



Valuation of Champagne Court,  
 No. 16 Kimberley Road,  
 Kowloon, Hong Kong  
 (The Remaining Portion of  
 Section B of Kowloon Inland Lot  
 No. 6022)

Valuation Services



12 March 2025

Prepared for:  
**Miramar Hotel and Investment  
 Company, Limited**  
 15/F, Mira Place Tower A  
 132 Nathan Road  
 Tsim Sha Tsui  
 Kowloon  
 Hong Kong

Prepared by:  
**Dorothy Chow**  
 Head of Valuation & Advisory  
 Services  
 dorothy.chow@colliers.com  
 +852 2822 0621

**Colliers**  
 Suite 5701, Central Plaza  
 18 Harbour Road Wanchai  
 Hong Kong SAR  
 Main: +852 2822 0779  
 colliers.com



Our Ref: CIP2401511 (24 - 2994)

12 March 2025

**Miramar Hotel and Investment Company, Limited**

15/F, Mira Place Tower A  
132 Nathan Road  
Tsim Sha Tsui  
Kowloon  
Hong Kong

Dear Sirs,

**Re: Valuation of Champagne Court, No. 16 Kimberley Road, Kowloon, Hong Kong  
(The Remaining Portion of Section B of Kowloon Inland Lot No. 6022) (the "Property")**

**TERMS OF ENGAGEMENT**

We refer to the instruction received from Miramar Hotel and Investment Company, Limited (the "Company") requiring us to conduct an assessment of the Gross Development Value of the proposed development at the Property ("GDV"). We confirm that we have carried out inspection, 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 GDV, as at 10 January 2025 (the "Valuation Date") for public disclosure purpose in relation to the acquisition of the Property.

**VALUATION STANDARDS**

Our assessment is prepared in strict accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors ("HKIS") and the latest edition of RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors ("RICS"), adopting and applying the latest edition of International Valuation Standard Council (IVSC) valuation standards, if applicable. Unless otherwise stated, our valuations are undertaken as External Valuers as defined in the relevant Valuation Standards. We have also complied with the requirements contained in Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## VALUATION BASIS

### **Gross Development Value**

The estimated gross development value is the aggregate capital value of the Property assuming completion of construction as at the valuation date at current price. Our assessment of the estimated gross development value is also made on the basis of market value being applied to the completed units.

### **Market Value**

Our valuation of the property interest is made on the basis of Market Value as defined by IVSC and adopted by HKIS and RICS, which 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 wherein the parties had each acted knowledgeably, prudently and without compulsion”.

We would point out that the valuation presented in this report represent 100% interest of the Property and not the shareholdings within by the Company or its related, associated or subsidiary companies.

Colliers International (Hong Kong) Limited is regulated by the RICS and all necessary investigations, inspections, and other work carried out for the purpose of this assignment will meet its standards. The RICS monitors regulated firms under its Conduct and Disciplinary regulations. For your further information, Colliers International (Hong Kong) Limited maintains a complaint handling procedure, a copy of which is available on request. The Valuation and Advisory Services Department of Colliers International (Hong Kong) Limited is accredited by Lloyd's Register Quality Assurance Limited under ISO 9001:2015.

## VALUATION ASSUMPTIONS

Our valuation of the Property has been made on the following assumptions:

- No allowance has been made in our report for any charges, mortgages or amounts owing on any of the property interest valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value.
- It is assumed that any land premium or other fees payable for the acquisition, transfer, sale, letting or mortgage of the Property have been fully paid and settled.
- We have assumed proper title has been obtained, and the Property and the interest valued therein can be freely transferred, mortgaged and let in the market.
- We have assumed that the owner has free and uninterrupted rights to use the Property for the whole of the unexpired term of the government lease and/or land grant, in accordance with the terms of the lease/or the land grant.
- We are not aware of any easements or rights of way affecting the Property and have assumed that none exists.

