

PROPERTY VALUATION



Prepared for

CPM GROUP LIMITED

In respect of

**An industrial complex located at
No. 7 West Jin San Avenue
San Jiao Town
Zhongshan City
Guangdong Province
The People's Republic of China**

Valuation Date : 31 December 2025
Report Date : 16 March 2026
Our Reference : G2586/C26016/RE25101P/7339(R1)/RE3

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16 March 2026

CPM Group Limited
31st Floor, CNT Tower
No. 338 Hennessy Road
Wanchai
Hong Kong

Attn: Mr. Philip Tsui

Dear Mr. Tsui,

Re: Valuation of an industrial complex located at No. 7 West Jin San Avenue, San Jiao Town, Zhongshan City, Guangdong Province, the People's Republic of China (the "real property")

INSTRUCTIONS

We refer to your instructions for us to value the real property located in the People's Republic of China (the "PRC") of which CPM Group Limited (the "Company") and / or its subsidiaries (hereinafter referred to as the "Group") have interests. We confirm that we have carried out an 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 real property as at 31 December 2025 (the "valuation date") for your accounting reference purpose.

BASIS OF VALUATION

Our valuation of the real property has been based on the market value ("Market Value"), which is defined by The Hong Kong Institute of Surveyors 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". The market value is also 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.

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VALUATION METHODOLOGY

In valuing the real property, we have adopted the Income Capitalization Approach by taking into account the current rent passing of the real property being held under existing tenancy with due allowance for the reversionary value of the real property.

TITLE INVESTIGATION

We have been provided with extracts of title / legal documents / tenancy information and have been advised by the Group that no further relevant documents have been produced. However, we have not examined the original documents to verify ownership or to ascertain the existence of any amendment documents, which may not appear on the extracts handed to us. In the course of our valuation, we have relied upon the advice and information given by the Group regarding the title of the real property. All documents have been used for reference only.

VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the real property is sold in the market without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which would serve to affect the value of the real property. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the real property and no forced sale situation in any manner is assumed in our valuation.

In valuing the real property, we have relied on the advice given by the Group that the Group has valid and enforceable title to the real property which is freely transferable, and has free and uninterrupted rights 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.

VALUATION CONSIDERATIONS

We have relied on the Group's confirmation that there have been no material changes to the physical attributes and the uses of the real property or the nature of interests being valued or the nature of its location, since the last inspection conducted in December 2024. Thus, no re-inspection of the real property was conducted.

We have inspected the real property externally and where possible, the interior of the real property. In the course of our inspection, we did not note any serious defects. However, no structural survey has been made. We are, therefore, unable to report whether the real property is free from rot, infestation or any other structural defects. No tests were carried out on any of the services.

In the course of our valuation, we have relied to a considerable extent on the information given by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenures, particulars of occupancy, floor areas, identification of the real property and other relevant information.

We have not carried out detailed on-site measurements to verify the correctness of the floor areas in respect of the real property but have assumed that the floor areas shown on the documents handed to us are correct. Except otherwise stated, all dimensions, measurements and areas included in the valuation report are based on information contained in the documents provided to us by the Group and are therefore only approximations.

We have no reason to doubt the truth and accuracy of the information provided to us by the Group and we have relied on your advice that no material facts have been omitted from the information so supplied. We consider that we have been provided with sufficient information to reach an informed view.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the real property or for any expenses or taxation, which may be incurred in effecting a sale or purchase.

Unless otherwise stated, it is assumed that the real property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

VALUATION STANDARDS

Our valuation has been prepared in accordance with The HKIS Valuation Standards (2024 Edition) published by The Hong Kong Institute of Surveyors, The RICS Valuation - Global Standards published by The Royal Institution of Chartered Surveyors ("RICS") and the International Valuation Standards ("IVS") published by The International Valuation Standards Council.

BMI Appraisals Limited has been a RICS Regulated Firm since 2010. Our valuation work is subject to monitoring under the aforesaid professional institutions' conduct and disciplinary regulations.

This valuation assignment has been prepared by the Property Valuation Team which is supervised by Ms. Joannau Chan (the "Valuers") for and on behalf of BMI Appraisals Limited. We are not aware of any instances which would give rise to potential conflicts of interest from BMI Appraisals Limited or the Valuers who handled this valuation exercise. We confirm that BMI Appraisals Limited and the Valuers are in the position to provide objective and independent / unbiased valuation for the real property.

REMARKS

Neither the whole nor any part of this report or any reference thereto may be included in any document, circular or statement nor published in any way (except the announcement of the Company's interim and final results) without our written approval of the form and context in which it will appear.

Finally and in accordance with our standard practice, we must state that this report is for the use only of the party to whom it is addressed and for the purpose stated herein. No responsibility is accepted to any third party for the whole or any part of its contents.

