

APPENDIX III

PROPERTY VALUATION REPORT

The following is the text of a letter, a valuation summary and valuation certificates prepared for the purpose of incorporation in this document received from Vincorn Consulting and Appraisal Limited, an independent valuer, in connection with its valuation of the property interests held by the Group. Terms defined in this appendix applies to this appendix only.

Vincorn Consulting and Appraisal Limited
Units 1602-4, 16/F, FWD Financial Centre
No. 308 Des Voeux Road Central
Hong Kong



The Board of Directors

China General Education Group Limited
No. 99 Wucheng South Road, Xiaodian District,
Taiyuan City, Shanxi Province, The PRC

[●]

Dear Sirs,

INSTRUCTION AND VALUATION DATE

We refer to your instructions for us to assess the Market Values of the property interests located in The People’s Republic of China (“**The PRC**”) held by China General Education Group Limited (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) for the purposes of public disclosure. We confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary in order to provide you with our opinion of the Market Values of the property interests as at 31 March 2021 (the “**Valuation Date**”).

VALUATION STANDARDS

The valuation has been prepared in accordance with the HKIS Valuation Standards 2020 published by The Hong Kong Institute of Surveyors effective from 31 December 2020 with reference to the International Valuation Standards published by the International Valuation Standards Council effective from 31 January 2020; and the requirements set out in the Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited.

VALUATION BASIS

Our valuation has been undertaken on the basis of Market Value. 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”.

APPENDIX III

PROPERTY VALUATION REPORT

VALUATION ASSUMPTIONS

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 allowances have been made for any charges, mortgages or amounts owing on the property interests, nor for any expenses or taxations which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect the values of the property interests.

As the property interests are held under long term land use rights, we have assumed that the owner has free and uninterrupted rights to use the property interests for the whole of the unexpired term of the land use rights.

VALUATION METHODOLOGY

In the valuation of the property interests held by the Group, we have adopted Cost Approach.

Cost Approach is subject to an assumption of adequate potential profitability of the business (or to service potential of the entity from the use of assets as a whole) paying due regard to the total assets employed. This technique is based on an estimate of the value for the existing use of the land, plus the current gross replacement (reproduction) costs of the improvements, less allowances for physical deterioration and all relevant forms of obsolescence and optimisation. In arriving at the value of the land, reference has been made to the land sale transactions as available in the locality. It generally provides the most reliable indication of value for a property in the absence of a known market based on comparable sales.

LAND TENURE AND TITLE INVESTIGATION

We have been provided with copies of documents in relation to the titles of the property interests. However, we have not scrutinized the original documents to verify ownership or to verify any amendments, which may not appear on the copies handed to us. We have relied to a considerable extent on the information provided by the Group.

We have relied on the advices given by The PRC legal advisor of the Group, Commerce & Finance Law Offices, regarding the titles of the property interests in The PRC. We do not accept liability for any interpretation that we have placed on such information, which is more properly placed within the sphere of the legal advisor.

All legal documents disclosed in this letter, the valuation summary and the valuation certificates are for reference only. No responsibility is assumed for any legal matters concerning the legal titles to the property interests set out in this letter, the valuation summary and the valuation certificates.

APPENDIX III

PROPERTY VALUATION REPORT

INFORMATION SOURCES

We have relied to a considerable extent on the information provided by the Group and the legal advisor, in respect of the titles of the property interests in The PRC. We have also accepted advice given to us on matters such as identification of the properties, particulars of occupancy, areas and all other relevant matters. Dimensions, measurements and areas included in the valuation are based on information contained in the documents provided to us and are, therefore, only approximations.

We have also been advised by the Group 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 Group which is material to the valuation.

INSPECTION AND INVESTIGATIONS

The properties were inspected externally and internally on 18 May 2020. Although not all areas were accessible for viewing at the time of inspection, we have endeavoured to inspect all areas of the properties. Investigations were carried out as necessary. Our investigations have been conducted independently and without influence from any third party in any manner.

We have not tested any services of the properties and are therefore unable to report on their present conditions. We have not undertaken any structural surveys of the properties and are therefore unable to comment on the structural conditions. We have not carried out any investigations on site to determine the suitability of the ground conditions for any future developments. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be required.

We have not carried out any on-site measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the documents or deduced from the plans are correct. All documents and plans have been used as reference only and all dimensions, measurements and areas are therefore approximations.

APPENDIX III

PROPERTY VALUATION REPORT

CURRENCY

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

The valuation summary and the valuation certificates are attached hereto.

Yours faithfully,

For and on behalf of

Vincorn Consulting and Appraisal Limited

Vincent Cheung

BSc(Hons) MBA FRICS MHKIS RPS(GP) MCIREA

MHCSI MISC MHIRES

RICS Registered Valuer

Registered Real Estate Appraiser & Agent

PRC

Managing Director

Note: Vincent Cheung is a fellow of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in Hong Kong Special Administrative Region ("**Hong Kong**"), a member of China Institute of Real Estate Appraisers and Agents, a member of Hong Kong Securities and Investment Institute, a member of Institute of Shopping Centre Management, a member of Hong Kong Institute of Real Estate Administrators, a Registered Valuer of the Royal Institution of Chartered Surveyors and a Registered Real Estate Appraiser and Agent People's Republic of China. He is suitably qualified to carry out the valuation and has over 23 years of experience in the valuation of properties of this magnitude and nature in the subject region.

