

The following is the text of a letter, summary of valuations and valuation certificates prepared for the purpose of incorporation in this document received from Cushman & Wakefield Limited, an independent property valuer, in connection with its opinion of value of the property interests of China Education Group Holdings Limited as at 30 September 2017.



16/F
Jardine House
1 Connaught Place
Central
Hong Kong

5 December 2017

The Directors
China Education Group Holdings Limited
Jiangxi University of Technology
No. 115 Ziyang Avenue
Qingshanhu District
Nanchang
Jiangxi Province
the PRC

Dear Sirs,

INSTRUCTIONS, PURPOSE & VALUATION DATE

In accordance with your instructions for us to value the property interests of China Education Group Holdings Limited (referred to as the “Company”) and its subsidiaries (together referred to as the “Group”) in the People’s Republic of China (the “PRC”) (as more particularly described in the attached valuation certificates), we confirm that we have inspected the properties, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the values of such property interests as at 30 September 2017.

DEFINITION OF MARKET VALUE

Our valuations of each of the properties represent its Market Value. The definition of Market Value adopted in The HKIS Valuation Standards 2012 Edition follows the International Valuation Standards published by the International Valuation Standards Council (“IVSC”). Market Value is defined by the IVSC 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”.

VALUATION BASIS AND ASSUMPTIONS

In valuing the properties, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules governing the Listing of Securities published by The Stock Exchange of the Hong Kong Limited, and The HKIS Valuation Standards 2012 Edition published by the Hong Kong Institute of Surveyors.

Our valuations exclude an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

In the course of our valuation of the properties in the PRC, we have assumed that, unless otherwise stated, the transferable land use rights of the properties for their respective terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid. We have relied on the information and advice given by the Company and its legal adviser, Commerce & Finance Law Offices (通商律師事務所) regarding the title to each of the properties and the interests of the Group in the properties. In valuing the properties, we have assumed that the Group has an enforceable title to each of the properties and has free and uninterrupted rights to use, occupy or assign the properties for the whole of the respective unexpired land use term as granted.

In respect of the properties situated in the PRC, the status of titles and grant of major certificates, approvals and licences, in accordance with the information provided by the Group are set out in the notes of the respective valuation certificates.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the properties nor for any expenses 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 values.

METHOD OF VALUATION

In valuing properties in Group I, which are owned by the Group in the PRC, we have used Depreciated Replacement Costs (“DRC”) Approach, which requires a valuation of the market value of the land in its existing use and an estimate of the new replacement cost of the buildings and structures, from which deductions are made to allow for the age, condition and functional obsolescence. The reported market value by Depreciated Replacement Cost Approach only applies to the whole of the property as a unique interest, and no piecemeal transaction of the property is assumed. The market value is subject to adequate potential profitability of the business from the use of the property as a whole.

In valuing properties in Group II and III, which are held by the Group under development and for future development respectively in the PRC, we have valued them on the basis that they will be developed and completed in accordance with the latest development proposals provided to us by the Group (if any). We have assumed that all consents, approvals and licences from relevant government authorities for the development proposals have been or will be obtained without onerous conditions or delays. We have also assumed that the design and construction of the developments are in compliance with the local planning and other relevant regulations and have been or will be approved by the relevant authorities. In arriving at our valuations, we have adopted the Direct Comparison Approach by making reference to comparable sales evidence as available in the relevant market and have also taken into account the expended construction costs as well as the costs that will be expended to complete the developments. The “estimated Market Value as if completed” represents our opinion of the aggregate selling prices of the development assuming that it was completed as at the Valuation Date.

In valuing the properties in Group IV, which are leased and occupied by the Group in the PRC, we consider that the properties have no commercial value due mainly to the prohibition against assignment and subletting or otherwise to the lack of substantial profit rents.

SOURCES OF INFORMATION

We have been provided by the Group with extracts of documents in relation to the titles to the properties. However, we have not inspected the original documents to ascertain any amendments which may not appear on the copies handed to us.

In the course of our valuation, we have relied to a very considerable extent on the information given to us by the Group and its legal adviser, Commerce & Finance Law Offices (通商律師事務所) regarding the title to each of the properties and the interests of the Group in the properties. We have accepted advice given by the Group on such matters as planning approvals or statutory notices, easements, tenure, identification of land and buildings, completion date of buildings, particulars of occupancy, site and floor areas, interest attributable to the Group and all other relevant matters.

Dimensions, measurements and areas included in the valuation certificates are based on information provided to us and are therefore only approximations. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuations. We were also advised by the Group that no material facts have been omitted from the information provided.

TITLE INVESTIGATION

We have been provided with extracts of documents relating to the titles of the properties in the PRC, but no searches have been made in respect of the properties. We have not searched the original documents to verify ownership or to ascertain any amendment which may not appear on the copies handed to us. We are also unable to ascertain the title of the properties in the PRC and we have therefore relied on the advice given by the Group regarding the Group's interests in the PRC properties.

SITE INSPECTION

Our valuer, Mr. Victor Li, inspected the exterior and, whenever possible, the interior of the properties in June 2017. Mr. Victor Li has about 3 years' experience in property valuation in the PRC. However, we have not carried out investigation on site to determine the suitability of the soil conditions and the services etc. for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary costs or delays will be incurred during the construction period. No structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report that the properties are free of rot, infestation or any other structural defects. No tests were carried out to any of the services. Unless otherwise stated, we have not been able to carry out on-site measurements to verify the site and floor areas of the properties and we have assumed that the area shown on the documents handed to us are correct.

CURRENCY

Unless otherwise stated, all sums stated in our valuations are in Renminbi, the official currency of the PRC.

We enclose herewith a summary of our valuations and our valuation certificates.

Yours faithfully,
for and on behalf of
Cushman & Wakefield Limited
Andrew K.F. Chan
Registered Professional Surveyor (General Practice)
Registered China Real Estate Appraiser
MSc., M.R.I.C.S., M.H.K.I.S.
Regional Director
Greater China
Valuation & Advisory Services

Note: Mr. Andrew K. F. Chan is a Registered Professional Surveyor who has over 29 years of experience in the valuation of properties in the PRC.

SUMMARY OF VALUATIONS

Group I – Properties owned by the Group in the PRC

Property	Market value in existing state as at 30 September 2017 <i>(RMB)</i>	Interest attributable to the Group <i>(%)</i>	Market value in existing state attributable to the Group as at 30 September 2017 <i>(RMB)</i>
1. The campus of Jiangxi University of Technology, No. 115 Ziyang Avenue, Nanchang County, Nanchang, Jiangxi Province, the PRC 中國江西省南昌市南昌縣 紫陽大道115號 江西科技學院校園	No commercial value	100	No commercial value
2. The campus of Jiangxi University of Technology, Jingdong Avenue, Qingshanhu District, Nanchang, Jiangxi Province, the PRC 中國江西省南昌市青山湖區 京東大道江西科技學院校園	No commercial value	100	No commercial value
3. The campus of Jiangxi University of Technology, No. 320 National Highway, Nan'an Villager's Committee, Qianling Town, Jinxian County, Nanchang, Jiangxi Province, the PRC 中國江西省南昌市進賢縣 泉嶺鄉320國道南岸村委會 江西科技學院校園	52,470,000	100	52,470,000

<u>Property</u>	<u>Market value in existing state as at 30 September 2017</u>	<u>Interest attributable to the Group</u>	<u>Market value in existing state attributable to the Group as at 30 September 2017</u>
	<i>(RMB)</i>	<i>(%)</i>	<i>(RMB)</i>
<p>4. The campus of Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區 江高鎮學苑路 廣東白雲學院校園</p>	No commercial value	100	No commercial value
<p>5. The group of 6-dormitories building in District A of Zhujiang Dormitories of Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區 江高鎮學苑路 廣東白雲學院 珠江公寓A區 6棟宿舍樓</p>	No commercial value	100	No commercial value

