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**10 February 2025**

Dear Sirs,

In accordance with your instructions to value the property interests held by **Fosun Tourism Group** (the "**Company**") and its subsidiaries (hereinafter together referred to as the "**Group**") in Malaysia, 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 30 November 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".

We have valued property nos. 2 and 3 by the comparison approach assuming sale of the property interests in their existing states with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market. 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.

We have valued property no.1 the Discounted Cash Flow ("DCF") approach. The DCF approach is adopted by discounting future net cash flow of the property to its present value by using an appropriate discount rate that reflects the rate of return required by a third party investor for an investment of this type. In the analysis, we incorporated an assumed 10-year holding period and the reversionary value in year eleven and discounted by an appropriate discount rate to derive a net present value. The projections in the discounted cash flow have been prepared for valuation purposes and not as a business plan forecast.

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; Rule 11 of the Code on Takeovers and Mergers issued by Securities and Futures



*Commission; 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, Malaysian Valuation Standards (MVS) 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 and all other relevant matters.

We have been shown copies of title documents, quit rent, assessment 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 all countries and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the legal opinion given by the Company's Malaysia Legal Advisor – LEE & POH PARTNERSHIP, concerning the validity of the property interests in Malaysia.

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 an informed view, and we have no reason to suspect that any material information has been withheld.

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 is 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 December 2024 by a technical staff being Mrs. Nor Ainura binti Ahmed Azhar who has more than 8 years' experience in the valuation of properties in Malaysia.

As at the Valuation Date, unless otherwise stated, the monetary stated in our valuations are in Hong Kong Dollar ("HKD") in respect of the property held by the Group. The exchange rate adopted in our valuation is HKD1= Malaysian Ringgit ("MYR") 0.5712.

[As advised by the Group, the potential tax liabilities would arise on the disposal of the property interests. The tax liabilities mainly comprise the following:

1. Real Property Gains Tax (RPGT) at 10%-30%(depending on the years of ownership).
2. Stamp duty on the greater of consideration or the market value at progressive rate ranging from 1%-4% depending on the value of the property.]

In respect of the properties held by the Group for occupation and operation and for future development, the likelihood of the relevant tax liabilities crystallizing is remote as the Group has no plans for the disposal of such properties yet.



Our summary of values and valuation certificates are attached below for your attention.

Yours faithfully,  
For and on behalf of

**PPC INTERNATIONAL SDN BHD**



**DATUK Sr SIDSAPEAN SITTAMPALAM**

*B. Sc. (Est. Mgt.) UK, MBA (Real Est.) Sydney  
FRICS, FRISM, FPEPS, FMIPFM, ICVS*

*Chartered Surveyor (FRICS 0081654), Registered Valuer (V-292)  
Managing Director*

*Notes:*

*Datuk Sr Sidsapesan Sittampalam is an experienced Chartered Surveyor who has more than 35 years' experience in the valuation of various sectors of the property industry in Malaysia.*



## SUMMARY OF VALUES

### Group I : Property interest held for self-occupation and operation by the Group in Malaysia

No.	Property	Market value in existing state as at the valuation date HKD
1.	Club Med Cherating, HVOM 29th miles Jalan Kuantan -Kemaman Pahang Darul Makmur, Jalan Kuantan Sungai Lembing, 26080 Kuantan, Pahang, Malaysia	282,000,000
	<b>Sub-total:</b>	<b><u>282,000,000</u></b>

### Group II: Property interests held for future development by the Group in Malaysia

No.	Property	Market value in existing state as at the valuation date HKD
2.	PN 27236, Lot No. 109345, Locality and Mukim Sungai Karang, District of Kuantan, State of Pahang Darul Makmur, Country of Malaysia	67,200,000
3.	PN 7781, Lot No. 8893, Locality and Mukim Sungai Karang, District of Kuantan, State of Pahang Darul Makmur, Country of Malaysia	68,800,000
	<b>Sub-total:</b>	<b><u>136,000,000</u></b>
	<b>Grand-total:</b>	<b><u>418,000,000</u></b>



## VALUATION CERTIFICATE

### Group I : Property interest held for operation by the Group

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date HKD
1.	Club Med Cherating, HVOM 29th miles Jalan Kuantan - Kemaman Pahang Darul Makmur, Jalan Kuantan Sungai Lembing, 26080 Kuantan, Pahang, Malaysia	<p>The property occupies a parcel of land with a site area of approximately 547,099.49 sq.m. and has been developed into a 4-star resort. The property is completed in 1979 and refurbished in 2017.</p> <p>The property comprises 297 guestrooms with a total gross floor area of approximately 37,237 sq.m with ancillary facilities including dining areas, boutique shop, theatre, activity centers and leisure facilities, such as saunas, swimming pools, and a children's club.</p> <p>The locality of the property is a well-developed leisure area, enjoying direct beachfront access and unobstructed views of the South China Sea.</p> <p>The property is held under leasehold interests. The land use rights of the property have been granted for a term of 99-years expiring on 10 October 2075 (remaining unexpired term of approximately 51 years) for the purposes of Building (Commercial use).</p>	As at the valuation date, the property was operated by the Group for resort purpose.	282,000,000 (Equivalent to MYR161,100,000)

