

APPENDIX III

PROPERTY VALUATION REPORT

The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this document received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer and consultant, in connection with its valuation as at March 31, 2023 of the property interests held or contracted to be acquired by Star Plus Legend Holdings Limited and its subsidiaries.



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[REDACTED]

Star Plus Legend Holdings Limited

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Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

Dear Sirs,

In accordance with your instructions to value the property interests held or contracted to be acquired by Star Plus Legend Holdings Limited (the "**Company**") and its subsidiaries (hereinafter together referred to as the "**Group**") in the People's Republic of China (the "**PRC**"), 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 of the market value of the property interests as at March 31, 2023 (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 the property interest in Group I which is held for self-occupation by the Group by comparison approach assuming sale of the property interest in its existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market.

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In valuing the property interest in Group II which is contracted to be acquired by the Group, we have attributed no commercial value to the property interest which has not been assigned to the Group as at the valuation date, thus the title of the property is not vested in the Group.

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 value 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 value.

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; 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 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 Company and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, and particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of various title documents including Real Estate Title Certificates, Commodity Property Sale & Purchase Contracts and other documents relating to the property interests and have made relevant enquiries. We have relied considerably on the advice given by the Company's PRC Legal Advisors – Han Kun Law Offices, concerning the validity of the property interests in the PRC.

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.

The site inspection was carried out in August 2022 by Ms. Queena Qiao who has 6 years' valuation experience in the real estate industry of the PRC. 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 are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection,

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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.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also sought confirmation from the Company 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.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our summary of values and valuation certificates are attached.

Yours faithfully,

For and on behalf of

Jones Lang LaSalle Corporate Appraisal and Advisory Limited

Eddie T. W. Yiu

MRICS MHKIS RPS (GP)

Senior Director

Note: Eddie T.W. Yiu is a Chartered Surveyor who has 29 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

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SUMMARY OF VALUES

Abbreviation:

Group I: Property interest held for self-occupation by the Group in the PRC
 Group II: Property interest contracted to be acquired by the Group in the PRC
 “-”: Not applicable

No.	Property	Market value	Market value	The total
		in existing state as at March 31, 2023	in existing state as at March 31, 2023	market value in existing state as at March 31, 2023
		RMB	RMB	RMB
		Group I	Group II	
1.	69 units on Levels 13 to 15 of Building No. 3-5# of Phase III of Dream World located at No. 1777 Lvdi Avenue Huaqiao Town Kunshan City Jiangsu Province The PRC	56,000,000	-	56,000,000
2.	48 units on Levels 18 to 20 of Building No. 3-2# of Phase III of Dream World located at No. 1777 Lvdi Avenue Huaqiao Town Kunshan City Jiangsu Province The PRC	-	No commercial value	No commercial value
Total				<u>56,000,000</u>

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VALUATION CERTIFICATE

Group I – Property interest held for self-occupation by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				<i>RMB</i>
1.	69 units on Levels 13 to 15 of Building No. 3-5# of Phase III of Dream World located at No. 1777 Lvdi Avenue Huaqiao Town Kunshan City Jiangsu Province The PRC	<p>Dream World is located at No. 1777 Lvdi Avenue, Huaqiao Town, Kunshan City. The locality is a mature residential and commercial area in the eastern part of Kunshan City.</p> <p>As advised, Dream World occupies a parcel of land with a site area of approximately 240 mu (including the land use rights of the property), which will be developed into a commercial complex with a total planned gross floor area of approximately 356,000 sq.m. upon completion.</p> <p>The property comprises all the 69 units on Levels 13 to 15 of Building No. 3-5#, Phase III of Dream World. The subject building has 15 storeys and is also known as Dream World Film and Video Centre Block No. 1 (夢世界影視中心1號樓).</p> <p>The property has a total gross floor area of approximately 3,507.63 sq.m. which was completed in 2021.</p> <p>The land use rights of the property have been granted for a term expiring on March 31, 2052 for office use.</p>	As at the valuation date, the property was occupied by the Group for staff quarters use.	56,000,000

Notes:

1. Kunshan Star Plus Action E-Commerce Company Limited (“**Kunshan Star Plus Action**”, 昆山巨星行動電子商務有限公司, a wholly-owned subsidiary of the Company) has entered into 69 Commodity Property Sale & Purchase Contracts dated December 31, 2020 with Kunshan Jiabao Netshang Culture Investment Co., Ltd. (“**Kunshan Jiabao**”, 昆山嘉寶網尚文化投資有限公司, an independent third party), to purchase all the 69 units on Levels 13 to 15 (Units 1301–1323, 1401–1423 and 1501–1523) of Building No. 3-5# of Phase III of Dream World at a consideration of RMB53,562,260. As confirmed by the Group, the consideration has been fully paid.
2. Pursuant to 69 Real Estate Title Certificates, the property with a total gross floor area of approximately 3,507.63 sq.m. is owned by Kunshan Star Plus Action. The land use rights of the property have been granted for a term expiring on March 31, 2052 for office use.
3. Our valuation has been made on the following basis and analysis:

In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property. The unit price of these comparable properties ranges from RMB12,000 to RMB17,000 per sq.m. for office units. Appropriate adjustments and analysis are considered to the differences in location, size and other characters between the comparable properties and the property to arrive at the assumed unit rate for the property.

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4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:
 - a. Kunshan Star Plus Action has obtained the Real Estate Title Certificates, the building ownership rights and the land use rights of the property;
 - b. Kunshan Star Plus Action is the sole owner of the property and legally in possession of the ownership rights of the property;
 - c. Pursuant to a Real Estate Mortgage Contract dated October 11, 2021, the property is subject to mortgage in favor of Bank of Shanghai Co., Ltd. Suzhou Sub-branch (the "Bank") as security to guarantee the obligation under a loan contract dated January 5, 2021 with the Bank; and
 - d. Save for the mortgage mentioned in note 4(c), Kunshan Star Plus Action can legally occupy, use, transfer, lease, mortgage or otherwise dispose of the property.

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VALUATION CERTIFICATE

Group II – Property interest contracted to be acquired by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				<i>RMB</i>
2.	48 units on Levels 18 to 20 of Building No. 3-2# of Phase III of Dream World located at No. 1777 Lvdi Avenue Huaqiao Town Kunshan City Jiangsu Province The PRC	<p>Dream World is located at No. 1777 Lvdi Avenue, Huaqiao Town, Kunshan City. The locality is a mature residential and commercial area in the eastern part of Kunshan City.</p> <p>As advised, Dream World occupies a parcel of land with a site area of approximately 240 mu (including the land use rights of the property), which will be developed into a commercial complex with a total planned gross floor area of approximately 356,000 sq.m. upon completion.</p> <p>The property comprises all the 48 units on Levels 18 to 20 of Building No. 3-2#, Phase III of Dream World. The subject building is a 21-storey office building and is also known as Dream World Film and Video Centre Block No. 10 (夢世界影視中心10號樓). The property has a total gross floor area of approximately 3,166.26 sq.m. As advised by the Group, construction work of the property was completed in January 2023 and will be delivered to the Group in mid-2023.</p> <p>The land use rights of the land parcel on which the property is erected thereon have been granted for a term expiring on March 31, 2052 for office and ancillary commercial uses.</p>	As at the valuation date, the property was vacant.	No commercial value

Notes:

1. Kunshan Star Plus Action has entered into 48 Commodity Property Sale & Purchase Contracts dated August 4, 2021 with Kunshan Jiabao to purchase 48 units on Levels 18 to 20 (Units 1801–1816, 1901–1916 and 2001–2016) of Building No. 3-2# of Phase III of Dream World with a total gross floor area of approximately 3,166.26 sq.m. at a total consideration of RMB50,023,440.
2. Our valuation has been made on the following basis and analysis:

In undertaking our valuation for reference purpose as mentioned in note 3, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property. The unit price of these comparable properties ranges from RMB12,000 to RMB17,000 per sq.m. for office units. Appropriate adjustments and analysis are considered to the differences in location, size and other characters between the comparable properties and the property to arrive at the assumed unit rate for the property.

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3. As at the valuation date, the property has not been assigned to the Group and thus the title of the property has not been vested in the Group. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB52,000,000, on condition that the relevant title certificates have been obtained and Kunshan Star Plus Action is entitled to freely transfer, lease, mortgage or otherwise dispose of the property.
4. As confirmed by the Group, the purchase price had been fully paid by the Group to purchase the property up to the valuation date.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:
 - a. The aforesaid Commodity Property Sale & Purchase Contracts are legal and valid, legally binding and enforceable under the applicable laws.
 - b. Kunshan Star Plus Action has the rights to claim contractual rights and require the other contracted party to perform contractual obligations based on such contracts. However, due to the fact that Kunshan Star Plus Action has not completed the application procedure of ownership rights registration and has not obtained the ownership certificates, Kunshan Star Plus Action's ownership of the property has not yet become valid; and
 - c. There is no legal impediment for Kunshan Star Plus Action in obtaining title certificates for the property after completion of construction of the property.