<u>Property</u>	<u>Market value in existing state as at 30 September 2017</u>	<u>Interest attributable to the Group</u>	<u>Market value in existing state attributable to the Group as at 30 September 2017</u>
	(RMB)	(%)	(RMB)
6. A parcel of land and 4 dormitory buildings of Huadu Xincheng of Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區 江高鎮學苑路廣東白雲學院 華都新城土地及4棟宿舍樓	No commercial value	100	No commercial value
7. The campus of Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區 江高鎮大田南路13號 廣州白雲工商高級技工 學校校園	No commercial value	100	No commercial value
Sub-total of Group I:	<u>52,470,000</u>		<u>52,470,000</u>

SUMMARY OF VALUATIONS

Group II – Property held by the Group under development in the PRC

Property	Market value in existing state as at 30 September 2017 <i>(RMB)</i>	Interest attributable to the Group <i>(%)</i>	Market value in existing state attributable to the Group as at 30 September 2017 <i>(RMB)</i>
8. The under construction development for Phase I of North Campus of Guangdong Baiyun University, Dengtang Village, Zhongluotan Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區鐘落潭鎮登塘村 廣東白雲學院北校區校園首期在建工程	No commercial value	100	No commercial value
Sub-total of Group II:	No commercial value		No commercial value

SUMMARY OF VALUATIONS

Group III – Property held by the Group for future development in the PRC

Property	Market value in existing state as at 30 September 2017 <i>(RMB)</i>	Interest attributable to the Group <i>(%)</i>	Market value in existing state attributable to the Group as at 30 September 2017 <i>(RMB)</i>
9. Development site for Phase II of North Campus of Guangdong Baiyun University, Dengtang Village, Zhongluotan Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區 鐘落潭鎮登塘村 廣東白雲學院北校區校園 二期待建土地	No commercial value	100	No commercial value
Sub-total of Group III:	No commercial value		No commercial value

SUMMARY OF VALUATIONS

Group IV – Properties leased and occupied by the Group in the PRC

<u>Property</u>	<u>Market value in existing state as at 30 September 2017</u>	<u>Interest attributable to the Group</u>	<u>Market value in existing state attributable to the Group as at 30 September 2017</u>
	(RMB)	(%)	(RMB)
10. A basketball court leased for Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區 江高鎮學苑路 廣東白雲學院租賃學校 籃球場	No commercial value	100	No commercial value
11. A parcel of land and No. 11, 12 dormitory buildings leased for Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區 江高鎮學苑路 廣東白雲學院租賃一塊 土地和11號、12號宿舍樓	No commercial value	100	No commercial value

<u>Property</u>	<u>Market value in existing state as at 30 September 2017</u> (RMB)	<u>Interest attributable to the Group</u> (%)	<u>Market value in existing state attributable to the Group as at 30 September 2017</u> (RMB)
<p>12. A parcel of land and 6 dormitory buildings in District B of Zhujiang Dormitories leased for Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區 江高鎮學苑路 廣東白雲學院租賃珠江公寓 B區土地和6棟宿舍樓</p>	No commercial value	100	No commercial value
<p>13. A parcel of land and 4 buildings leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區 江高鎮大田南路13號 廣州白雲工商高級技工學校 租賃一塊土地和4棟樓</p>	No commercial value	100	No commercial value

<u>Property</u>	<u>Market value in existing state as at 30 September 2017</u> (RMB)	<u>Interest attributable to the Group</u> (%)	<u>Market value in existing state attributable to the Group as at 30 September 2017</u> (RMB)
<p>14. A parcel of land leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區 江高鎮大田南路13號 廣州白雲工商高級技工學校 租賃一塊土地</p>	No commercial value	100	No commercial value
<p>15. Block A student dormitory in District C of Zhujiang Dormitories leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區 江高鎮大田南路13號 廣州白雲工商高級技工學校 租賃珠江公寓C區學生公寓 A棟</p>	No commercial value	100	No commercial value

<u>Property</u>	<u>Market value in existing state as at 30 September 2017</u> <i>(RMB)</i>	<u>Interest attributable to the Group</u> <i>(%)</i>	<u>Market value in existing state attributable to the Group as at 30 September 2017</u> <i>(RMB)</i>
<p>16. Block B student dormitory in District C of Zhujiang Dormitories leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區 江高鎮大田南路13號 廣州白雲工商高級技工學校 租賃珠江公寓C區學生公寓 B棟</p>	No commercial value	100	No commercial value
<p>17. Block C student dormitory in District C of Zhujiang Dormitories leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區 江高鎮大田南路13號 廣州白雲工商高級技工學校 租賃珠江公寓C區學生公寓 C棟</p>	No commercial value	100	No commercial value

Property	Market value in existing state as at 30 September 2017 <i>(RMB)</i>	Interest attributable to the Group <i>(%)</i>	Market value in existing state attributable to the Group as at 30 September 2017 <i>(RMB)</i>
18. Unit Nos. 1, 2, 7 on Level 6 of Block No. 2 of Yangming International Centre, No. 18 New Ganzhou Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC 中國江西省贛州市章貢區 新贛州大道18號陽明國際 中心2號樓6層1、2、7號 單元	No commercial value	100	No commercial value
Sub-total of Group IV:	No commercial value		No commercial value
Grand total of Groups I to IV:	52,470,000		52,470,000

VALUATION CERTIFICATE

Group I – Properties owned by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017										
1. The campus of Jiangxi University of Technology, No. 115 Ziyang Avenue, Nanchang County, Nanchang, Jiangxi Province, the PRC 中國江西省南昌市南昌縣紫陽大道115號江西科技學院校園	<p>The property is a campus developed on three parcels of adjoining land with a total site area of approximately 1,132,612.30 sq m.</p> <p>Completed in the period between 2004 and 2016, the property comprises various teaching buildings, dormitories and related ancillary facilities. The property has a total gross floor area of approximately 520,265.26 sq m, in which 517,443.56 sq m with Real Estate Title Certificates and 2,821.70 sq m without Real Estate Title Certificates.</p> <p>The details of the gross floor area are as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Use</th> <th style="text-align: center;">Approximate gross floor area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Teaching Buildings</td> <td style="text-align: right;">168,654.31</td> </tr> <tr> <td>Dormitories</td> <td style="text-align: right;">270,844.51</td> </tr> <tr> <td>Ancillary facilities</td> <td style="text-align: right;">80,766.44</td> </tr> <tr> <td>Total:</td> <td style="text-align: right;">520,265.26</td> </tr> </tbody> </table>	Use	Approximate gross floor area (sq m)	Teaching Buildings	168,654.31	Dormitories	270,844.51	Ancillary facilities	80,766.44	Total:	520,265.26	As at the valuation date, the property was occupied by the Group as a campus.	No commercial value
Use	Approximate gross floor area (sq m)												
Teaching Buildings	168,654.31												
Dormitories	270,844.51												
Ancillary facilities	80,766.44												
Total:	520,265.26												
	<p>The property is held with allocated land use rights for education use.</p>												

Notes:

- (1) The land use rights of the property are allocated in nature and cannot be freely transferred. We have therefore ascribed no commercial value to the property.

For illustrative purpose, had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property for education use, the market value of the property as at the valuation date would be RMB1,371,080,000.