#### Notes:

- Pursuant to a copy of the Registered Document of Title dated 12 December 2024, the registered owner of the property is Holiday Villages Of Malaysia Sdn Bhd, which is a 99.99% interest owned subsidiary of the Company.
- The site of the property is zoned as Commercial land use.
- According to copy of the Registered Document of Title dated 12 December 2024, issued by the Pahang Registry of Land Titles, the salient points of this certificate is summarized below:
  - The land user (registered proprietor): Holiday Villages Of Malaysia Sdn Bhd*
  - Location: PN 27235, Lot No. 109344, Township of Sungai Karang, District of Kuantan, State of Pahang Darul Makmur, Country of Malaysia*



- *Total land area: 547,099.49 sq.m*
  - *Land use purpose: Commercial land*
  - *Land use form: Leasehold land*
  - *Land tenure: Leasehold expiring on 10 October 2075*
4. Pursuant to a copy of the Certificate of Fitness for Occupation vide Reference No. 17/006 dated 18 December 2017 issued the Kuantan Municipal Council.
- The certified and permitted buildings on the property consist of multiple low-rise structures seamlessly integrated into the natural surroundings, with a total gross floor area of approximately 37,237 sq.m, including facilities and amenities.
5. Our valuation has been made on the following basis and analysis:
- In undertaking our valuation process, we have adopted the discounted cash flow (“DCF”) approach to value the resort portion of the property. We have prepared a 10-year cash flow forecast with reference to the current and anticipated market condition. Our assumptions and forecast mainly based on the actual operating data and the market statistics data. More details are shown below:
- Major parameters adopted based on the market condition are summarized as follow:
- Stabilized Growth Rate: 2.00%.
- Terminal Capitalization Rate: 8.50%.
- Discount Rate: 10.50%.
- The discount rate reflects the inherent risk associated with resort investment. It incorporates a risk premium for the forecast cash flow realization, taking into account the risk-free rate and the expected stabilized growth rate, plus a risk rate inherent to the country where the resort is located.
6. We have been provided with a legal due diligence report regarding the property interest by the Company’s Malaysia legal advisor, which contains, inter alia, the following:
- a. Holiday Villages of Malaysia Sdn. Bhd. is the registered owner of the land of the property. There is no details of any property built thereon the land of the property as Malaysia does not have a separate house registration system; and
  - b. The land of the property is not subject to any encumbrances, including any mortgage, charge, lease, trust and private caveat.
7. For the purpose of this report, the property is classified into the group as “Group I – held for operation by the Group” according to the purpose for which it is held.



## VALUATION CERTIFICATE

### Group II: Property interest held for future development by the Group

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>HKD</i>
2. PN 27236, Lot No. 109345, Locality and Mukim Sungai Karang, District of Kuantan, State of Pahang Darul Makmur, Country of Malaysia	<p>The property is located on the eastern side of Jalan Kuantan-Kemaman, Pahang Darul Makmur, in the locality and Mukim of Sungai Karang, District of Kuantan. It is situated in a well-developed leisure area, enjoying direct beachfront access and unobstructed views of the South China Sea.</p> <p>The property is a parcel of land with a site area of approximately 103,599.90 sq.m.</p> <p>During the inspection, the entire land area is currently vacant and available for development.</p> <p>The property is held under leasehold interests. The land use rights of the property have been granted for a term of 99-years expiring on 10 October 2075 (remaining unexpired term of approximately 51 years) for the purposes of Building (Commercial use).</p> <p>Our verbal investigations with the Municipal Council of Kuantan revealed that the property is zoned for commercial use with a maximum permissible plot ratio of 4.</p>	As at the valuation date, the property was vacant.	67,200,000 (Equivalent to MYR38,400,000)

#### Notes:

- Pursuant to copies of the Registered Document of Titles dated 12 December 2024, issued by the Pahang Registry of Land Titles, the salient points of these certificates summarized below are common unless otherwise stated:
  - The land user (registered proprietor): Holiday Villages Of Malaysia Sdn Bhd*
  - Location: PN 27236, Lot No. 109345, Locality and Mukim Sungai Karang, District of Kuantan, State of Pahang Darul Makmur, Country of Malaysia*
  - Land area: 103,599.90 sq.m*



- *Land use purpose: Commercial land*  
*Land use form: Leasehold land*
- *Land tenure: Leasehold expiring on 10 October 2075*

2. Our valuation has been made on the following basis and analysis:

We have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from HKD465 per sq.m to HKD1,856 sq.m. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location, physical characteristics (i.e. lot configuration / shape, size and benefit of beachfront), tenure and development density / plot ratio, between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately HKD649 per sq.m..