## VALUATION ASSUMPTIONS (CONT'D)

- We have assumed that all information, estimates and opinions furnished to us and contained in this report including all information provided by the Company, are true and correct, fit for valuation purposes, and from reliable sources. We can assume no responsibility for accuracy.
- We have not carried out any detailed site measurements to verify the correctness of areas, nor have we tested any of the services and facilities. We have assumed that the areas shown on the documents provided to us are correct and that the services and facilities are in good working order.
- We have assumed that the Property is free from any contamination and environmental problems or hazards.
- We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all relevant laws, ordinances and statutory requirements.
- We have assumed that for any use of the Property upon which this valuation report is based, any and all required licences, permits, certificates, and authorisations have been obtained and are ordinarily renewable.
- We have assumed that the Property is structurally sound, in a good state of repair and maintained in a condition fit for purpose.
- We have assumed that the proposed development scheme could be approved and that the Property could be developed in accordance with the proposed scheme.

## VALUATION APPROACHES AND METHODS

We have valued the Property using the income approach, and cross-referenced by the market approach.

The market approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. In analysing such sales, which qualify as arm's length transactions between willing buyers and sellers, adjustments are made to reflect differences between the comparables and the subject of this valuation in matters such as transaction dates, size, location, quality, age and amenities and any other relevant factors, to assess the value of the subject asset. This approach is commonly used to value assets where reliable sales evidence is available.

The income approach provides an indication of value by converting future cash flows to a single current capital value. In our analysis, we have considered the potential revenue generated by the retail, back of house/function room, hotel and car parking portions of the proposed development.

## MEASUREMENTS

All area measurements have been carried out in accordance with the "Code of Measuring Practice" booklet published by the HKIS. We declare our departure from the "RICS property measurement" published by RICS in May 2015 in order to suit the local practice. Unless otherwise stated, we have not conducted on-site area measurements of the Property or verified the floor areas provided to us, unless we specifically agree in writing to do so, although we make reference to the registered floor plans if available.

## INSPECTIONS, INVESTIGATIONS AND SOURCES OF INFORMATION

External inspection of the Property and the surrounding environment, befitting this valuation, was undertaken by Ms. Vienne So, MHKIS, Manager of our department on 16 January 2025.

We have obtained relevant information available from public domain including the Land Registry, the Rating and Valuation Department and the Buildings Department and have accepted advice given to us on matters such as statutory notices, planning approvals, easements, floor plans, floor areas, tenure, particulars of occupancy and all other relevant matters. We have assumed that all information provided to us is correct. However, should it be established subsequently that the details relating to the property interest are incorrect, we reserve the right to adjust the value reported herein.

We have also been advised by the Company that no material factors or information have been omitted or withheld from the information supplied and consider that we have been provided with sufficient information to reach an informed view. We believe that the assumptions used in preparing our valuation are reasonable and have had no reason to doubt the truth and accuracy of the information provided to us by the Company which is material to the valuation.

No on-site measurements have been taken to verify the correctness of site areas. We have assumed that the site areas shown on documents provided to/ obtained by us are correct.

No structural or environmental surveys have been carried out. Services and facilities have not been tested.

We have made enquiries at the Land Registry for the Property, but we have not searched the original documents nor verified the existence of any amendments, which do not appear in the documents available to us.

All legal documents disclosed in this letter and the valuation particulars are for reference only. No responsibility is assumed for any legal matters concerning the legal titles to the Property set out in this letter and the valuation particulars.

## PLANT AND MACHINERY

Our valuation normally includes all plant and machinery that form part of the building services installations. However, plant, machinery and equipment, which may have been installed wholly in connection with the occupier's industrial and commercial uses, together with furniture and furnishings, tenant's fixtures and fittings, are excluded in our valuation.

## CURRENCY

All monetary figures stated in this report are in Hong Kong dollars (HKD).

## THE VALUERS

The valuation has been prepared by Mr. Eric Tsang, Senior Director and assisted by Ms. Vienne So, Manager under the supervision of Ms. Dorothy Chow, Executive Director of our department.