- (2) According to three State-owned Land Use Rights Certificates (Land Allocation) issued by 南昌市人民政府 (Nanchang People's Government) on 16 April 2012, the land use rights of the property with a total site area of approximately 1,132,612.30 sq m have been vested in 江西科技學院 (Jiangxi University of Technology) for education use with details as follows:—

No.	Certificate no.	Expiry date of land use term	Gross site area (sq m)
1	(2012) D016	n/a	796,214.50
2	(2012) D017	n/a	42,985.20
3	(2012) D018	n/a	293,412.60
Total:			1,132,612.30

- (3) According to 55 Real Estate Title Certificates (Land Allocation) issued by 南昌市住房保障和房產管理局 (Nanchang Housing Security and Management Bureau), the land use rights and building ownership of the property have been vested in 江西科技學院 (Jiangxi University of Technology) with details as follows:

No.	Certificate no.	Date of issue	Location in Jiangxi University of Technology	Gross floor area (sq m)
1	1458	11 May 2012	Teaching Building No. 1	20,071.41
2	1456	11 May 2012	Teaching Building No. 2	12,481.79
3	1452	11 May 2012	Teaching Building No. 3	6,493.59
4	1453	11 May 2012	Teaching Building No. 4	8,909.95
5	1459	11 May 2012	Teaching Building No. 5, 6, 7	4,836.15
6	1470	11 May 2012	Teaching Building No. 8	7,464.30
7	1471	11 May 2012	Teaching Building No. 9	7,547.13
8	1478	11 May 2012	Teaching Building No. 10	12,665.25
9	1641	3 April 2015	Teaching Building No. 11, 12, 13	21,191.34
10	1472	11 May 2012	Music Building	9,699.60
11	1473	11 May 2012	Fashion Building	5,154.97
12	1642	3 April 2015	Dancing Building	2,429.40
13	1434	11 May 2012	Practical Training Building No. 1	12,486.63
14	1445	11 May 2012	Practical Training Building No. 2	7,743.53
15	1433	11 May 2012	Practical Training Building No. 3	3,523.70
16	1474	11 May 2012	Practical Training Building No. 4	9,586.37
17	1469	11 May 2012	Automobile Practical Training Centre	10,303.79
18	1475	11 May 2012	Theatre	4,845.20
19	1477	11 May 2012	Gymnasium	9,580.46
20	1476	11 May 2012	Library	32,750.51
21	1447	11 May 2012	Administrative Building	6,705.84
22	1446	11 May 2012	Report Hall	2,531.62
23	1454	11 May 2012	Logistics Centre Building	4,358.46
24	1435	11 May 2012	Canteen No. 1	5,334.25
25	1448	11 May 2012	Canteen No. 2	3,574.37
26	1449	11 May 2012	Canteen No. 3	8,264.03
27	1436	11 May 2012	Student Dormitory No. 1	9,608.32
28	1441	11 May 2012	Student Dormitory No. 2	9,608.32
29	1437	11 May 2012	Student Dormitory No. 3	9,608.32
30	1455	11 May 2012	Student Dormitory No. 4	10,885.78
31	1438	11 May 2012	Student Dormitory No. 5	9,608.32
32	1439	11 May 2012	Student Dormitory No. 6	9,608.32
33	1440	11 May 2012	Student Dormitory No. 7	13,568.46
34	1442	11 May 2012	Student Dormitory No. 8	13,568.46
35	1443	11 May 2012	Student Dormitory No. 9	13,411.25
36	1444	11 May 2012	Student Dormitory No. 10	13,411.25

No.	Certificate no.	Date of issue	Location in Jiangxi University of Technology	Gross floor area (sq m)
37	1457	11 May 2012	Student Dormitory No. 11	9,838.36
38	1450	11 May 2012	Student Dormitory No. 12	9,608.32
39	1451	11 May 2012	Student Dormitory No. 13	9,608.32
40	1460	11 May 2012	Student Dormitory No. 14	10,992.84
41	1461	11 May 2012	Student Dormitory No. 15	10,396.62
42	1462	11 May 2012	Student Dormitory No. 16	10,396.62
43	1463	11 May 2012	Student Dormitory No. 17	9,441.33
44	1464	11 May 2012	Student Dormitory No. 18	9,441.33
45	1465	11 May 2012	Student Dormitory No. 19	9,441.33
46	1466	11 May 2012	Student Dormitory No. 20	10,896.21
47	1467	11 May 2012	Student Dormitory No. 21	9,752.28
48	1468	11 May 2012	Teacher Dormitory	6,248.33
49	1637	3 April 2015	Student Dormitory No. 23	6,023.91
50	1638	3 April 2015	Student Dormitory No. 24	6,259.48
51	1639	3 April 2015	Student Dormitory No. 25	6,649.52
52	1640	3 April 2015	Teacher Dormitory No. 26	11,839.08
53	(2017) 0064299	28 March 2017	Student Dormitory No. 27	5,007.28
54	(2017) 0064299	28 March 2017	Student Dormitory No. 28	6,116.55
55	1479	11 May 2012	Driving School Comprehensive Building	6,065.41
Total:				517,443.56

- (4) According to Registration Certificate of Private Non-enterprise Entities No. 52360000F376319566 issued by Civil Affairs Department of Jiangxi Province on 30 May 2016, 江西科技學院 (Jiangxi University of Technology) has been established as a private non-enterprise entity with a registered capital of RMB51,680,000 for a valid operation period from 30 May 2016 to 30 May 2021.
- (5) According to Private School Operating Licence No. 036011100000010 issued by the PRC Ministry of Education, 江西科技學院 (Jiangxi University of Technology) has been established as a general institute of higher education (undergraduate course) for a valid operation period from 2010 to 2018.
- (6) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:–
- (i) The State-owned Land Use Rights Certificates (Land Allocation) and Real Estate Title Certificates (Land Allocation) of the property are legal and valid under the PRC laws;
 - (ii) The land use rights and building ownership of the property have been vested in 江西科技學院 (Jiangxi University of Technology);
 - (iii) 江西科技學院 (Jiangxi University of Technology) is the legal land user of the property; and
 - (iv) 江西科技學院 (Jiangxi University of Technology) has the right to freely occupy and use the land use rights and building ownership of the property.
- (7) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:–

State-owned Land Use Rights Certificates (Land Allocation)	Yes
Real Estate Title Certificates (Land Allocation)	Yes
Registration Certificate of Private Non-enterprise Entities	Yes
Private School Operating Licence	Yes

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017												
2. The campus of Jiangxi University of Technology, Jingdong Avenue, Qingshanhu District, Nanchang, Jiangxi Province, the PRC 中國江西省南昌市 青山湖區 京東大道 江西科技學院 校園	<p>The property is a campus developed on a parcel of land with a site area of approximately 47,202.00 sq m.</p> <p>Completed in the period between 1997 and 2015, the property comprises various teaching buildings, dormitories and related ancillary facilities. The property has a total gross floor area of approximately 73,527.58 sq m, in which 54,556.58 sq m with Real Estate Title Certificates and 18,971.00 sq m without Real Estate Title Certificates.</p> <p>The details of the gross floor area are as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Use</th> <th style="text-align: right;">Approximate gross floor area</th> </tr> <tr> <th></th> <th style="text-align: right;">(sq m)</th> </tr> </thead> <tbody> <tr> <td>Teaching Buildings</td> <td style="text-align: right;">39,893.49</td> </tr> <tr> <td>Dormitories</td> <td style="text-align: right;">24,447.09</td> </tr> <tr> <td>Ancillary facilities</td> <td style="text-align: right;">9,187.00</td> </tr> <tr> <td>Total:</td> <td style="text-align: right;"><u>73,527.58</u></td> </tr> </tbody> </table>	Use	Approximate gross floor area		(sq m)	Teaching Buildings	39,893.49	Dormitories	24,447.09	Ancillary facilities	9,187.00	Total:	<u>73,527.58</u>	<p>As at the valuation date, the property was occupied by an independent third party as a campus.</p>	<p>No commercial value</p>
Use	Approximate gross floor area														
	(sq m)														
Teaching Buildings	39,893.49														
Dormitories	24,447.09														
Ancillary facilities	9,187.00														
Total:	<u>73,527.58</u>														
	<p>The property is held with allocated land use rights for education use.</p>														

Notes:

- (1) The land use rights of the property are allocated in nature and cannot be freely transferred. We have therefore ascribed no commercial value to the property.

For illustrative purpose, had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property for education use, the market value of the property as at the valuation date would be RMB176,700,000.

- (2) According to State-owned Land Use Rights Certificate (Land Allocation) No. (2012) D0090 issued by 南昌市人民政府 (Nanchang People's Government) on 21 June 2012, the land use rights of the property with a total site area of approximately 47,202.00 sq m have been allocated to 江西科技學院 (Jiangxi University of Technology) for education use.