APPENDIX III

PROPERTY VALUATION REPORT

VALUATION SUMMARY

Property Interests Held by the Group for Occupation in The PRC

| No. | Property | Market Value as at 31 March 2021 | Interest Attributable to the Group | Market Value |
|---------------|--|---|---|--|
| | | | | as at 31 March 2021 Attributable to the Group |
| 1 | Shanxi Technology And Business College Longcheng Campus Located at No. 99 Wucheng South Road, Xiaodian District, Taiyuan, Shanxi Province, The PRC | RMB330,000,000 | 100% | RMB330,000,000 |
| 2 | Shanxi Technology And Business College Beige Campus Located at Beige Village North Road, Beige Village, Xiaodian District, Taiyuan, Shanxi Province, The PRC | No Commercial Value | 100% | No Commercial Value |
| Total: | | <u>RMB330,000,000</u> | | <u>RMB330,000,000</u> |

APPENDIX III

PROPERTY VALUATION REPORT

VALUATION CERTIFICATE

Property Interests Held by the Group for Occupation in The PRC

| <u>No.</u> | <u>Property</u> | <u>Description and Tenure</u> | <u>Occupancy Particulars</u> | <u>Market Value as at 31 March 2021</u> |
|------------|--|--|--|---|
| 1 | Shanxi Technology And Business College Longcheng Campus Located at No. 99 Wucheng South Road, Xiaodian District, Taiyuan, Shanxi Province, The PRC | <p>The property comprises 52 buildings and various ancillary structures erected on four parcels of land with a total site area of approximately 187,024.62 square metres ("sq. m.") which were completed in various stage between 2000 and 2020.</p> <p>As per information provided by the Group, the buildings have a total gross floor area ("GFA") of approximately 200,662.75 sq. m., including eight academic buildings, an administration building, two ancillary buildings, four ancillary retail units, a bathroom, a boiler, a bungalow, a canteen, a canteen cum entertainment and sports hall, three guard houses, an innovation centre, a staff child care centre, two laboratory building, a library, a pavilion, a repairing workshop, a school clinic, a sport centre, a staff dormitory, 13 student dormitories, a student service centre, four training centres and a water pump room. The ancillary structures include boundary walls and roads.</p> <p>The land use rights of three parcels of land of the property with a total site area of approximately 98,261.11 sq. m. were allocated to 山西工商學院 for science and educational uses.</p> | As per our on-site inspection and the information provided by the Group, the property is currently occupied by the Group for educational purposes. | <p>RMB330,000,000 (Renminbi Three Hundred and Thirty Million)</p> <p>100% Interest to be Attributable to the Group:</p> <p>RMB330,000,000 (Renminbi Three Hundred and Thirty Million)</p> |

Notes:

- The property was inspected by Noah Liu *Probationer of RICS* on 18 May 2020.
- The valuation and this certificate were prepared by Vincent Cheung *FRICS MHKIS RPS(GP) MCIREA MHKSI MISC MHIREA RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC* and Kit Cheung *MRICS MHKIS RPS(GP) MCIREA RICS Registered Valuer Registered Real Estate Appraiser PRC*.
- Pursuant to a Collective Land Transfer Contract, dated 15 September 2002 and entered into between 山西工商學院 and 太原市小店區黃陵街道辦事處小吳村村委會, the land use rights of a portion of the property with a site area of 131.20 mu were transferred to 山西工商學院 at a consideration of RMB15,600,000.

Pursuant to a Confirmation Letter, dated 26 September 2002 and issued by 山西工商學院, the consideration was modified to RMB15,744,000.

APPENDIX III

PROPERTY VALUATION REPORT

4. Pursuant to a Longcheng Land Contract Supplementary Agreement Four, dated 31 December 2008 and entered into between 山西工商學院 and 太原市小店區黃陵街道辦事處小吳村村委會, the land use rights of a portion of the property with a site area of 6.28 mu were transferred to 山西工商學院 at a consideration of RMB1,507,200.
5. Pursuant to a Compensation Notice of Collective Land Resumption, 並財城[2017]126號 dated 6 June 2017 and issued by 太原市財政局, a portion of the property with a site area of 3.2147 hectares was resumed at a consideration of RMB8,679,690.
6. Pursuant to a Collective Land Transfer Contract, dated 5 September 2003 and entered into between 山西工商學院 and 太原市小店區小店街道辦事處紅寺村村委會, the land use rights of a portion of the property with a site area of 105.81 mu were transfer to 山西工商學院 at a consideration of RMB6,348,600.

Pursuant to a Land Compensation Supplementary Agreement, dated 8 January 2019 and entered into between 山西工商學院 and 太原市小店區龍城街道辦事處紅寺社區居民委員會, the site area of the portion of the property and the consideration were amended to 125.05 mu and RMB33,763,500 respectively.

