



Rooms 1101-4, 11/F, Harcourt House
39 Gloucester Road, Wan Chai, Hong Kong
Tel (852) 2529 6878 Fax (852) 2529 6806

24 September 2026

The Board of Directors
Cosmos Machinery Enterprises Limited
10/F., Billion Plaza 2
No.10 Cheung Yue Street
Cheung Sha Wan
Kowloon
Hong Kong

Dear Sir/Madam,

Re: Valuation of an industrial complex located at Lot No. NG8-3 West of Shuangtang Road, Nangang Science and Technology Park, Shushan District, Hefei City, Anhui Province, the People's Republic of China

In accordance with your instruction for us to value the property held by Cosmos Machinery Enterprises Limited (the “**Company**”) and/or its subsidiaries (together with the Company referred to as the “**Group**”) in the People's Republic of China (the “**PRC**”), we confirm that we have made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property as at 30 June 2026 (the “**Date of Valuation**”) for circular reference purpose.

1. BASIS OF VALUATION

Our valuation of the property is our opinion of the market value of the concerned property 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”.



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

2. VALUATION METHODOLOGY

For the industrial property in the PRC, due to the specific purpose for which most of the buildings and structures of the property have been constructed, there are no readily identifiable market comparables. Thus the buildings and structures have been valued on the basis of their depreciated replacement costs instead of direct comparison method. The depreciated replacement cost (“DRC”) approach is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the existing structures less deductions for physical deterioration and all relevant forms of obsolescence and optimisation. In practice, DRC approach may be used as a substitute for the market value of specialised property, due to the lack of market comparables available. Our valuation does not necessarily represent the amount that might be realised from the disposition of the property, and the DRC is subject to adequate profitability of the business concerned.

3. TITLE INVESTIGATION

For the property in the PRC, we have been provided with copies of extracts of various title documents relating to the property. However, we have not searched the original documents to ascertain the existence of any amendments which do not appear on the copies handed to us. We have relied to a very considerable extent on information given by the Group’s PRC legal adviser, Guangdong Guanxin Law Firm regarding the title of the property in the PRC. All documents have been used for reference only.

In valuing the property, we have relied on the advice given by the Group and its PRC legal adviser that the Group has valid and enforceable title to the property which is freely transferable, and has free and uninterrupted right to use the same, for the whole of the unexpired term granted subject to the payment of annual government rent/land use fees and all requisite land premium/purchase consideration payable have been fully settled.

4. VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the property in the market in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the value of such property. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the property and no allowance has been made for the property to be sold in one lot or to a single purchaser.



5. SOURCE OF INFORMATION

In the course of our valuation, we have relied to a very considerable extent on the information provided by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of property, particulars of occupation, site/floor areas, ages of buildings and all other relevant matters which can affect the values of the property. All documents have been used for reference only.

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

6. VALUATION CONSIDERATION

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

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

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

In valuing the property, we have complied with the RICS Valuation – Professional Standards Published by the Royal Institution of Chartered Surveyors and the International Valuation Standards published by the International Valuation Standards Council.

7. INDEPENDENCE

We confirm that Roma Appraisals Limited, its directors or employees are independent of and unconnected with any directors, chief executive, substantial shareholders of the client or their respective associates.



8. REMARKS

Unless otherwise stated, all monetary amounts stated in our valuation are in Renminbi (RMB).

Our Valuation Certificate is attached.

Yours faithfully,

For and on behalf of

Roma Appraisals Limited

Frank F Wong

BA (Business Admin in Act/Econ) MSc (Real Est)

MRICS Registered Valuer MAusIMM ACIPHE

Managing Director

Head of Property and Asset Valuation

Note: Mr. Frank F Wong is a Chartered Surveyor, Registered Valuer, Member of the Australasian Institute of Mining & Metallurgy and Associate of Chartered Institute of Plumbing and Heating Engineering who has over 20 years' valuation, transaction advisory and project consultancy of properties experience in Hong Kong and over 15 years' experience in valuation of properties in the PRC as well as relevant experience in the Asia-Pacific region, Australia and Oceania-Papua New Guinea, France, Germany, Czech Republic, Austria, Poland, United Kingdom, United States, Mexico, Abu Dhabi (UAE) and Jordan.



VALUATION CERTIFICATE

Property held for owner occupation in the PRC

			Market Value in Existing State as at 30 June 2026												
Property	Description and Tenure	Particulars of Occupancy													
An industrial complex located at Lot No. NG8-3 West of Shuangtang Road, Nangang Science and Technology Park, Shushan District, Hefei City, Anhui Province, the PRC	The property comprises seven buildings and various ancillary structures erected on a parcel of land with a site area of 32,000.71 sq.m., which were completed between 2011 and 2012. The property has a total gross floor area (“GFA”) of approximately 26,187.05 sq.m. The GFA breakdown of the property’s constituent portions is listed as follows: <table><tr><th>Building</th><th>GFA (sq.m.)</th></tr><tr><td>Industrial Building No.1</td><td>8,069.36</td></tr><tr><td>Industrial Building No.2</td><td>8,189.88</td></tr><tr><td>Dormitory</td><td>5,672.25</td></tr><tr><td>Research and Development Building</td><td><u>4,255.56</u></td></tr><tr><td>Total</td><td><u>26,187.05</u></td></tr></table>	Building	GFA (sq.m.)	Industrial Building No.1	8,069.36	Industrial Building No.2	8,189.88	Dormitory	5,672.25	Research and Development Building	<u>4,255.56</u>	Total	<u>26,187.05</u>	As advised, the property is occupied by Cosmos Grand Plastics Co. Ltd. as workshop, office and staff quarter as at the date of valuation.	RMB47,120,000
Building	GFA (sq.m.)														
Industrial Building No.1	8,069.36														
Industrial Building No.2	8,189.88														
Dormitory	5,672.25														
Research and Development Building	<u>4,255.56</u>														
Total	<u>26,187.05</u>														
The land use rights of the property were granted for a term due to expire on 17 June 2061 for industrial use.															

