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# 廣東粵運交通股份有限公司

**Guangdong Yueyun Transportation Company Limited\***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 03399)**

## **DISCLOSEABLE AND CONNECTED TRANSACTION EQUITY TRANSFER CONTRACT**

### **EQUITY TRANSFER CONTRACT**

On 22 March 2024, the Company and Guangdong Expressway entered into the Equity Transfer Contract, pursuant to which, the Company will acquire 4.44% equity interest in Top-E held by Guangdong Expressway from Guangdong Expressway at a total consideration of RMB109,482,084. Upon completion of the Equity Transfer, Top-E will become a wholly-owned subsidiary of the Company.

### **IMPLICATIONS OF THE LISTING RULES**

As at the date of this announcement, GCGC is the controlling shareholder of the Company, directly holding approximately 74.12% of the total issued capital of the Company. Guangdong Expressway is a subsidiary of GCGC. As such, Guangdong Expressway is a connected person of the Company under Chapter 14A of the Listing Rules, and the Equity Transfer constitutes a connected transaction of the Company.

As the highest applicable percentage ratio in respect of the Equity Transfer as calculated under Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the Equity Transfer constitute a discloseable and connected transaction of the Company and is subject to reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **EXTRAORDINARY GENERAL MEETING**

An Independent Board Committee of the Company has been established to advise the Independent Shareholders as to whether the Equity Transfer Contract and the Equity Transfer contemplated thereunder are fair and reasonable and whether they are in the interests of the Company and the Shareholders as a whole.

Vinco Financial has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the Equity Transfer Contract and the Equity Transfer contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

A general meeting will be convened by the Company to consider and, if thought fit, approve, among other things, the ordinary resolution regarding the Equity Transfer. A circular containing, among other things, (i) further details of the Equity Transfer; (ii) the recommendation from the Independent Board Committee in respect of the Equity Transfer; (iii) the advice from the Independent Financial Adviser in respect of the Equity Transfer; (iv) a notice of the general meeting, and (v) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 30 April 2024, which is more than 15 business days after the publication of this announcement, as additional time is required for the preparation of certain information to be included in the circular.

The Board is pleased to announce that on 22 March 2024, the Company and Guangdong Expressway entered into the Equity Transfer Contract, pursuant to which, the Company will acquire 4.44% equity interest in Top-E held by Guangdong Expressway from Guangdong Expressway at a total consideration of RMB109,482,084.

## **EQUITY TRANSFER CONTRACT**

The salient terms of the Equity Transfer Contract are as follows:

### **Date**

22 March 2024

### **Parties**

Transferor: Guangdong Expressway

Transferee: the Company

### **Subject of the Transfer**

4.44% equity interest in Top-E held by Guangdong Expressway

## **Consideration and Terms of Payment**

The total consideration of the Equity Transfer is RMB109,482,084, which was determined by the Company and Guangdong Expressway after arm's length negotiation with reference to (a) the appraised value of the total shareholders' equity of Top-E (i.e., RMB2,465,812,700) at the base date of the valuation as stated in the asset valuation report ([2024] No. 620001) prepared by the Valuer, using the income approach; and (b) the percentage of equity interests to be acquired by the Company under the Equity Transfer Contract.

Subject to satisfaction of all conditions precedent as set out below, the Company shall pay the total consideration of the Equity Transfer in a lump sum within 20 working days from the effective date of the Equity Transfer Contract.

The total consideration of the Equity Transfer will be financed by internal resources of the Company.

## **Debt Interests and Liabilities and Profit or Loss**

Before and after the transfer of 4.44% equity interest in Top-E, the debt interests and liabilities of Top-E will continue to be enjoyed and borne by Top-E.

All the debt interests and liabilities (i.e., profits and losses) generated by Top-E from 1 October 2023 (i.e. the day immediately after the evaluation base date) to the date of completion of procedures for change of industrial and commercial registration in connection with the Equity Transfer shall be enjoyed and borne by the Company.