Pursuant to a Land Compensation Supplementary Agreement Two, dated 9 May 2020 and entered into between 山西工商學院 and 太原市小店區龍城街道辦事處紅寺社區居民委員會, the site area of that portion of the property was further amended to 130.6485 mu subject to an additional consideration of RMB1,511,595.

7. Pursuant to a Land Resumption Notice, 小店自然(2019)7號 dated 3 September 2019 and issued by 太原市小店區自然資源局, a portion of the property with a site area of 2.496 mu was proposed to be resumed.
8. Pursuant to a Land Use Rights Transfer Contract, dated 20 November 1997 and entered into between 山西工商專修學院 and 太原市南郊經濟技術開發公司, the land use rights of a portion of the property with a site area of 58.50 mu were transferred to 山西工商專修學院 at a consideration of RMB5,557,500.
9. Pursuant to two State-owned Land Use Rights Certificates, issued by 太原市人民政府, the land use rights of two parcels of land of the property with a total site area of approximately 59,266.60 sq. m. were allocated to 山西工商學院 for science and educational uses.

The details of the State-owned Land Use Rights Certificates are summarized below:

| <u>Certificate No.</u> | <u>Date of Issue</u> | <u>Land Use</u> | <u>Site Area</u> (sq. m.) |
|------------------------|----------------------|-------------------------|------------------------------|
| 並政地國用(2012)字第20318號 | 11 December 2012 | Science and educational | 56,944.80 |
| 並政地國用(2012)字第20319號 | 11 December 2012 | Science and educational | 2,321.80 |
| | | Total | 59,266.60 |

10. As per Note 9 and 16, three parcels of land of the property with a total site area of approximately 98,261.11 sq. m. are allocated in nature, of which the transferability is restricted. In the course of our valuation, we have attributed no commercial value to the three parcels of land. The reference value of the three parcels of land, assuming that they are granted in nature and they can be freely transferred, as at the Valuation Date was circa RMB69,000,000.
11. As advised by the Group, the remaining parcel of land of the property with a site area of approximately 88,763.51 sq. m. is yet to be granted with a proper title certificate of land use rights. In the course of our valuation, we have attributed no commercial value to the remaining parcel of land. The reference value of the remaining parcel of land, assuming that it has been granted with a proper title certificate of land use rights and it can be freely transferred, as at the Valuation Date was circa RMB36,990,000.

APPENDIX III

PROPERTY VALUATION REPORT

12. Pursuant to three Construction Land Use Planning Permits, issued by 太原市南郊區城鄉建設局 and 太原市城鄉規劃局, the proposed land use of a portion of the property was approved.

The details of the Construction Land Use Planning Permits are summarized below:

| <u>Permit No.</u> | <u>Date of Issue</u> | <u>Development</u> | <u>Site Area</u> (sq. m.) |
|-------------------|----------------------|-------------------------|------------------------------|
| 南規選編號(97)第40號 | 1 December 1997 | Academic | 26,666.80 |
| 南規選編號(97)第41號 | 1 December 1997 | Dormitory | 12,333.40 |
| 並規許字[2010]第0165號 | 28 December 2010 | Science and educational | 61,078.86 |
| Total: | | | 100,079.06 |

13. Pursuant to 22 Construction Project Planning Permits, issued by 太原市規劃局小店分局 and 太原市城鄉規劃局, the proposed development of a portion of the property was approved.

The details of the Construction Project Planning Permits are summarized below:

| <u>Permit No.</u> | <u>Portion</u> | <u>Date of Issue</u> | <u>Proposed GFA</u> (sq. m.) |
|--------------------|---------------------------|----------------------|---------------------------------|
| 編號(99)並小店規建證第9號 | Academic Building | 12 May 1999 | 2,300.00 |
| 編號(1999)並小店規建證第96號 | Academic Building | 12 December 1999 | 7,050.00 |
| 編號(99)並小店規建證第97號 | Student Dormitory No. 1 | 20 December 1999 | 4,671.00 |
| 編號(99)並小店規建證第98號 | Student Dormitory No. 2 | 20 December 1999 | 1,487.00 |
| 編號(99)並小店規建證第99號 | Student Dormitory No. 3 | 20 December 1999 | 4,671.00 |
| 編號(99)並小店規建證第100號 | Canteen | 20 December 1999 | 5,519.00 |
| (2002)編號並小店規建證第27號 | Student Dormitory | 25 February 2003 | 6,447.00 |
| (2003)編號並小店規建證第18號 | Student Dormitory No. 5 | 25 July 2003 | 6,136.80 |
| (2003)編號並小店規建證第19號 | Student Dormitory No. 6 | 25 July 2003 | 10,859.89 |
| (2002)編號並小店規建證第26號 | Library | 25 July 2003 | 8,063.91 |
| (2002)編號並小店規建證第28號 | Academic Building No. 2 | 25 July 2003 | 4,756.56 |
| (2002)編號並小店規建證第29號 | Academic Building No. 3 | 25 July 2003 | 4,765.56 |
| 並規建證新字[2011]第0086號 | Student Dormitory No. 9 | 14 January 2011 | 7,543.00 |
| 並規建證新字[2011]第0087號 | Student Dormitory No. 10 | 14 January 2011 | 7,304.70 |
| 並規建證新字[2011]第0089號 | Student Dormitory No. 11 | 14 January 2011 | 7,537.40 |
| 並規建證新字[2011]第0079號 | Training Centre | 15 April 2011 | 7,288.47 |
| 並規建證新字[2011]第0080號 | Training Centre | 15 April 2011 | 10,500.00 |
| 並規建證新字[2011]第0081號 | Laboratory Building No. 1 | 15 April 2011 | 6,970.30 |
| 並規建證新字[2011]第0082號 | Laboratory Building No. 2 | 15 April 2011 | 6,970.30 |
| 並規建證新字[2011]第0083號 | Academic Building No. 4 | 15 April 2011 | 13,709.93 |
| 並規建證新字[2011]第0084號 | Student Dormitory No. 7 | 15 April 2011 | 7,593.67 |
| 並規建證新字[2011]第0085號 | Student Dormitory No. 8 | 15 April 2011 | 7,593.67 |
| Total: | | | 149,739.16 |

