Fitness for Occupation	Yes
Approved Building Plan	Yes
Business and Advertisement License	Yes

- END OF REPORT -