## **Conditions Precedent**

The validity of the Equity Transfer Contract is subject to the satisfaction of all of the following conditions:

- (1) the Equity Transfer Contract having been duly entered into by the parties thereto;
- (2) Guangdong Expressway having obtained necessary internal approval for the Equity Transfer;
- (3) the Company having obtained the approval of the Board and the approval of Independent Shareholders at a general meeting in respect of the Equity Transfer;
- (4) Guangdong Expressway having obtained approval of GCGC for the Equity Transfer; and
- (5) the asset valuation report having been filed with GCGC.

As at the date of publication of this announcement, the above conditions precedent, except for (3), have been fulfilled.

## Completion

Completion of Equity Transfer shall take place within 20 working days from the day on which the Equity Transfer Contract becomes effective (that is, the date on which all the conditions precedent for the Equity Transfer Contract have been fulfilled) or Guangdong Expressway receives the total consideration for the Equity Transfer paid by the Company in full, whichever is the later.

The Company and Guangdong Expressway agreed that the valuation base date of the Equity Transfer shall be 30 September 2023. The completion date of the Equity Transfer shall be the date of completion of the change of industrial and commercial registration of the Equity Transfer.

The Company agreed to assume the responsibility as a contributor in accordance with the applicable laws upon the completion of the transfer of equity interest in Top-E.

## INFORMATION ON TOP-E

Top-E is a company established under the laws of the PRC with limited liability and a subsidiary of the Company. The Company holds 95.56% equity interest in Top-E before the completion of the Equity Transfer. Top-E is principally engaged in the businesses of operation and management of expressway service zones, refined oil sales of self-operated oil stations and oil station outsourcing, convenience store commodity sales, commercial development and merchant solicitation of properties in service zones.

Based on the consolidated financial statements of Top-E prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC, the key financial data in the financial information of Top-E for the three financial years ended 31 December 2023 are as follows:

	<b>For the year ended 31 December 2023 (audited) (RMB'0000)</b>	<b>For the year ended 31 December 2022 (audited) (RMB'0000)</b>	<b>For the year ended 31 December 2021 (audited) (RMB'0000)</b>
Revenue	491,452.17	374,342.63	367,351.53
Profit before tax	24,260.61	10,455.75	24,228.96
Profit after tax	17,800.55	7,604.01	18,136.58
Total assets	353,416.93	360,313.53	364,703.35
Net assets	79,197.33	67,262.65	71,552.34

## Valuation and Profit Forecast

The book value of net assets of Top-E as at the base date of valuation was RMB496.0546 million; the valuation of the total shareholders' equity of Top-E based on the income approach was RMB2,465.8127 million, representing an appreciation of RMB1,969.7581 million or 397.08%. The appreciation was mainly attributable to the future profitability and development potential of the expressway service zone platform. The specific details are as follows:

- (i) Firstly, with the yearly opening of new expressways, there is a year-on-year increase in the number of service zones of Top-E. Top-E estimated an increase of approximately 35 new service zones from 2024 to 2028, enabling Top-E to have stable incremental resources and a foundation for the steady growth of its operating results;
- (ii) Secondly, Top-E adheres to a self-built and self-operated development strategy under "Yueyun Energy". With the continuous reclaiming of previously outsourced oil stations for in-house operation, Top-E has been promoting the structural transformation of its business. During the five years from 2019 to 2023, the number of self-built and self-operated oil stations under "Yueyun Energy" increased to 68 from 27, and the revenue from self-built and self-operated oil stations under "Yueyun Energy" increased from RMB1.1 billion to approximately RMB2.6 billion, resulting in an increase in the total revenue of Top-E from RMB2.2 billion to approximately RMB4.9 billion, doubling the revenue. In the next five years, 55 additional oil stations will be reclaimed for in-house operation, which is reflected as potential business growth and will eventually be reflected in the steady growth of revenue and profit; and
- (iii) Thirdly, Top-E has successfully built the first cloud platform for service zone management and the first enterprise-level data center in China and is realizing the networking and digital transformation. The development potential will be further explored to promote networking, development of scale and performance breakthrough of the service zone related businesses, all of which can add value to its valuation.