APPENDIX III

PROPERTY VALUATION REPORT

14. Pursuant to three Construction Project Work Commencement Permits, issued by 太原市小店區建設管理局 and 太原市住房和城鄉建設委員會, the construction of the proposed development of a portion of the property was approved to commence.

Details of the Construction Project Work Commencement Permits are listed as follows:

| <u>Permit No.</u> | <u>Portion</u> | <u>Date of Issue</u> | <u>Proposed GFA</u> (sq. m.) |
|--------------------|--|----------------------|---------------------------------|
| 並建施字2003-41號 | Library, Academic Building Nos. 2-3 | 29 July 2003 | 16,314.28 |
| 並建施字2003-42號 | Academic Building Nos. 5-6 | 29 July 2003 | 17,023.70 |
| 140103201112280201 | Academic Building Nos. 9, 10-11 | 8 March 2012 | 22,385.10 |
| | Total: | | 55,723.08 |

15. Pursuant to five Construction Project Work Completion Certificates, issued by 太原市小店區建設工程質量監督站, the completion of construction of a portion of the property was certified.

Details of the Construction Project Work Completion Certificates are listed as follows:

| <u>Permit No.</u> | <u>Portion</u> | <u>Date of Issue</u> | <u>GFA</u> (sq. m.) |
|-------------------|-------------------------|----------------------|------------------------|
| 000106 | Library | 25 February 2004 | 8,015.50 |
| 000107 | Student Dormitory No. 5 | 25 February 2004 | 4,765.56 |
| 000108 | Student Dormitory No. 6 | 25 February 2004 | 4,765.56 |
| 000109 | Academic Building No. 5 | 25 February 2004 | 6,805.92 |
| 000110 | Academic Building No. 6 | 25 February 2004 | 10,901.84 |
| | Total: | | 35,254.38 |

16. Pursuant to 44 Real Estate Title Certificates issued by 太原市規劃和自然資源局, the land use rights of the portion of the property with a site area of 38,994.51 sq. m. and the building ownership rights of 11 buildings, including three academic buildings, a canteen cum entertainment and sports hall, a library and six student dormitories of the property with a total GFA of 67,094.63 sq. m. were legally vested in 山西工商學院. The land use rights were allocated for science and educational uses.

Details of the Real Estate Title Certificates are listed as follows:

| <u>Certificate No.</u> | <u>Date of Issue</u> | <u>Portion</u> | <u>GFA</u> (sq. m.) | <u>Shared Site Area</u> (sq. m.) |
|-------------------------|----------------------|-------------------------|------------------------|-------------------------------------|
| 晉(2020)太原市不動產權第0097374號 | 31 August 2020 | Academic Building No. 1 | 9,086.43 | 38,994.51 |
| 晉(2020)太原市不動產權第0097375號 | 31 August 2020 | Level 1, Canteen | 1,821.06 | 38,994.51 |
| 晉(2020)太原市不動產權第0097376號 | 31 August 2020 | Level 2, Canteen | 1,876.24 | 38,994.51 |
| 晉(2020)太原市不動產權第0097377號 | 31 August 2020 | Level 3, Sports Hall | 1,876.24 | 38,994.51 |
| 晉(2020)太原市不動產權第0097378號 | 31 August 2020 | Student Dormitory No. 1 | 4,671.24 | 38,994.51 |