- (3) According to 8 Real Estate Title Certificates (Land Allocation) issued by 南昌市住房保障和房產管理局 (Nanchang Housing Security and Management Bureau), the land use rights and building ownership of the property have been vested in 江西科技學院 (Jiangxi University of Technology) with details as follows:

No.	Certificate no.	Date of issue	Location in campus	Gross floor area (sq m)
1	1001080909	4 June 2015	Block No. 1 on Jingdong South Road	12,142.65
2	1001080911	4 June 2015	Block No. 2 on Jingdong South Road	12,947.84
3	1000621805	9 April 2012	Teacher Dormitory No. 1	3,682.96
4	1000621800	9 April 2012	Teacher Dormitory No. 2	4,049.15
5	1000621709	9 April 2012	Student Dormitory No. 7, 8	7,474.36
6	1000621806	9 April 2012	Student Dormitory No. 9, 10	3,690.62
7	1000621802	9 April 2012	Teaching Building No. 5	6,425.94
8	1000621804	9 April 2012	Teaching Building No. 6	4,143.06
Total:				54,556.58

- (4) According to Registration Certificate of Private Non-enterprise Entities No. 52360000F376319566 issued by Civil Affairs Department of Jiangxi Province on 30 May 2016, 江西科技學院 (Jiangxi University of Technology) has been established as a private non-enterprise entity with a registered capital of RMB51,680,000 for a valid operation period from 30 May 2016 to 30 May 2021.

- (5) According to Private School Operating Licence No. 036011100000010 issued by the PRC Ministry of Education, 江西科技學院 (Jiangxi University of Technology) has been established as a general institute of higher education (undergraduate course) for a valid operation period from 2010 to 2018.

- (6) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:-

- (i) The State-owned Land Use Rights Certificate (Land Allocation) and Real Estate Title Certificates (Land Allocation) of the property are legal and valid under the PRC laws;
- (ii) The land use rights and building ownership of the property have been vested in 江西科技學院 (Jiangxi University of Technology);
- (iii) 江西科技學院 (Jiangxi University of Technology) is the legal land user of the property; and
- (iv) 江西科技學院 (Jiangxi University of Technology) has the right to freely occupy and use of the land use rights and building ownership of the property.

- (7) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:-

State-owned Land Use Rights Certificate (Land Allocation)	Yes
Real Estate Title Certificates (Land Allocation)	Yes
Registration Certificate of Private Non-enterprise Entities	Yes
Private School Operating Licence	Yes

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017										
3.	<p>The campus of Jiangxi University of Technology, No. 320 National Highway, Nan'an Villager's Committee, Quanling Town, Jinxian County, Nanchang, Jiangxi Province, the PRC</p> <p>中國江西省南昌市進賢縣泉嶺鄉320國道南岸村委會江西科技學院校園</p>	<p>The property is a campus developed on a parcel of land with a site area of approximately 93,333.00 sq m.</p> <p>Completed in 2015, the property comprises 3 teaching buildings and 1 dormitory building with a total gross floor area of approximately 13,151.82 sq m with Real Estate Title Certificates.</p> <p>The details of the gross floor area are as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Use</th> <th style="text-align: right;">Approximate gross floor area</th> </tr> <tr> <td></td> <td style="text-align: right;">(sq m)</td> </tr> </thead> <tbody> <tr> <td>Teaching Buildings</td> <td style="text-align: right;">8,660.91</td> </tr> <tr> <td>Dormitories</td> <td style="text-align: right;">4,490.91</td> </tr> <tr> <td>Total:</td> <td style="text-align: right;">13,151.82</td> </tr> </tbody> </table>	Use	Approximate gross floor area		(sq m)	Teaching Buildings	8,660.91	Dormitories	4,490.91	Total:	13,151.82	<p>As at the valuation date, the property was occupied by an independent third party as a campus of a driving training centre.</p> <p style="text-align: right;">RMB52,470,000 (100% interest attributable to the Group: RMB52,470,000)</p>
Use	Approximate gross floor area												
	(sq m)												
Teaching Buildings	8,660.91												
Dormitories	4,490.91												
Total:	13,151.82												
	<p>The property is held with land use rights for a term due to expire on 1 April 2064 for science and education use.</p>												

Notes:

- (1) According to State-owned Land Use Rights Certificate (Land Transfer) No. (2014) 821 issued by 進賢縣人民政府 (Jinxian County People's Government) on 17 July 2014, the land use rights of the property with a total site area of approximately 93,333.00 sq m have been vested in 江西科技學院 (Jiangxi University of Technology) for a term due to expire on 1 April 2064 for science and education use.
- (2) According to 4 Real Estate Title Certificates (Land Transfer) issued by 進賢縣房屋所有權登記發證辦公室 (Jinxian County Housing Ownership Registration and Licence Office) on 28 December 2015, the land use rights and building ownership of the property have been vested in 江西科技學院 (Jiangxi University of Technology) with details as follows:

No.	Certificate No.	Location in campus	Gross floor area
			(sq m)
1	0057524	Teaching Building No. 1	4,785.72
2	0057525	Teaching Building No. 2	2,336.85
3	0057526	Teaching Building No. 3	1,538.34
4	0057527	Dormitory No. 1	4,490.91
		Total:	13,151.82

- (3) According to Registration Certificate of Private Non-enterprise Entities No. 52360000F376319566 issued by Civil Affairs Department of Jiangxi Province on 30 May 2016, 江西科技學院 (Jiangxi University of Technology) has been established as a private non-enterprise entity with a registered capital of RMB51,680,000 for a valid operation period from 30 May 2016 to May 2020.
- (4) According to Private School Operating Licence No. 036011100000010 issued by the PRC Ministry of Education, 江西科技學院 (Jiangxi University of Technology) has been established as a general institute of higher education (undergraduate course) for a valid operation period from 2010 to 2018.
- (5) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:–
- (i) The State-owned Land Use Rights Certificate (Land Transfer) and Real Estate Title Certificates (Land Transfer) of the property are legal and valid under the PRC laws;
 - (ii) The land use rights and building ownership of the property have been vested in 江西科技學院 (Jiangxi University of Technology);
 - (iii) 江西科技學院 (Jiangxi University of Technology) is the legal land user of the property; and
 - (iv) 江西科技學院 (Jiangxi University of Technology) has the right to freely occupy, use, lease, transfer and dispose the land use rights and building ownership of the property.
- (6) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:–
- | | |
|---|-----|
| State-owned Land Use Rights Certificate (Land Transfer) | Yes |
| Real Estate Title Certificates (Land Transfer) | Yes |
| Registration Certificate of Private Non-enterprise Entities | Yes |
| Private School Operating Licence | Yes |

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017										
4. The campus of Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區江高鎮學苑路廣東白雲學院校園	<p>The property is a campus developed on a parcel of land with a site area of approximately 115,335.45 sq m.</p> <p>Completed in the period between 2002 and 2016, the property comprises various teaching buildings, dormitories and related ancillary facilities. The property has a total gross floor area of approximately 156,281.20 sq m, in which 86,371.17 sq m with Real Estate Title Certificates and 69,910.03 sq m without Real Estate Title Certificates.</p> <p>The details of the gross floor area are as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Use</th> <th style="text-align: right; border-bottom: 1px solid black;">Approximate gross floor area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Teaching Buildings</td> <td style="text-align: right;">64,103.04</td> </tr> <tr> <td>Dormitories</td> <td style="text-align: right;">73,530.64</td> </tr> <tr> <td>Ancillary facilities</td> <td style="text-align: right; border-bottom: 1px solid black;">18,647.52</td> </tr> <tr> <td>Total:</td> <td style="text-align: right; border-bottom: 3px double black;">156,281.20</td> </tr> </tbody> </table> <p>The property is held with allocated land use rights for public buildings use.</p>	Use	Approximate gross floor area (sq m)	Teaching Buildings	64,103.04	Dormitories	73,530.64	Ancillary facilities	18,647.52	Total:	156,281.20	<p>As at the valuation date, the property was occupied by the Group as a campus.</p>	<p>No commercial value</p>
Use	Approximate gross floor area (sq m)												
Teaching Buildings	64,103.04												
Dormitories	73,530.64												
Ancillary facilities	18,647.52												
Total:	156,281.20												

Notes:

- (1) The land use rights of the property are allocated in nature and cannot be freely transferred. We have therefore ascribed no commercial value to the property.