Ms. Dorothy Chow is a fellow of the Royal Institution of Chartered Surveyors, a fellow of the Hong Kong Institute of Surveyors and a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in the Hong Kong Special Administrative Region. Mr. Eric Tsang is a member of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors and a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in the Hong Kong Special Administrative Region. Ms. Vienne So is a member of the Hong Kong Institute of Surveyors. The valuers are suitably qualified to carry out the valuation and have sufficient experience in the valuation of properties of this magnitude and nature.

Neither the valuers nor Colliers International (Hong Kong) Limited are aware of any pecuniary or other conflict of interest that would affect their ability to give an unbiased and objective opinion of the value of the Property.



## CAVEATS

This report is for public disclosure purpose in relation to the acquisition of the Property only. Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without written consent of Colliers International (Hong Kong) Limited of the form and context in which it will appear.

Our valuation of the Property is set out in the Valuation Particulars attached hereto, which together with this covering letter, form our valuation report.

Yours faithfully,  
For and on behalf of  
**Colliers International (Hong Kong) Limited**

A handwritten signature in blue ink, appearing to read "D. Chow", is positioned above a horizontal line.

---

**Dorothy Chow**  
*MSc FRICS FHKIS MCIREA R.P.S. (GP)*  
**Head of Valuation and Advisory Services**

Note: Ms. Dorothy Chow, FRICS FHKIS MCIREA RPS(GP), is a qualified general practice surveyor and has over 26 years of experience in the valuation of properties in Hong Kong.

## VALUATION PARTICULARS

Property	Description and Tenure	Particulars of Occupancy	Gross Development Value of Property as at 10 January 2025
<p>Champagne Court, No. 16 Kimberley Road, Tsim Sha Tsui, Kowloon, Hong Kong</p> <p>The Remaining Portion of Section B of Kowloon Inland Lot No. 6022 (KIL 6022 s.B RP) (the "Lot")</p>	<p>The Property is located at the southern side of Kimberley Road, in the section of Kimberley Road between its junction with Nathan Road and its junction with Carnarvon Road in Tsim Sha Tsui.</p> <p>The Property is currently a 10-storey commercial cum residential composite building with an additional roof floor completed in 1957. As advised by the Company, the Property will be redeveloped into a 23-storey hotel cum commercial complex erected above two basement storeys for car park.</p> <p>As per the general building plans approved on 30 September 2024 under Reference No. BD 2/4037/21 provided by the Company, the total Gross Floor Area ("GFA") of the proposed development is about 137,885 sq. ft. (12,809.97 sq. m.).</p> <p>There will be retail floors on G/F to 1/F, a reception lobby and shop area on 2/F, function rooms and back of house from 3/F to 10/F, and 99 hotel guestrooms from 11/F to 26/F (4/F, 13/F, 14/F and 24/F are omitted from the floor numbering).</p>	<p>It is fully vacant as at the date of inspection on 16 January 2025.</p>	<p><b>HKD3,120,000,000</b> (Hong Kong Dollars Three Billion One Hundred and Twenty Million)</p>



Property	Description and Tenure	Particulars of Occupancy	Gross Development Value of Property as at 10 January 2025
	<p>There will be 3 passenger lifts and a fireman's lift serving the Property from B2/F to 26/F, a common staircase serving from G/F to the roof and a common staircase serving from B1/F to the roof. In addition, there will be a common staircase connecting from B1/F to 9/F, a common staircase connecting from B1/F to 1/F, a staircase connecting from B2/F to G/F, a staircase connecting from B2/F to B1/F and another staircase connecting from B1/F to G/F. The basement car park will be accessible via a ramp serving from B2/F to G/F. The Property will comprise 21 private car parking spaces, 2 motor parking spaces, 3 loading/unloading spaces, 2 lay-bys for taxi and private car and 1 lay-by for single-deck tour bus.</p> <p>The lease site area of the Property is approximately 12,283 sq. ft. (1,141.12 sq. m.).</p> <p>The Property is held under Conditions of Re-grant No. 4371 for a term of 150 years commencing from 24 June 1889. The Lot is subject to an annual Government rent of HKD282.</p>	-	-