APPENDIX III

PROPERTY VALUATION REPORT

| <u>Certificate No.</u> | <u>Date of Issue</u> | <u>Portion</u> | <u>GFA</u> <i>(sq. m.)</i> | <u>Shared Site Area</u> <i>(sq. m.)</i> |
|-------------------------|----------------------|---|-------------------------------|--|
| 晉(2020)太原市不動產權第0097379號 | 31 August 2020 | Student Dormitory No. 2 | 1,239.50 | 38,994.51 |
| 晉(2020)太原市不動產權第0097380號 | 31 August 2020 | Student Dormitory No. 3 | 4,671.24 | 38,994.51 |
| 晉(2020)太原市不動產權第0097381號 | 31 August 2020 | Level 1, Student Dormitory No. 4 | 918.83 | 38,994.51 |
| 晉(2020)太原市不動產權第0097382號 | 31 August 2020 | Level 2, Student Dormitory No. 4 | 1,132.85 | 38,994.51 |
| 晉(2020)太原市不動產權第0097383號 | 31 August 2020 | Level 3, Student Dormitory No. 4 | 1,132.85 | 38,994.51 |
| 晉(2020)太原市不動產權第0097384號 | 31 August 2020 | Level 4, Student Dormitory No. 4 | 1,132.85 | 38,994.51 |
| 晉(2020)太原市不動產權第0097385號 | 31 August 2020 | Level 5, Student Dormitory No. 4 | 1,132.85 | 38,994.51 |
| 晉(2020)太原市不動產權第0097386號 | 31 August 2020 | Level 6, Student Dormitory No. 4 | 1,132.85 | 38,994.51 |
| 晉(2020)太原市不動產權第0097391號 | 31 August 2020 | Level 1, Academic Building No. 2 | 882.10 | 38,994.51 |
| 晉(2020)太原市不動產權第0097387號 | 31 August 2020 | Level 2, Academic Building No. 2 | 896.26 | 38,994.51 |
| 晉(2020)太原市不動產權第0097388號 | 31 August 2020 | Level 3, Academic Building No. 2 | 896.26 | 38,994.51 |
| 晉(2020)太原市不動產權第0097389號 | 31 August 2020 | Level 4, Academic Building No. 2 | 896.26 | 38,994.51 |
| 晉(2020)太原市不動產權第0097390號 | 31 August 2020 | Level 5, Academic Building No. 2 | 896.26 | 38,994.51 |
| 晉(2020)太原市不動產權第0097392號 | 31 August 2020 | Level 6, Academic Building No. 2 | 514.10 | 38,994.51 |
| 晉(2020)太原市不動產權第0097393號 | 31 August 2020 | Level 1, Academic Building No. 3 | 882.10 | 38,994.51 |
| 晉(2020)太原市不動產權第0097394號 | 31 August 2020 | Level 2, Academic Building No. 3 | 896.26 | 38,994.51 |
| 晉(2020)太原市不動產權第0097395號 | 31 August 2020 | Level 3, Academic Building No. 3 | 896.26 | 38,994.51 |
| 晉(2020)太原市不動產權第0097396號 | 31 August 2020 | Level 4, Academic Building No. 3 | 896.26 | 38,994.51 |
| 晉(2020)太原市不動產權第0097397號 | 31 August 2020 | Level 5, Academic Building No. 3 | 896.26 | 38,994.51 |
| 晉(2020)太原市不動產權第0097398號 | 31 August 2020 | Level 6, Academic Building No. 3 | 514.10 | 38,994.51 |
| 晉(2020)太原市不動產權第0097404號 | 31 August 2020 | Basement Level, Student Dormitory No. 5 | 731.37 | 38,994.51 |
| 晉(2020)太原市不動產權第0097405號 | 31 August 2020 | Level 1, Student Dormitory No. 5 | 877.16 | 38,994.51 |
| 晉(2020)太原市不動產權第0097399號 | 31 August 2020 | Level 2, Student Dormitory No. 5 | 911.81 | 38,994.51 |
| 晉(2020)太原市不動產權第0097400號 | 31 August 2020 | Level 3, Student Dormitory No. 5 | 911.81 | 38,994.51 |
| 晉(2020)太原市不動產權第0097401號 | 31 August 2020 | Level 4, Student Dormitory No. 5 | 911.81 | 38,994.51 |
| 晉(2020)太原市不動產權第0097402號 | 31 August 2020 | Level 5, Student Dormitory No. 5 | 911.81 | 38,994.51 |
| 晉(2020)太原市不動產權第0097403號 | 31 August 2020 | Level 6, Student Dormitory No. 5 | 911.81 | 38,994.51 |

APPENDIX III

PROPERTY VALUATION REPORT

| <u>Certificate No.</u> | <u>Date of Issue</u> | <u>Portion</u> | <u>GFA</u> <i>(sq. m.)</i> | <u>Shared Site Area</u> <i>(sq. m.)</i> |
|-------------------------|----------------------|---|-------------------------------|--|
| 晉(2020)太原市不動產權第0097411號 | 31 August 2020 | Basement Level, Student Dormitory No. 6 | 1,349.34 | 38,994.51 |
| 晉(2020)太原市不動產權第0097412號 | 31 August 2020 | Level 1, Student Dormitory No. 6 | 1,486.66 | 38,994.51 |
| 晉(2020)太原市不動產權第0097406號 | 31 August 2020 | Level 2, Student Dormitory No. 6 | 1,610.82 | 38,994.51 |
| 晉(2020)太原市不動產權第0097407號 | 31 August 2020 | Level 3, Student Dormitory No. 6 | 1,610.82 | 38,994.51 |
| 晉(2020)太原市不動產權第0097408號 | 31 August 2020 | Level 4, Student Dormitory No. 6 | 1,610.82 | 38,994.51 |
| 晉(2020)太原市不動產權第0097409號 | 31 August 2020 | Level 5, Student Dormitory No. 6 | 1,610.82 | 38,994.51 |
| 晉(2020)太原市不動產權第0097410號 | 31 August 2020 | Level 6, Student Dormitory No. 6 | 1,610.82 | 38,994.51 |
| 晉(2020)太原市不動產權第0097413號 | 31 August 2020 | Basement, Library | 1,634.73 | 38,994.51 |
| 晉(2020)太原市不動產權第0097414號 | 31 August 2020 | Level 1, Library | 1,629.29 | 38,994.51 |
| 晉(2020)太原市不動產權第0097415號 | 31 August 2020 | Level 2, Library | 1,398.51 | 38,994.51 |
| 晉(2020)太原市不動產權第0097416號 | 31 August 2020 | Level 3, Library | 1,382.20 | 38,994.51 |
| 晉(2020)太原市不動產權第0097417號 | 31 August 2020 | Levels 4 & 5, Library | 2,204.71 | 38,994.51 |
| | | | 67,094.63 | 38,994.51 |