For illustrative purpose, had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property for public buildings use, the market value of the property as at the valuation date would be RMB755,980,000.

- (2) According to 8 Real Estate Title Certificates (Land Allocation) issued by 廣州市國土資源和房屋管理局 (Guangzhou Land Resources and Housing Management Bureau) on 6 June 2006, the land use rights with a site area of approximately 115,335.45 sq m and building ownership of the property have been vested in 廣東白雲學院 (Guangdong Baiyun University) with details as follows:

No.	Certificate no.	Location in Guangdong Baiyun University	Gross floor area (sq m)
1	C4657325	Practical Training Building	10,323.72
2	C4657326	Dormitory Block No. 3	5,534.69
3	C4657328	Dormitory Block No. 2	10,074.30
4	C4657329	Dormitory Block No. 21	20,598.79
5	C4657330	Gymnasium	4,256.63
6	C4657331	Teaching Building No. 2	10,792.72
7	C4657332	Library	14,130.89
8	C4657333	Teaching Building No. 1	10,659.43
Total:			86,371.17

- (3) According to Registration Certificate of Private Non-enterprise Entities No. 52440000707692397E issued by Civil Affairs Department of Guangdong Province on 25 August 2017, 廣東白雲學院 (Guangdong Baiyun University) has been established as a private non-enterprise entity with a registered capital of RMB130,000,000 for a valid operation period from 25 August 2017 to 24 August 2021.

- (4) According to Private School Operating Licence No. 044011100000010 issued by the PRC Ministry of Education, 廣東白雲學院 (Guangdong Baiyun University) has been established as a general institute of higher education (undergraduate course) for a valid operation period from 2009 to 2017.

- (5) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:-

- (i) The Real Estate Title Certificates (Land Allocation) of the property are legal and valid under the PRC laws;
- (ii) The land use rights and building ownership of the property have been vested in 廣東白雲學院 (Guangdong Baiyun University);
- (iii) 廣東白雲學院 (Guangdong Baiyun University) is the legal land user of the property; and
- (iv) 廣東白雲學院 (Guangdong Baiyun University) has the right to freely occupy and use of the land use rights and building ownership of the property.

- (6) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:-

Real Estate Title Certificates (Land Allocation)	Yes
Registration Certificate of Private Non-enterprise Entities	Yes
Private School Operating Licence	Yes

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017
5. The group of 6-dormitories building in District A of Zhujiang Dormitories of Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省 廣州市白雲區 江高鎮學苑路 廣東白雲學院 珠江公寓A區 6棟宿舍樓	The property is developed on a parcel of land with a site area of approximately 8,000.04 sq m. Completed in 2008, the property comprises a group of 6-dormitories buildings and has a total gross floor area of approximately 34,036.15 sq m without Real Estate Title Certificates. Relevant certificates and approval in respect of the construction of the property have not been obtained from the government. The property is held for education use.	As at the valuation date, the property was occupied by the Group as dormitories.	No commercial value

Notes:

(1) According to the Transfer Agreement of State-owned Land Use Rights entered into between 廣州市個體私營經濟試驗區管理委員會 (Guangzhou Individual Economy Pilot Zone Management Committee) and 廣東白雲學院 (Guangdong Baiyun University) on 8 January 2008, 廣東白雲學院 (Guangdong Baiyun University) agreed to purchase a parcel of land with a site area of approximately 8,000.04 sq m for a consideration of RMB1,920,000 for education use.

(2) Valid Real Estate Title Certificates (Land Transfer) have not been obtained by the Group. We have therefore ascribed no commercial value to the property.

For illustrative purpose, had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property for education use, the market value of the property as at the valuation date would be RMB134,170,000.

(3) According to Registration Certificate of Private Non-enterprise Entities No. 52440000707692397E issued by Civil Affairs Department of Guangdong Province on 25 August 2017, 廣東白雲學院 (Guangdong Baiyun University) has been established as a private non-enterprise entity with a registered capital of RMB130,000,000 for a valid operation period from 25 August 2017 to 24 August 2021.

(4) According to Private School Operating Licence No. 044011100000010 issued by the PRC Ministry of Education, 廣東白雲學院 (Guangdong Baiyun University) has been established as a general institute of higher education (undergraduate course) for a valid operation period from 2009 to 2017.

(5) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:—

(i) 廣東白雲學院 (Guangdong Baiyun University) can submit application for the Real Estate Title Certificates (Land Transfer) and the Real Estate Title Certificates (Land Transfer) will be issued by the relevant departments upon completion of the application procedures; and

(ii) 廣東白雲學院 (Guangdong Baiyun University) has the right to occupy and use the land use rights and building ownership of the property.

(6) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:—

Transfer Agreement of State-owned Land Use Rights	Yes
Registration Certificate of Private Non-enterprise Entities	Yes
Private School Operating Licence	Yes

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017
6. A parcel of land and 4 dormitory buildings of Huadu Xincheng of Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區江高鎮學苑路廣東白雲學院華都新城土地及4棟宿舍樓	As advised by the Group, the property is developed on a parcel of land with an site area of approximately 20,218.00 sq m. Completed in 1998, the property comprises 4 dormitory buildings and has a total gross floor area of approximately 28,310.14 sq m without Real Estate Title Certificates. Relevant certificates and approval in respect of the construction of the property have not been obtained from the government. The property is held for dormitory use.	As at the valuation date, the property was occupied by the Group as dormitories.	No commercial value

Notes:

- (1) Valid Real Estate Title Certificates (Land Transfer) have not been obtained by the Group. We have therefore ascribed no commercial value to the property.

For illustrative purpose, had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property, the market value of the property as at the valuation date would be RMB105,100,000.

- (2) According to the Transfer Agreement of Huadu Xincheng Project entered into between 中信廣州發展公司 (CITIC Guangzhou Development Company) and 民辦白雲職業技術學院 (Private Baiyun Vocational and Technical College) on 25 January 2000, 民辦白雲職業技術學院 (Private Baiyun Vocational and Technical College) agreed to purchase Huadu Xincheng Project with 4 commodity buildings for a consideration of RMB40,500,000.

- (3) According to 41 Pre-sale Agreements for Commodity Housing entered into between 中信廣州發展公司 (CITIC Guangzhou Development Company) and 民辦白雲職業技術學院 (Private Baiyun Vocational and Technical College), 民辦白雲職業技術學院 (Private Baiyun Vocational and Technical College) agreed to purchase 4 commodity buildings with a total gross floor area of approximately 28,310.14 sq m with details as follows:

No.	Certificate no.	Building	Lift	Level	Unit no.	Gross floor area (sq m)
1	2000016574	South Building No. 1	—	1	1-22	894.00
2	2000016902	South Building No. 1	A	2	1-4	318.10
3	2000016903	South Building No. 1	A	3	1-4	318.10
4	2000016904	South Building No. 1	A	4	1-4	318.10
5	2000016582	South Building No. 1	A	5	01	87.42
6	2000016581	South Building No. 1	A	5	02	87.42
7	2000016605	South Building No. 1	A	5	03	71.63
8	2000016580	South Building No. 1	A	5	04	71.63
9	2000016599	South Building No. 1	A	6	1-4	318.10
10	2000016901	South Building No. 1	A	7	1-4	318.10
11	2000016600	South Building No. 1	A	8	1-4	318.10
12	2000016583	South Building No. 1	A	9	01, 02	200.36
13	2000016596	South Building No. 1	B	2	1-4	318.10
14	2000016597	South Building No. 1	B	3	1-4	318.10
15	2000016598	South Building No. 1	B	4	1-4	318.10
16	2000016578	South Building No. 1	B	5	01	87.42
17	2000016577	South Building No. 1	B	5	02	87.42
18	2000016603	South Building No. 1	B	5	03	71.63
19	2000016576	South Building No. 1	B	5	04	71.63
20	2000016593	South Building No. 1	B	6	1-4	318.10
21	2000016594	South Building No. 1	B	7	1-4	318.10
22	2000016595	South Building No. 1	B	8	1-4	318.10
23	2000016575	South Building No. 1	B	9	01, 02	200.36
24	2000016565	South Building No. 2	—	1	1-32	1,341.00
25	2000016592	South Building No. 2	A, B, C	2-8	01-06	7,281.00
				9	01-02	
26	2000016905	North Building No. 1	B	2	1-4	303.77
27	2000016906	North Building No. 1	B	3	1-4	303.77
28	2000016907	North Building No. 1	B	5	1-4	303.77
29	2000016908	North Building No. 1	B	6	1-4	303.77
30	2000016909	North Building No. 1	B	7	1-4	303.77
31	2000016910	North Building No. 1	B	8	1-4	303.77
32	2000016589	North Building No. 1	—	1	01-20	869.64
33	2000016570	North Building No. 1	A	2-8	01-14	2,288.19
				9	01-02	
34	2000016586	North Building No. 1	B	4	01	77.61
35	2000016587	North Building No. 1	B	4	02	77.61
36	2000016588	North Building No. 1	B	4	04	68.42
37	2000016604	North Building No. 1	B	9	02	83.49
38	2000016602	North Building No. 1	B	9	01	83.49
39	2000016607	North Building No. 1	B	4	03	80.13
40	2000016591	North Building No. 2	—	1	01-30	1,304.46
41	2000016590	North Building No. 2	A, B, C	2-8	01-06	7,184.36
				9	01-02	
Total:						28,310.14

- (4) According to Registration Certificate of Private Non-enterprise Entities No. 52440000707692397E issued by Civil Affairs Department of Guangdong Province on 25 August 2017, 廣東白雲學院 (Guangdong Baiyun University) has been established as a private non-enterprise entity with a registered capital of RMB130,000,000 for a valid operation period from 25 August 2017 to 24 August 2021.
- (5) According to Private School Operating Licence No. 044011100000010 issued by the PRC Ministry of Education, 廣東白雲學院 (Guangdong Baiyun University) has been established as a general institute of higher education (undergraduate course) for a valid operation period from 2009 to 2017.
- (6) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:–
- (i) 廣東白雲學院 (Guangdong Baiyun University) can submit application for the Real Estate Title Certificates (Land Transfer) and the Real Estate Title Certificates (Land Transfer) will be issued by the relevant departments upon completion of the application procedures; and
- (ii) Had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property, 廣東白雲學院 (Guangdong Baiyun University) has the rights to occupy, use, lease, transfer and dispose the land use rights and building ownership of the property.
- (7) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:–

Transfer Agreement of Huadu Xincheng Project	Yes
Pre-sale Agreements for Commodity Housing	Yes
Registration Certificate of Private Non-enterprise Entities	Yes
Private School Operating Licence	Yes

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017										
7. The campus of Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區江高鎮大田南路13號廣州白雲工商高級技工學校校園	<p>The property is a campus developed on three parcels of adjoining land with a total site area of approximately 43,606.50 sq m.</p> <p>Completed in the period between 1993 and 2006, the property comprises various teaching buildings, dormitories and related ancillary facilities. The property has a total gross floor area of approximately 54,378.08 sq m, in which 48,967.99 sq m with Real Estate Title Certificates and 5,410.09 sq m without Real Estate Title Certificates.</p> <p>The details of the gross floor area are as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Use</th> <th style="text-align: right; border-bottom: 1px solid black;">Approximate gross floor area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Teaching Buildings</td> <td style="text-align: right;">36,967.20</td> </tr> <tr> <td>Dormitories</td> <td style="text-align: right;">10,615.08</td> </tr> <tr> <td>Ancillary facilities</td> <td style="text-align: right; border-bottom: 1px solid black;">6,795.80</td> </tr> <tr> <td>Total:</td> <td style="text-align: right; border-bottom: 3px double black;">54,378.08</td> </tr> </tbody> </table>	Use	Approximate gross floor area (sq m)	Teaching Buildings	36,967.20	Dormitories	10,615.08	Ancillary facilities	6,795.80	Total:	54,378.08	<p>As at the valuation date, the property was occupied by the Group as a campus.</p>	<p>No commercial value</p>
Use	Approximate gross floor area (sq m)												
Teaching Buildings	36,967.20												
Dormitories	10,615.08												
Ancillary facilities	6,795.80												
Total:	54,378.08												
	<p>The property is held with allocated land use rights for school use.</p>												

Notes:

- (1) The land use rights of the property are allocated in nature and cannot be freely transferred. We have therefore ascribed no commercial value to the property.

For illustrative purpose, had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property for school use, the market value of the property as at the valuation date would be RMB249,300,000.

- (2) According to three Real Estate Title Certificates (Land Allocation) issued by 廣州市國土資源和房屋管理局 (Guangzhou Land Resources and Housing Management Bureau), the land use rights with a total site area of approximately 43,606.50 sq m and building ownership of the property with a total gross floor area of approximately 48,967.99 sq m have been vested in 廣州白雲職業培訓學院 (Guangzhou Baiyun Vocational Training College) for school use with details as follows:–

<u>No.</u>	<u>Certificate no.</u>	<u>Date of issue</u>	<u>Location in Baiyun Technician College</u>	<u>Site area</u> (sq m)	<u>Gross floor area</u> (sq m)
1	0112541	30 April 2003	Teaching Building No. 1 (West) and Practical Training Building No. 1	6,187.00	8,922.78
2	1006252	4 March 2005	Teaching Building No. 1 (East) and Library	23,811.08	18,451.00
3	1006253	4 March 2005	Dormitory No. 1, 2, 3, 4, Teaching Building No. 2 and Practical Training Building No. 3	13,608.42	21,594.21
Total:				<u>43,606.50</u>	<u>48,967.99</u>

- (3) According to Registration Certificate of Private Non-enterprise Entities No. 52440100G34103725B issued by Civil Affairs Department of Guangdong Province on 9 August 2016, 廣州白雲工商高級技工學校 (Guangzhou Baiyun Senior Technical School of Business and Technology) has been established as a private non-enterprise entity with a registered capital of RMB60,000,000 for a valid operation period from 9 August 2016 to 19 October 2018.
- (4) According to Private School Operating Licence No. 4401003100002 issued by Guangzhou Human Resources and Social Security Bureau on 20 October 2015, 廣州白雲工商高級技工學校 (Guangzhou Baiyun Technician School of Business and Technology) has been established as a technician training college for a valid operation period from 20 October 2015 to 19 October 2018.
- (5) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:–

- (i) The Real Estate Title Certificates (Land Allocation) of the property are legal and valid under the PRC laws;
- (ii) The land use rights and building ownership of the property have been vested in 廣州白雲工商高級技工學校 (Guangzhou Baiyun Technician School of Business and Technology);
- (iii) 廣州白雲工商高級技工學校 (Guangzhou Baiyun Technician School of Business and Technology) is the legal land user of the property; and
- (iv) 廣州白雲工商高級技工學校 (Guangzhou Baiyun Technician School of Business and Technology) has the right to freely occupy and use the land use rights and building ownership of the property.