3. We have been provided with a legal due diligence report regarding the property interest by the Company's Malaysia legal advisor, which contains, inter alia, the following:
- a. Holiday Villages of Malaysia Sdn. Bhd. is the registered owner of the property; and
  - b. The property is not subject to any encumbrances, including any mortgage, charge, lease, trust and private caveat.
4. For the purpose of this report, the properties are classified into the group as "Group II – held for future development by the Group" according to the purpose for which it is held.





## VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>HKD</i>
3. PN 7781, Lot No. 8893, Locality and Mukim Sungai Karang, District of Kuantan, State of Pahang Darul Makmur, Country of Malaysia	<p>The property is located on the eastern side of Jalan Kuantan-Kemaman, Pahang Darul Makmur, in the locality and Mukim of Sungai Karang, District of Kuantan. It is situated in a well-developed leisure area.</p> <p>The property is a parcel of land with a site area of approximately 132,500.00 sq.m.</p> <p>During the inspection, the entire land area is currently vacant and available for development.</p> <p>The property is held under grant-in-perpetuity (commonly referred to as "freehold interest") for purposes of Building (Recreation use).</p> <p>Our verbal investigations with the Municipal Council of Kuantan revealed that the property is zoned for commercial use with a maximum permissible plot ratio of 4.</p>	As at the valuation date, the property was vacant.	68,800,000 (Equivalent to MYR39,300,000)

### Notes:

- Pursuant to copies of the Registered Document of Titles dated 12 December 2024, issued by the Pahang Registry of Land Titles, the salient points of these certificates summarized below are common unless otherwise stated:
  - The land user (registered proprietor): Holiday Villages Of Malaysia Sdn Bhd*
  - Location: PN 7781, Lot No. 8893, Locality and Mukim Sungai Karang, District of Kuantan, State of Pahang Darul Makmur, Country of Malaysia*
  - Land area: 132,500.00 sq.m*
  - Land use purpose: Commercial land*
  - Land use form: Grant-in-perpetuity (commonly referred to as "freehold")*
- Our valuation has been made on the following basis and analysis:
- We have identified and analyzed recent market sales evidences of similar properties to compare with



the property under assessment. The unit price of these comparable properties ranges from HKD465 per sq.m to HKD1,856 sq.m. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location, physical characteristics (i.e. lot configuration / shape, size and benefit of beachfront), tenure and development density / plot ratio, between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately HKD519 per sq.m..

4. We have been provided with a legal due diligence report regarding the property interest by the Company's Malaysia legal advisor, which contains, inter alia, the following:
  - a. Holiday Villages of Malaysia Sdn. Bhd. is the registered owner of the property; and
  - b. The property is not subject to any encumbrances, including any mortgage, charge, lease, trust and private caveat.
  
5. For the purpose of this report, the properties are classified into the group as "Group II – held for future development by the Group" according to the purpose for which it is held.



## LIMITING CONDITIONS

1. This valuation Report is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.
2. All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors Malaysia or such other building measurement standards as acceptable and agreed to by the client. For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).
3. This Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other person.
4. Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.
5. We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of the Valuation Report, whether in part or in whole.
6. The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report or any part thereof being relied upon by any other party whatsoever or for any information therein being quoted out of context.
7. Wherever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office. Legal advice may be sought to verify the title details, if required.
8. Town Planning and other Statutory Enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.
9. We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.
10. While due care has been taken to note building defects in the course of inspection, no structural survey nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance of the absence in respect of any rot, termite or pest infestation or other hidden defects.
11. No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.
12. No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting.



13. No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.
14. We have not carried out investigations into the past and present use of either the property or of any neighbouring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.
15. Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.
16. Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.
17. Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development rights agreement or other similar contracts.
18. In the case of buildings where works are in hand or have recently been completed, no allowances are made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.
19. Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assume the property is free of statutory notices and outgoing.
20. The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instructions were given or subsequently agreed upon.
21. This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made known to us and we cannot accept any liability or responsibility for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it expressed or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

22. A Valuation Report is current as at the valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

23. Although every care has been taken in preparing the Valuation Report, if it is proven that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.