17. Pursuant to eight Building Ownership Certificates, issued by 太原市房地產管理局, the building ownership rights of eight buildings, including an academic buildings, an administration building, two laboratory buildings, a staff dormitory, two student dormitories and a training centre of the property with a total GFA of approximately 66,308.00 sq. m. were legally vested in 山西工商學院.

The details of the Building Ownership Certificates are summarized below:

| Building Ownership | | | |
|---------------------------|--------------------------|----------------------|-------------------------------|
| <u>Certificate No.</u> | <u>Portion</u> | <u>Date of Issue</u> | <u>GFA</u> <i>(sq. m.)</i> |
| 晉房權證並字第D201100754號 | Academic Building No. 4 | 16 January 2011 | 13,414.49 |
| 晉房權證並字第D201100755號 | Administration Building | 16 January 2011 | 7,339.07 |
| 晉房權證並字第D201100756號 | Laboratory Building East | 16 January 2011 | 6,802.62 |
| 晉房權證並字第D201100757號 | Student Dormitory No. 7 | 16 January 2011 | 7,569.20 |
| 晉房權證並字第D201100758號 | Student Dormitory No. 8 | 16 January 2011 | 7,569.20 |
| 晉房權證並字第D201100759號 | Staff Dormitory | 16 January 2011 | 6,642.92 |
| 晉房權證並字第D201100760號 | Laboratory Building West | 16 January 2011 | 6,802.62 |
| 晉房權證並字第D201100761號 | Training Centre | 16 January 2011 | 10,167.88 |
| | | Total | 66,308.00 |

APPENDIX III

PROPERTY VALUATION REPORT

18. As advised by the Group, 33 buildings of the property with a total GFA of approximately 67,260.12 sq. m., including four academic buildings, two ancillary buildings, four ancillary retail units, a bathroom, a boiler, a bungalow, a canteen, three guard houses, an innovation centre, a staff child care centre, a pavilion, a school clinic, a sport centre, five student dormitories, a student services centre, a repairing workshop, three training centres and a water pump room, are yet to be granted with proper title certificates of building ownership rights. In the course of our valuation, we have attributed no commercial value to the 33 buildings. The reference value of the 33 buildings, assuming that they have been granted with proper title certificates of building ownership rights and they can be freely transferred, as at the Valuation Date was circa RMB163,000,000.

19. Pursuant to a Construction Project Site Selection Proposal, 並規選字(2010)第0150號 dated 31 October 2010 and issued by 太原市城鄉規劃局, the proposed development of a portion of the property was approved.

The salient conditions of the Construction Project Site Selection Proposal are summarized below:

| | | |
|--------------------------|---|-------------------|
| Project Name | : | 山西工商職業學院東校區建設工程 |
| Site Area | : | 136,945.00 sq. m. |
| Maximum Plot Ratio | : | 2.0 |
| Maximum Building Density | : | 25% |
| Maximum Greenery Ratio | : | 40% |
| Usage | : | Educational |

20. The general description and market information of the property are summarized below:

| | | |
|----------------------------|---|---|
| Location | : | The property is located at No. 99 Wucheng South Road, Xiaodian District, Taiyuan, Shanxi Province, The PRC. |
| Transportation | : | Taiyuan Wusu International Airport, Taiyuan South Railway Station and Taiyuan Railway Station are located approximately 7.2 kilometres, 4.8 kilometres and 13.9 kilometres away from the property respectively. |
| Nature of Surrounding Area | : | The area is predominately a residential area in Xiaodian District. |

21. We have been provided with a legal opinion regarding the property by Commerce & Finance Law Offices, which contains, inter alia, the following:

- (a) 山西工商學院 has obtained the land use rights and the relevant certificates for the land as stated at Note 9 and 16, and can occupy and use the land in accordance with laws and the planned uses;
- (b) 山西工商學院 has obtained the building ownership rights and the relevant certificates of the buildings as stated at Note 16 and Note 17, and can occupy and use the buildings in accordance with laws and the planned uses;
- (c) In accordance with laws, the facilities of charitable and non-profit-making corporations, including schools cannot be mortgaged, and therefore the land use rights and building ownership rights of the property are not subject to a mortgage.