**Notes:**

(1) The ownership particulars of the Property and interest valued are as follows:

<b>Lot Numbers</b>	: The Remaining Portion of Section B of Kowloon Inland Lot No. 6022
<b>Lease Terms</b>	: Held under Conditions of Re-grant No. 4371 for a term of 150 years commencing from 24 June 1889.
<b>Registered Owner</b>	: Far Union Investment Limited : By Assignment dated 7 February 2024, registered vide Memorial No. 24022801500038 at a consideration of HKD1,728,000,000
<b>Occupation Permits</b>	: No. ND8K/57 dated 11 January 1957 ("...lower ground floor, ground floor and 1 <sup>st</sup> floor of a building at Kimberley Road on KIL 6022 s. B. ... Permission is hereby granted to occupy and use the building for non-domestic purposes.")  No. D5K/57 dated 11 January 1957 ("...2 <sup>nd</sup> – 8 <sup>th</sup> floors of a building at Kimberley Road on KIL 6022 s. B. ... Permission is hereby granted to occupy and use the building for domestic purposes.")  No. ND7K/57 dated 11 January 1957 ("...transformer house of a building at Kimberley Road on KIL 6022 s. B. ... Permission is hereby granted to occupy and use the building for non-domestic purposes.")  No. K8/57 dated 21 February 1957 ("...new building at Kimberley Road on KIL 6022 s. B. ... Permission is hereby granted to occupy and use the building/ buildings for the purposes stated hereunder. (1) Upper Floors for domestic purposes; (2) Ground Floor and Lower Ground Floor for non-domestic purposes.")  No. K3/58 dated 2 January 1958 ("...new building at Carnarvon Road and Kimberley Road on KIL 6022 s. B. ss. 1... Permission is hereby granted to occupy and use the building for the purpose stated hereunder. Additional storey for domestic purposes")
<b>Deed of Mutual Covenant</b>	: <u>All Units</u> Deed of Mutual Covenant dated 1 July 1957 vide Memorial No. UB263268  <u>Unit A, Unit B, Unit C, Unit D and Unit E on Ground Floor</u> Sub-deed of Mutual Covenant dated 2 June 1997 vide Memorial No. UB7135573

Major Encumbrances	
<p><b>Government Notice</b></p>	<p>Government Notice No. 2676 of 1970 Pursuant to Section 22(1) of the Crown Rent and Premium (Apportionment) Ordinance dated 24 December 1970 vide Memorial No. UB781094</p> <p>Government Notice No. 2497 of 1981 Pursuant to Section 22(2) of the Crown Rent and Premium (Apportionment) Ordinance dated 21 August 1981 vide Memorial No. UB2127419</p>
<p><b>Building Orders*</b></p>	<p>: <u>All units</u>            Superseding Order No. DR00216/K/13 by the Building Authority under s.28(3) of the Buildings Ordinance with plan (for common parts only) dated 5 July 2013 vide Memorial No. 13072501410036</p> <p>Notification Letter of Completion of Works (Order No. DR00216/K/13) dated 27 March 2024 vide Memorial No.24061900390250            (It was set out that the required works in relation to Order No. DR00216/K/13 were completed by the Government and the cost for the remedial works plus supervision charges and surcharge shall be recoverable from the owner(s) of the Property.)</p> <p>Notice No. UMB/MB111201-002/0001 by the Building Authority under s.30B(3) of the Buildings Ordinance (for common parts only) dated 30 April 2013 vide Memorial No. 18092702590026</p> <p>Order No. C/M2/001503/14/K under Section 24 (1) of the Buildings Ordinance with Plan by the Building Authority for common part(s) only dated 11 July 2014 vide Memorial No. 14072401220066</p> <p><u>1<sup>st</sup> Floor</u>            Order No. C/TF/001241/17/K by the Building Authority under s.24(1) of the Buildings Ordinance dated 9 May 2017 vide Memorial No. 17060100750398</p> <p><u>Apartment A on 2nd Floor</u>            Order No. C/DC/1357/99/K by the Building Authority under s.24(1) of the Buildings Ordinance dated 5 November 1999 vide Memorial No. UB7981113</p> <p><u>Apartment B on 2nd Floor</u>            Order No. C2634/92/K by the Building Authority under s.24(1) of the Buildings Ordinance dated 2 September 1992 vide Memorial No. UB5495784 and UB5504966</p> <p>Letter of Withdrawal dated 30 August 2006 vide Memorial No. 06110101840065            (It was set out in the Letter of Withdrawal in relation to the above Order No. C2634/92/K that the remaining building works comprising a structure on and over the flat roof of the unit are still illegal.)</p>