Notes:

- Pursuant to State-owned Land Use Rights Certificate He Gao Xin Guo Yong (2011) No. 50 issued by the People's Government of Hefei on 15 September 2011, the land use rights of the property with a site area of 32,000.71 sq.m. were vested in Cosmos Grand Plastics Co. Ltd., is a wholly-owned subsidiary of the Company, for a term of 50 years due to expire on 17 June 2061 for industrial use.
- Pursuant to four Building Ownership Certificates Nos. (2021)11308636, (2021)11308550, (2021)11308553 and (2021)11308554, the building ownership of the property with a total GFA of 26,187.05 sq.m. was vested in Cosmos Grand Plastics Co. Ltd..



3. Pursuant to Construction Land Planning Permit Di Zi No. 340101201130036 dated 18 August 2011, the construction scheme with a total site area of 32,000.71 sq.m. was approved.
 4. In the valuation of the property, we have attributed no commercial value to the buildings with a total GFA of approximately 5,649.95 sq.m. which have not obtained any proper title certificate. However, for reference purposes, we are of the opinion that the depreciated replacement cost of the buildings and structures (excluding the land) as at the date of valuation would be RMB4,300,000 assuming all relevant title certificates have been obtained and the buildings could be freely transferred.
 5. The subject development is located at the western side the Shuang Tang Road nearby the junction of the Da Bie Shan Road of Hefei City with a short driving distance of the Nangang Metro Station of Hefei City. It is around 21 kilometers from Hefei Xinqiao International Airport. It has a favorable transportation and business environment.
 6. The subject development is suited for Industrial Development Zone (工業發展區) in accordance with the Hefei National Master Zoning Plan (the year of 2021-2035) (合肥市國土空間總體規劃(2021-2035年)).
 7. In valuing the property using the DRC Approach, we analysed land transaction comparables in Hefei City, sourced from the Land China website. These comparables were selected based on their relevance to the subject property in terms of physical and locational attributes, all closely aligned with the valuation date. The unit rates adopted in our valuation are consistent with these comparables, after making appropriate adjustments for differing attributes. Please refer to the following land transaction record:
 - a. An industrial land located in Hefei City with the land area of 179,027.03 sq.m. in the consideration of RMB99,718,056, unit rate RMB557/sq.m..
 - b. An industrial land located in Hefei City with the land area of 2,449.54 sq.m. in the consideration of RMB1,364,394, unit rate RMB557/sq.m..
 - c. An industrial land located in Hefei City with the land area of 31,559.87 sq.m. in the consideration of RMB17,578,848, unit rate RMB557/sq.m..
- Our opinion of the unit rate of the land of RMB557/sq.m. was derived by calculating the average of the unit rates of the comparables. After the calculation of the residual land term 35 years, the adjusted unit rate would be around RMB512/sq.m. and the land value would be rounded of RMB16,390,000.
8. For the building value, we referred to the range of RMB2,300/sq.m. to RMB2,870/sq.m. for industrial buildings in Tier 1 cities in the PRC from the Construction Cost Handbook 2026 published by the Quantity Surveyor Firm. We adopted the medium unit rate of RMB1,858/sq.m., with a -20% location adjustment. After accounting for depreciation rates (-25% to -30%), physical obsolescence (0% to -10%), functional obsolescence (-5% to -20%), and economic obsolescence (-15% to -20%), the building value is rounded to a total of RMB26,030,000.



9. For the structure value, we have reviewed and made reference to the original book value of the structures, RMB4,700,000 (rounded), since all the structures were completed by June 2026.

The breakdown of the market value of the property:

Items	As at 30 June 2026 (RMB)
Land	16,390,000
Building	26,030,000
Structure	<u>4,700,000</u>
Market value	<u><u>47,120,000</u></u>

10. The last site inspection was performed by Mr. Frank F Wong, RICS registered valuer with over 15 years' experience in the PRC dated 29 August 2026.
11. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser, which contains, *inter alia*, the following information:
- Cosmos Grand Plastics Co. Ltd. is the legal owner of the property and has right to occupy, use, lease and dispose of the property with legal protection under the PRC law;
 - The land use right of the subject land with the land area 32,000.71 sq.m. has been granted to Cosmos Grand Plastics Co. Ltd. commenced on 15 September 2011 and will be expired on 17 June 2061;
 - The building ownership with the total GFA 26,187.05 sq.m. has been granted to Cosmos Grand Plastics Co. Ltd.;
 - The property has not been mortgaged, seized or has not been registered any easements and objection;
 - All land premium and other costs of ancillary utility services have been settled in full; and
 - The existing use of the property is in compliance with the local planning regulations and has been approved by the relevant government authorities.