APPENDIX III

PROPERTY VALUATION REPORT

VALUATION CERTIFICATE

| No. | Property | Description and Tenure | Occupancy Particulars | Market Value as at 31 March 2021 |
|------------|--|---|--|---|
| 2 | Shanxi Technology And Business College Beige Campus Located at Beige Village North Road, Beige Village, Xiaodian District, Taiyuan, Shanxi Province, The PRC | <p>The property comprises 29 buildings and various ancillary structures erected on three parcels of land with a total site area of approximately 294,479.77 sq. m. which were completed in various stage between 2014 and 2020.</p> <p>As per information provided by the Group, the buildings have a total GFA of approximately 176,892.99 sq. m., including two academic buildings, an administration building, an ancillary building, two ancillary retail units, a bathroom, a boiler, a canteen, a fire pump room, three laboratory buildings, a physical training centre, a pump room, two staff dormitories, nine student dormitories, a technology building, a pioneer park and a workshop. The structures mainly include boundary walls and roads.</p> <p>The land use rights of a parcel of land of the property with a site area of approximately 258,439.44 sq. m. were allocated to 山西工商學院 for science and educational uses.</p> | As per our on-site inspection and the information provided by the Group, the property is currently occupied by the Group for educational purposes. | <p>No commercial value</p> <p>100% Interest to be Attributable to the Group:</p> <p>No commercial value</p> |

Notes:

1. The property was inspected by Noah Liu *Probationer of RICS* on 18 May 2020.
 2. The valuation and this certificate were prepared by Vincent Cheung *FRICS MHKIS RPS(GP) MCIREA MHKSI MISC MHIREA RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC* and Kit Cheung *MRICS MHKIS RPS(GP) MCIREA RICS Registered Valuer Registered Real Estate Appraiser PRC*.
 3. Pursuant to a Land Compensation Agreement, dated 18 June 2009 and entered into between 山西工商職業學院 and 太原市小店區北格鎮北格村村委會, the land use rights of a portion of the property with a site area of 404.66 mu were transferred to 山西工商職業學院 at a consideration of RMB33,182,120.
 4. Pursuant to a Land Compensation Contract, dated 18 June 2009 and entered into between 山西工商職業學院 and 太原市小店區北格鎮北格村村委會, the land use rights of the Property with a site area of 17.10 mu were transferred to 山西工商職業學院 at a consideration of RMB2,752,500.
 5. Pursuant to a Land Compensation Contract Transfer Contract, dated 20 May 2011 and entered into between 山西工商職業學院 and 太原市小店區教育局, the land use rights of a portion of the property with a site area of 43.96 mu were transferred to 山西工商職業學院 at a consideration of RMB6,187,433.
- Pursuant to a Project Compensation Agreement of Xiaohu Industrial Zone of Xiaodian District, dated 23 August 2018 between 山西工商學院 and 北格鎮人民政府, 北格鎮人民政府 resumed 7.00 mu of the portion of the property with the site area of 43.96 mu at a consideration of RMB964,887.

APPENDIX III

PROPERTY VALUATION REPORT

6. Pursuant to a State-owned Land Use Rights Certificate, 並政地國用(2013)字第20190號 dated 18 October 2013 and issued by 太原市人民政府, the land use rights of a parcel of land of the property with a site area of approximately 258,439.44 sq. m. were allocated to 山西工商學院 for science and educational uses.
7. As per Note 6, a parcel of land of the property with a site area of approximately 258,439.44 sq. m. is allocated in nature, of which the transferability is restricted. In the course of our valuation, we have attributed no commercial value to the parcel of land. The reference value of the parcel of land, assuming that it is granted in nature and it can be freely transferred, as at the Valuation Date was circa RMB169,000,000.
8. As advised by the Group, the remaining two parcels of land of the property with a total site area of approximately 36,040.33 sq. m. are yet to be granted with proper title certificates of land use rights. In the course of our valuation, we have attributed no commercial value to the two parcels of land. The reference value of the two parcels of land, assuming that they have been granted with proper title certificates of land use rights and they can be freely transferred, as at the Valuation Date was circa RMB11,900,000.
9. As advised by the Group, 29 buildings of the property with a total GFA of approximately 176,892.99 sq. m., including two academic buildings, an administration building, an ancillary building, two ancillary retail units, a bathroom, a boiler, a canteen, a fire pump room, three laboratory buildings, a physical training centre, a pump room, two staff dormitories, nine student dormitories, a technology building, a pioneer park and a workshop, are yet to be granted with proper title certificates of building ownership rights. In the course of our valuation, we have attributed no commercial value to the 29 buildings. The reference value of the 29 buildings, assuming that they have been granted with proper title certificates of building ownership rights and they can be freely transferred, as at the Valuation Date was circa RMB483,000,000.
10. Pursuant to a Construction Land Use Planning Permit, 並規許字(2012)第0071號 dated 13 February 2012 and issued by 太原市城鄉規劃局, the proposed land use of a portion of the property with a site area of approximately 270,304.84 sq. m. was approved.
11. Pursuant to 11 Construction Project Planning Permits, issued by 太原市城鄉規劃局 and 太原市城鄉規劃局山西轉型綜合改革示範區分局, the proposed development of a portion of the property was approved.