Apartment F on 8th Floor

Superseding Order No. C/TF/000480/16/K by the Building Authority under s.24(1) of the Buildings Ordinance dated 11 March 2016 vide Memorial No. 16032400570129

Parking Lot No. 1 on Lower Ground Floor

Order No. C/M2/001504/14/K by the Building Authority under s.24(1) of the Buildings Ordinance dated 11 July 2014 vide Memorial No. 14072401220073

Parking Lot No. 2 on Lower Ground Floor

Order No. C/M2/001505/14/K by the Building Authority under s.24(1) of the Buildings Ordinance dated 11 July 2014 vide Memorial No. 15043001140114

Parking Lot No. 3 on Lower Ground Floor

Order No. C/M2/001506/14/K by the Building Authority under s.24(1) of the Buildings Ordinance under s.24(1) of the Buildings Ordinance dated 11 July 2014 vide Memorial No. 14072401220084

Parking Lot No. 4 on Lower Ground Floor

Order No. C/M2/001507/14/K by the Building Authority under s.24(1) of the Buildings Ordinance dated 11 July 2014 vide Memorial No. 14072401220090

\*Remarks: The Building Orders are applicable to the existing building only. As advised by the Company's legal advisor, the Building Orders shall no longer constitute encumbrances on the Property upon demolition of the existing building, save and except the Superseding Order No. DR00216/K/13 issued by the Building Authority dated 5 July 2013 as the relevant costs for the completed remedial works etc. shall be recoverable by the Government. Our valuation is based on redevelopment basis in accordance with the proposed development scheme provided by the Company.

- (2) The Property falls within an area zoned as "Commercial (6)" under the Tsim Sha Tsui Outline Zoning Plan No. S/K1/28 approved on 13 December 2013.
- (3) Under the town planning restriction, no new development, or addition, alteration and/or modification to or redevelopment of an existing building shall result in a total development and/or redevelopment in excess of a maximum plot ratio of 12.0 and a maximum building height of 110mPD, or the plot ratio and the height of the existing building, whichever is the greater. A minimum of 1.5m wide non-building area from the lot boundary abutting areas shown as 'Road' on the Plan, except Chatham Road South and Nathan Road, shall be provided.
- (4) Whilst the whole of the land grant document should be noted, the following salient condition stipulated in the document is of particular relevance.

*Special Condition (d): "The design of the exterior elevations and the dispositions and height of any building to be erected on the lot shall be subject to the special approval of the Building Authority."*

- (5) In the income approach, we have assessed the potential rental income derived from each of the following portions (i) retail, (ii) back of house/function room, (iii) hotel, and (iv) car parking spaces. This assessment references the rental levels of respective market comparables within

the Tsim Sha Tsui district. The rental income is then capitalized at a capitalization rate of 4.90% to determine the Gross Development Value of the Property. This capitalization rate is based on four recent en bloc commercial sales transactions from the second half of 2024, with market yields ranging from 2.8% to 4.1%. Given the differences in the operation modes between hotel developments and other commercial developments, we are of the opinion that a capitalisation rate at 4.90% is reasonable to reflect the higher expected returns from the Property. The details of these transactions are listed in Note (6) below.