- (6) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:–

Real Estate Title Certificates (Land Allocation)	Yes
Registration Certificate of Private Non-enterprise Entities	Yes
Private School Operating Licence	Yes

VALUATION CERTIFICATE

Group II – Properties held by the Group under development in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017
8. The under construction development for Phase I of North Campus of Guangdong Baiyun University, Dengtang Village, Zhongluotan Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省 廣州市白雲區 鐘落潭鎮登塘村 廣東白雲學院 北校區校園首期 在建工程	The property comprises a parcel of land with a site area of approximately 188,666.00 sq m. As advised by the Group, Phase I of the proposed campus is scheduled to be completed in 2019. Upon completion, the proposed development has a planned above-ground gross floor area of approximately 286,183.00 sq m. The property is held for science and education use.	As at the date of valuation, the property was under construction.	No commercial value

Notes:

- (1) The land use rights of the property are allocated in nature and cannot be freely transferred. We have therefore ascribed no commercial value to the property.

For illustrative purpose, had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property for science and education use, the market value of the property as at the valuation date would be RMB450,540,000.

- (2) According to Real Estate Title Certificate (Land Allocation) No. (2017) 00244957 issued by 廣州市國土資源和規劃委員會 (Guangzhou Land Resources and Planning Committee) on 18 August 2017, the land use rights of the property with a site area of approximately 188,666.00 sq m have been allocated to 廣東白雲學院 (Guangdong Baiyun University) for science and education use.
- (3) According to Planning Permit for Construction Use of Land No. (2017) 123 issued by 廣州市國土資源和規劃委員會 (Guangzhou Land Resources and Planning Committee) on 29 March 2017, the construction site of a parcel of land with a site area of approximately 188,666.00 sq m is in compliance with the urban planning requirements.
- (4) According to Approval Letter of Detailed Construction Planning No. (2013) 190 issued by 廣州規劃局 (Guangzhou Planning Bureau) on 8 October 2013, the construction works of the development with a construction scale of approximately 286,183.00 sq m have been permitted.
- (5) According to Commencement Permit for Construction Works No. 44011201709190101 issued by 廣州市白雲區住房和建設水務局 (Housing, Construction and Water Affairs Bureau of Baiyun District, Guangzhou) on 19 September 2017, the construction works of the development with a construction scale of approximately 101,074.60 sq m are in compliance with the requirements for works commencement and have been permitted.
- (6) As advised by the Group, the total expended construction cost of the property as at the Valuation Date was RMB2,000,000 whilst the outstanding construction cost for completion of the property as at the Valuation Date was RMB750,338,000.
- (7) As at the valuation date, the estimated Market Value as if completed of the proposed development is estimated approximately RMB1,357,009,000.

- (8) According to Registration Certificate of Private Non-enterprise Entities No. 52440000707692397E issued by Civil Affairs Department of Guangdong Province on 25 August 2017, 廣東白雲學院 (Guangdong Baiyun University) has been established as a private non-enterprise entity with a registered capital of RMB130,000,000 for a valid operation period from 25 August 2017 to 24 August 2021.
- (9) According to Private School Operating Licence No. 044011100000010 issued by the PRC Ministry of Education, 廣東白雲學院 (Guangdong Baiyun University) has been established as a general institute of higher education (undergraduate course) for a valid operation period from 2009 to 2017.
- (10) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:-
- (i) The Real Estate Title Certificate (Land Allocation) of the property is legal and valid under the PRC laws;
 - (ii) The land use rights and building ownership of the property have been vested in 廣東白雲學院 (Guangdong Baiyun University);
 - (iii) 廣東白雲學院 (Guangdong Baiyun University) is the legal land user of the property; and
 - (iv) 廣東白雲學院 (Guangdong Baiyun University) has the right to freely occupy and use the land use rights and building ownership of the property.
- (11) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:-
- | | |
|---|---------------|
| Real Estate Title Certificates (Land Allocation) | Yes |
| Planning Permit for Construction Use of Land | Yes |
| Approval Letter of Detailed Construction Planning | Yes |
| Commencement Permit for Construction Works | Yes (portion) |
| Registration Certificate of Private Non-enterprise Entities | Yes |
| Private School Operating Licence | Yes |

VALUATION CERTIFICATE

Group III – Properties held by the Group for future development in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2017
9. Development site for Phase II of North Campus of Guangdong Baiyun University, Dengtang Village, Zhongluotan Town, Baiyun District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區鐘落潭鎮登塘村廣東白雲學院北校區校園二期待建土地	The property comprises a parcel of land with a site area of approximately 186,687.00 sq m. As advised by the Group, Phase II of the proposed campus is scheduled to be completed in 2021. Upon completion, the proposed development has a planned above-ground gross floor area of approximately 224,025.00 sq m. Relevant Real Estate Title Certificate (Land Allocation) in respect of the property have not been obtained from the government. The property is held for science and education use.	As at the date of valuation, the property was bare land.	No commercial value

Notes:

- (1) Valid Real Estate Title Certificate (Land Transfer) of the property has not been obtained by the Group. We have therefore ascribed no commercial value to the property.

For illustrative purpose, had the Group obtained valid Real Estate Title Certificates (Land Transfer) of the property for science and education use, the market value of the property as at the valuation date would be RMB352,680,000.

- (2) According to Planning Permit for Construction Use of Land No. (2017) 335 issued by 廣州市國土資源和規劃委員會 (Guangzhou Land Resources and Planning Committee) on 14 July 2017, the construction site of a parcel of land with a site area of approximately 186,687.00 sq m is in compliance with the urban planning requirements.

According to I – Planning Conditions of Planning Permit for Construction Use of Land No. (2017) 335 issued by 廣州市國土資源和規劃委員會 (Guangzhou Land Resources and Planning Committee) on 14 July 2017, the construction works of the development with a construction scale of approximately 224,025.00 sq m have been permitted.

- (3) According to Registration Certificate of Private Non-enterprise Entities No. 52440000707692397E issued by Civil Affairs Department of Guangdong Province on 25 August 2017, 廣東白雲學院 (Guangdong Baiyun University) has been established as a private non-enterprise entity with a registered capital of RMB130,000,000 for a valid operation period from 25 August 2017 to 24 August 2021.

- (4) According to Private School Operating Licence No. 044011100000010 issued by the PRC Ministry of Education, 廣東白雲學院 (Guangdong Baiyun University) has been established as a general institute of higher education (undergraduate course) for a valid operation period from 2009 to 2017.

- (5) We have been provided with a Legal Opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:–
- (i) The Real Estate Title Certificate (Land Allocation) of the property is legal and valid under the PRC laws;
 - (ii) The land use rights and building ownership of the property have been vested in 廣東白雲學院 (Guangdong Baiyun University);
 - (iii) 廣東白雲學院 (Guangdong Baiyun University) is the legal land user of the property; and
 - (iv) 廣東白雲學院 (Guangdong Baiyun University) has the right to freely occupy and use the land use rights and building ownership of the property.
- (6) The status of the title and grant of major approvals and licences in accordance with the information provided to us are as follows:–

Real Estate Title Certificates (Land Allocation)	No
Planning Permit for Construction Use of Land	Yes
Registration Certificate of Private Non-enterprise Entities	Yes
Private School Operating Licence	Yes

VALUATION CERTIFICATE

Group IV – Properties leased and occupied by the Group in the PRC

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>10. A basketball court leased for Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區江高鎮學苑路廣東白雲學院租賃學校籃球場</p>	<p>The property comprises a parcel of land used as a basketball court with a site area of approximately 3,581.41 sq m leased for Guangdong Baiyun University.</p> <p>The property is leased from an independent third party to 廣東白雲學院 (Guangdong Baiyun University) from 1 July 2004 to 30 June 2029 at a prevailing monthly rent of RMB4,343.</p> <p>According to the PRC legal opinion, the lessor is entitled to lease the property and the lease agreement is valid. However, the lease term of longer than 20 years is invalid under PRC laws and regulations.</p> <p>The lease agreement was not registered with the relevant PRC government authorities. According to the PRC legal opinion, the non-registration of such lease agreement would not affect the lease's validity.</p>	<p>No commercial value</p>