Details of the Construction Project Planning Permits are listed as follows:

| Permit No. | Portion | Date of Issue | Proposed GFA (sq. m.) |
|---|--------------------------------------|-------------------|--------------------------|
| 並規建證新字[2016]第0446號 | Academic Building No. 1 | 19 September 2015 | 40,588.40 |
| 並規建證新字[2016]第0447號 | Student Dormitory Nos. 5-6 | 19 September 2015 | 17,177.13 |
| 並規建證新字[2016]第0448號 | Student Dormitory No. 18, South Zone | 19 September 2015 | 3,945.21 |
| 並規建證新字[2016]第0449號 | Student Dormitory Nos. 9-10 | 19 September 2015 | 17,177.13 |
| 並規建證新字[2016]第0450號 | Student Dormitory Nos. 11-12 | 19 September 2015 | 15,910.32 |
| 並規建證新字[2016]第0451號 | Canteen, Multi-purposes | 19 September 2015 | 13,235.62 |
| 並規建證新字[2016]第0452號 | Laboratory Building No. 21 | 15 April 2016 | 8,183.44 |
| 並規建證新字[2016]第0453號 | Technology Building No. 20 | 15 April 2016 | 9,454.25 |
| 並規建證新字[2017]第1023號 | Student Dormitory No. 19 | 6 September 2017 | 4,249.88 |
| 並規建證新字[2017]第1074號 | Student Dormitory Nos. 7-8 | 25 October 2017 | 17,177.13 |
| 建字140105201839005號、 並規綜示建字[2018]第0005號 | Student Dormitory Nos. 3-4 | 5 February 2018 | 17,177.13 |
| Total: | | | 164,275.64 |

APPENDIX III

PROPERTY VALUATION REPORT

12. Pursuant to 10 Construction Project Work Commencement Permits, issued by 太原市住房和城鄉建設委員會, the construction of the proposed development of a portion of the property was approved to commence.

Details of the Construction Project Work Commencement Permits are listed as follows:

| <u>Permit No.</u> | <u>Portion</u> | <u>Date of Issue</u> | <u>Proposed GFA</u> <i>(sq. m.)</i> |
|--------------------|---|----------------------|--|
| 140103201611021201 | Technology Building No. 20 | 2 November 2016 | 9,454.25 |
| 140103201611021301 | Laboratory Building No. 21 | 2 November 2016 | 8,183.44 |
| 140103201612140101 | Academic Building No. 1 | 14 December 2016 | 40,588.40 |
| 140103201612140201 | Student Dormitory No. 18, South Zone | 14 December 2016 | 3,945.21 |
| 140103201612140301 | Student Dormitory Nos. 5-6 | 14 December 2016 | 17,177.13 |
| 140103201612140401 | Student Dormitory Nos. 9-10 | 14 December 2016 | 17,177.13 |
| 140103201612140501 | Student Dormitory Nos. 11-12 | 14 December 2016 | 15,910.32 |
| 140103201612140601 | Canteen | 14 December 2016 | 13,235.62 |
| 140103201807310101 | Student Dormitory Nos. 7-8 | 31 July 2018 | 17,177.13 |
| 140103201807310201 | Student Dormitory No. 19 | 31 July 2018 | 4,249.88 |
| Total: | | | 129,921.38 |

13. Pursuant to a Construction Project Selection Proposal, 並規選字(2012)第0055號 dated 2 July 2012 and issued by 太原市城鄉規劃局, the proposed development of a portion of the property was approved.

The salient conditions of the Construction Project Site Selection Proposal are summarized below:

| | | |
|------------------|---|-------------------|
| Project Name | : | 山西工商學院南校區建設 |
| Site Area | : | 331,095.73 sq. m. |
| Plot Ratio | : | Not more than 1.1 |
| Building Density | : | Not more than 25% |
| Greenery Ratio | : | Not less than 35% |
| Usage | : | Educational |

14. The general description and market information of the property are summarized below:

| | | |
|----------------------------|---|---|
| Location | : | The property is located at Beige Village North Road, Beige Village, Xiaodian District, Taiyuan, Shanxi Province, The PRC. |
| Transportation | : | Taiyuan Wusu International Airport, Taiyuan South Railway Station and Taiyuan Railway Station are located approximately 23.6 kilometres, 23.8 kilometres and 26.2 kilometres away from the property respectively. |
| Nature of Surrounding Area | : | The area is predominately a residential area in Xiaodian District. |

15. We have been provided with a legal opinion regarding the property by Commerce & Finance Law Offices, which contains, inter alia, the following:

- (a) 山西工商學院 has obtained the land use rights and the relevant certificates of the land as stated at Note 6, and can occupy and use the land in accordance with laws and the planned uses;
- (b) In accordance with laws, the facilities of charitable and non-profit-making corporations, including schools cannot be mortgaged, and therefore the land use rights of the property are not subject to a mortgage.