The following rental assumptions have been adopted in our valuation:

(i) Retail (G/F to 2/F)

HKD 47 per sq. ft. per month on GFA basis

(ii) Back of house/function room (3/F to 9/F)

HKD 61 per sq. ft. per month on GFA basis

(iii) Hotel (11/F to 26/F)

Average daily room rate: HKD 2,795

(iv) Car Parking Spaces (B1/F to B2/F)

Private car parking space: HKD 5,000 per space per month

Motor parking space: HKD 800 per space per month

Light goods vehicle parking space: HKD 5,500 per space per month

- (6) In the market approach, given the lack of recent en bloc hotel transactions of similar development scale and location, we have identified commercial properties transactions conducted during the six months ended 31 December 2024 across various major business districts in Hong Kong for references. The comparables are collected exhaustively, to the best of our knowledge.

The unit rates of the selling prices in these comparable transactions ranged from HKD 10,913 to HKD 17,866 per sq. ft. on GFA basis. Comparable 3 below, which has the lowest gross unit rate of HKD10,913 per sq. ft. among the comparables, is a distressed sale under receivership. While it is difficult to make adjustments to reflect the difference in usages and locations between the comparables and the Property, we consider the Property is in general superior to the comparables in terms of location and quality thereby justifying a higher unit rate.

The details of the comparables are as follows:

	<b>Comparable 1</b>	<b>Comparable 2</b>
Property	Queen's Road Centre	Bonham Majoris
Address	No. 152 Queen's Road Central	Nos. 40-44 Bonham Strand
District	Central	Sheung Wan
Property Type	Office / Retail	Office / Retail
Year Built	2020	1998
GFA (sq. ft.)	60,450	73,834
Transaction Date	December 2024	November 2024
Consideration (HKD)	1,080,000,000	1,298,000,000
Gross Unit Rate (HKD/sq. ft.)	17,866	17,580
Estimated Market Yield	3.60%	2.80%

	<b>Comparable 3</b>	<b>Comparable 4</b>
Property	Cheung Kei Center	250 Hennessy
Address	No. 18 Hung Luen Road	No. 250 Hennessy Road
District	Hung Hom	Wan Chai
Property Type	Office / Retail / Car park	Office / Retail / Car park
Year Built	2016	1999
GFA (sq. ft.)	242,840	54,961
Transaction Date	November 2024	September 2024
Consideration (HKD)	2,650,000,000	608,000,000
Gross Unit Rate (HKD/sq. ft.)	10,913	11,062
Estimated Market Yield	4.10%	3.50%

	<b>Comparable 5</b>
Property	MU88
Address	Nos. 84 - 102 Wuhu Street
District	Hung Hom
Property Type	Hotel
Year Built	2022
GFA (sq. ft.)	66,400
Transaction Date	June 2024
Consideration (HKD)	1,000,000,000
Gross Unit Rate (HKD/sq. ft.)	15,060
Estimated Market Yield	N/A (Self-use)

- (7) We have not been provided with the specific estimated completion date; However, the Property is subject to Schedule 3 of the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545 of the Laws of Hong Kong) which stipulates that the redevelopment shall be completed and made fit for occupation within six years from the date the purchaser became the owner of the lot, as specified by the Lands Tribunal in the order for sale.
- (8) We have not been provided with the estimated cost for carrying out the development and information for any construction costs incurred up to the effective date as at which the property was valued.



# At Colliers, we are enterprising.

We maximize the potential of property to accelerate the success of our clients and our people.

Our expert advice to property occupiers, owners and investors leads the industry into the future. We invest in relationships to create enduring value. What sets us apart is not what we do, but how we do it. Our people are passionate, take personal responsibility and always do what's right for our clients, people and communities. We attract and develop industry leaders, empowering them to think and act differently to drive exceptional results. What's more, our global reach maximizes the potential of property, wherever our clients do business.

[colliers.com](https://colliers.com)



*This document has been prepared by Colliers for advertising and general information only. Colliers makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Colliers excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This publication is the copyrighted property of Colliers and/or its licensor(s). ©2025. All rights reserved. Colliers International Hong Kong Limited*

Accelerating success.