VALUATION CERTIFICATE

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>11. A parcel of land and No. 11, 12 dormitory buildings leased for Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市 白雲區 江高鎮學苑路 廣東白雲學院 租賃一塊土地和 11號、12號宿舍樓</p>	<p>The property comprises a parcel of land with a site area of approximately 5,000.00 sq m and 2 dormitory buildings with a total gross floor area of approximately 10,243.20 sq m erected on the land leased for Guangdong Baiyun University.</p> <p>The property is leased from an independent third party to 廣東白雲學院 (Guangdong Baiyun University) from 1 August 2007 to 30 July 2032 at a prevailing monthly rent of RMB96,740.</p> <p>According to the PRC legal opinion, there is uncertainty with respect to the validity of the lease agreement due to failure by the relevant landlord to provide the relevant ownership certificates.</p> <p>The lease agreement was not registered with the relevant PRC government authorities.</p>	<p>No commercial value</p>

VALUATION CERTIFICATE

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>12. A parcel of land and 6 dormitory buildings in District B of Zhujiang Dormitories leased for Guangdong Baiyun University, Xueyuan Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市 白雲區 江高鎮學苑路 廣東白雲學院 租賃珠江公寓B區土地 和6棟宿舍樓</p>	<p>The property comprises a parcel of land with a site area of approximately 10,292.00 sq m and 6 dormitory buildings with a total gross floor area of approximately 17,500.00 sq m erected on the land leased for Guangdong Baiyun University.</p> <p>The property is leased from an independent third party to 廣東白雲學院 (Guangdong Baiyun University) from 11 August 2009 to 10 August 2021 at a prevailing monthly rent of RMB99,850.</p> <p>According to the PRC legal opinion, there is uncertainty with respect to the validity of the lease agreement due to failure by the relevant landlords to provide the relevant ownership certificates.</p> <p>The lease agreement was not registered with the relevant PRC government authorities.</p>	<p>No commercial value</p>

VALUATION CERTIFICATE

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>13. A parcel of land and 4 buildings leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區江高鎮大田南路13號廣州白雲工商高級技工學校租賃一塊土地和4棟樓</p>	<p>The property comprises a parcel of land with a site area of approximately 4,905.32 sq m and 4 buildings with a total gross floor area of approximately 9,614.20 sq m erected on the land leased for Baiyun Technician College. Apart from the 4 buildings stated in the lease agreement, 2 buildings with a total gross floor area of approximately 5,002.63 sq m were constructed on this parcel of land and were occupied by the Group as a teaching building and an academic communication centre respectively.</p> <p>The property is leased from an independent third party to 廣州白雲工商高級技工學校 Guangzhou Baiyun Senior Technical School of Business and Technology from 1 August 2017 to 31 August 2023 at a prevailing monthly rent of RMB92,656.</p> <p>According to the PRC legal opinion, there is uncertainty with respect to the validity of the lease agreement due to failure by the relevant landlords to provide the relevant ownership certificates.</p> <p>The lease agreement was not registered with the relevant PRC government authorities.</p>	<p>No commercial value</p>

VALUATION CERTIFICATE

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>14. A parcel of land leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市白雲區江高鎮大田南路13號廣州白雲工商高級技工學校租賃一塊土地</p>	<p>The property comprises a parcel of land with a site area of approximately 13,270.00 sq m leased for Baiyun Technician College. 5 buildings with a total gross floor area of approximately 34,491.51 sq m were constructed on this parcel of land and were occupied by the Group for various uses as a teaching building, 3 dormitory buildings and a covered court.</p> <p>The property is leased from an independent third party to 廣州白雲工商高級技工學校 (Guangzhou Baiyun Senior Technical School of Business and Technology) from 1 September 2003 to 31 August 2028 at a prevailing monthly rent of RMB19,751.</p> <p>According to the PRC legal opinion, the lessor is entitled to lease the property and the lease agreement is valid. However, the lease term of longer than 20 years is invalid under PRC laws and regulations.</p> <p>The lease agreement was not registered with the relevant PRC government authorities. According to the PRC legal opinion, the non-registration of such lease agreement would not affect the lease's validity.</p>	No commercial value

VALUATION CERTIFICATE

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>15. Block A student dormitory in District C of Zhujiang Dormitories leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市 白雲區江高鎮 大田南路13號 廣州白雲工商 高級技工學校 租賃珠江公寓C區 學生公寓A棟</p>	<p>The property comprises a building with a gross floor area of approximately 3,325.90 sq m leased for Baiyun Technician College as a student dormitory building.</p> <p>The property is leased from an independent third party to 廣州白雲工商高級技工學校 Guangzhou Baiyun Senior Technical School of Business and Technology from 1 September 2017 to 31 August 2018 at a prevailing monthly rent of RMB45,003.</p> <p>According to the PRC legal opinion, the lessor is entitled to lease the property and the lease agreement is valid.</p> <p>The lease agreement was not registered with the relevant PRC government authorities. According to the PRC legal opinion, the non-registration of such lease agreement would not affect the lease's validity.</p>	<p>No commercial value</p>

VALUATION CERTIFICATE

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>16. Block B student dormitory in District C of Zhujiang Dormitories leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市 白雲區江高鎮 大田南路13號 廣州白雲工商 高級技工學校租賃 珠江公寓C區 學生公寓B棟</p>	<p>The property comprises a building with a gross floor area of approximately 3,259.00 sq m leased for Baiyun Technician College as a student dormitory building.</p> <p>The property is leased from an independent third party to 廣州白雲工商高級技工學校 Guangzhou Baiyun Senior Technical School of Business and Technology from 1 September 2016 to 31 August 2018 at a prevailing monthly rent of RMB43,260.</p> <p>According to the PRC legal opinion, the lessor is entitled to lease the property and the lease agreement is valid.</p> <p>The lease agreement was not registered with the relevant PRC government authorities. According to the PRC legal opinion, the non-registration of such lease agreement would not affect the lease's validity.</p>	<p>No commercial value</p>

VALUATION CERTIFICATE

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>17. Block C student dormitory in District C of Zhujiang Dormitories leased for Guangzhou Baiyun Senior Technical School of Business and Technology, No. 13 Datian South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province, the PRC</p> <p>中國廣東省廣州市 白雲區江高鎮 大田南路13號 廣州白雲工商高級 技工學校 租賃珠江公寓C區 學生公寓C棟</p>	<p>The property comprises a building with a gross floor area of approximately 3,291.00 sq m leased for Baiyun Technician College as a student dormitory building.</p> <p>The property is leased from an independent third party to 廣州白雲工商高級技工學校 (Guangzhou Baiyun Senior Technical School of Business and Technology) from 1 September 2016 to 31 August 2018 at a prevailing monthly rent of RMB43,634.</p> <p>According to the PRC legal opinion, the lessors are entitled to lease the property and the lease agreement is valid.</p> <p>The lease agreement was not registered with the relevant PRC government authorities. According to the PRC legal opinion, the non-registration of such lease agreement would not affect the lease's validity.</p>	<p>No commercial value</p>

VALUATION CERTIFICATE

Property	Description and particulars of tenancy	Market value in existing state as at 30 September 2017
<p>18. Unit Nos. 1, 2, 7 on Level 6 of Block No. 2 of Yangming International Centre, No. 18 New Ganzhou Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC</p>	<p>The property comprises the Unit Nos. 1, 2, 7 on Level 6 of Block No. 2 of Yanming International Centre with a total gross floor area of approximately 485.94 sq m leased for Huajiao Education Technology (JiangXi) Company Limited (華教教育科技(江西)有限公司) as office.</p> <p>The property is leased from an independent third party to Huajiao Education Technology (JiangXi) Company Limited (華教教育科技(江西)有限公司) for a lease term from 1 June 2017 to 31 May 2018 at nil rent.</p>	<p>No commercial value</p>
<p>中國江西省贛州市章貢區新贛州大道18號陽明國際中心2號樓6層1,2,7號單元</p>	<p>According to the PRC legal opinion, there is uncertainty with respect to the validity of the lease due to the landlord has not provided the construction planning permit of the property. The lessees may not be able to use the property under normal circumstances.</p>	