We hereby certify that we neither have any present nor any prospective interest in the Group or the appraised real property or the value reported.

Unless otherwise stated, all money amounts stated herein are in Renminbi (RMB).

Our Summary of Value and Valuation Report are attached herewith.

Yours faithfully,

For and on behalf of

BMI APPRAISALS LIMITED

A handwritten signature in black ink, appearing to read 'Joannau W.F. Chan', written over a horizontal line.

Joannau W.F. Chan

BSc. MSc. MRICS MHKIS R.P.S. (GP)

Senior Director

Note: Ms. Joannau W.F. Chan is a member of the Hong Kong Institute of Surveyors (General Practice) who has over 27 years' experience in valuations of real properties in the People's Republic of China.

JC/ki/VAL8706

SUMMARY OF VALUE

Real property	Market Value in existing state as at 31 December 2025 RMB
An industrial complex located at No. 7 West Jin San Avenue, San Jiao Town, Zhongshan City, Guangdong Province, the PRC	67,400,000
中國 廣東省 中山市 三角鎮金三大道西 7 號 之一個工業廠房	
Total:	67,400,000

VALUATION REPORT

Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2025 RMB
An industrial complex located at Jie Min Village, San Jiao Town, Zhongshan City, Guangdong Province, the PRC	The real property comprises an industrial complex having four parcels of land with a total site area of approximately 33,333.2 sq.m. (or about 358,798.6 sq.ft.) upon which various buildings and structures, mainly completed 2008 were erected.	As at the valuation date, the real property was subject to a tenancy at a monthly rent of RMB289,145 for industrial use.	67,400,000 (Sixty Seven Million and Four Hundred Thousand Only)
中國 廣東省 中山市 三角鎮結民村 之一個工業廠房	The total gross floor area ("GFA") of the real property is approximately 17,456.22 sq.m. (or about 187,898.8 sq.ft.). The land use rights of the real property have been granted for a term expiring on 30 December 2048 for industrial use.	(Please refer to Note 2 for details.)	

Notes:

- Pursuant to 4 Real Estate Title Certificates, Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di Nos. 0503640, 0506193, 0512306 and 0513585 (粵(2023)中山市不動產權第0503640, 0506193, 0512306 及 0513585 號), issued by Zhongshan City Natural Resources Bureau, the land use rights with a total site area of approximately 33,333.2 sq.m. and the building ownership rights with at total GFA of 17,456.22 sq.m. of the real property are legally owned by 永成環保材料(廣東)有限公司 (Yongcheng Eco-friendly Materials (Guangdong) Co., Ltd.) ("Yongcheng Guangdong") for a term expiring on 30 December 2048 for industrial use. The details of the title documents are as follows:

No.	Certificate No.	Usage	Site Area (sq.m.)	GFA (sq.m.)	Date of Registration
1.	Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di No. 0503640 粵(2023)中山市不動產權第0503640 號	Factory and Warehouse	9,475.80	4,917.44	8 December 2023
2.	Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di No. 0506193 粵(2023)中山市不動產權第0506193 號	Dormitory and Warehouse	9,426.50	6,559.62	11 December 2023

VALUATION REPORT

3.	Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di No. 0512306 粵(2023)中山市不動產權第 0512306 號	Factory and Office	9,710.10	4,771.95	15 December 2023
4.	Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di No. 0513585 粵(2023)中山市不動產權第 0513585 號	Factory and Warehouse	4,720.80	1,207.21	15 December 2023

Total: 33,333.20 17,456.22

2. Pursuant to a Tenancy Agreement dated 26 April 2023 entered into between Yongcheng Guangdong and 中山市逸鑫科技有限公司, the former agreed to lease the real property with a total GFA of approximately 17,470.3 sq.m. to the latter for a term from 1 June 2023 to 31 March 2032, with a rent-free period of 2 months from 1 June 2023 to 31 July 2023 at a monthly rent of RMB289,145 for the first 3 years, a monthly rent of RMB312,276.6 for the 3rd to 6th years and then a monthly rent of RMB337,258.7 for the remaining term exclusive of management fee and other relevant outgoings.
3. We have prepared our valuation based on the following assumptions:-
- a. Yongcheng Guangdong is in possession of a proper legal title to the real property and is entitled to transfer or lease the real property with its residual term of land use rights at no extra land premium or other onerous payment payable to the government;
 - b. All land premium and other costs of ancillary utility services have been settled in full;
 - c. The real property is not subject to mortgage or any other material encumbrances except the above tenancy agreement;
 - d. The existing use of the real property is in compliance with the local planning regulations and has been approved by the relevant government authorities;
 - e. The tenancy agreement is legally valid, enforceable and binding on the contracting parties under the PRC Laws; and
 - f. The real property may be disposed of freely in the market.
4. Yongcheng Guangdong is an indirectly wholly-owned subsidiary of the Company.