Since the income approach was adopted by the Valuer to determine the fair value of the total shareholder's equity of Top-E as at the base date, the valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules. According to Rule 14.60A of the Listing Rules, the Company must set out in this announcement or publish a further announcement with 15 business days after publication of this announcement containing information on the profit forecast including (1) details of the principal assumptions, including commercial assumptions, upon which the forecast is based; (2) a letter from the Company's auditors confirming that they have reviewed the accounting policies and calculations for the forecast and containing their report; (3) a letter from the Board confirming they have made the forecast after due and careful enquiry; and (4) information regarding the expert statements contained in the announcement, which is specified in paragraph 5 of Appendix D1B to the Listing Rules.

Pursuant to Rule 14.60A(1) of the Listing Rules, the principal assumptions upon which the profit forecast is based are set out as below:

### ***Basic Assumptions***

1. Open market assumption, which assumes that with respect to the asset traded or to be traded in the market, the transacting parties are in equal position and both have opportunities and time to access sufficient market information so as to make a rational judgment on the function, purpose and transaction price of assets;

2. Transaction assumption, which assumes that all assets to be valued are in the process of transaction, and the Valuer makes estimation in a simulated market according to the transaction conditions of assets to be valued. The transaction assumption is one of the most fundamental assumptions for the further implementation of the asset valuation;
3. Going-concern assumption, which assumes that Top-E will not cease to operate for various reasons during the franchised period based on the conditions of existing assets and resources.

### ***General Assumptions***

1. It is assumed that there is no material change in the relevant current laws, regulations and policies, and the macroeconomic situation of the PRC, and there is no material change in the political, economic and social environment of the regions where the parties to this transaction are located.
2. It is assumed that no force majeure or unforeseeable factor will have any material adverse effect on Top-E following the base date.
3. It is assumed that the operator of Top-E is responsible and is in full compliance with all relevant laws and regulations, and that the management of the company is capable of discharging their duties.
4. It is assumed that Top-E complies with relevant laws and regulations of the PRC and there will be no material violations that affect its development and profit realization.
5. It is assumed that there will be no material change relating to the bases of valuation, including interest rate, exchange rate, tax bases, tax rate, and policy-based levies, which are applicable to Top-E.
6. It is assumed that the values of various parameters measured in the valuation are determined according to the current price system, without considering the influence of inflation factors following the base date.

### ***Specific Assumptions***

1. It is assumed that the object valued, were acquired, obtained, and produced in accordance with the relevant laws and regulations of the PRC;
2. It is assumed that during the future operating period, Top-E will not materially change its business scope and manner, and its structure of principal businesses, income and cost composition as well as future business sales strategies and cost control will continue their status as the last few years with no significant changes. We will not take into account any changes in the operating capability, business scale, business structure, etc. as a result of the management, business strategies and increasing investments as well as changes in commercial environments in the future, despite these changes are likely to take place. Therefore, the valuation is based on the continuous production and operating capability, business scale and operating model on the base date, regardless of special changes caused by possible overrun or reduction in production;

3. It is assumed that in the future operation period of Top-E, the fees incurred in the course of operation, management or others will not change significantly from the existing basis, and will maintain its trend in recent years, and will vary synchronously with the change of operation scale;
4. It is assumed that Top-E will have even cash inflow and cash outflow after the base date for the valuation;
5. It is assumed that the self-recycling gas station plan of Top-E will complete in a timely manner as scheduled by the management;
6. It is assumed that the contractual operation contract of the company will be successfully renewed upon expiry;
7. It is assumed that the qualification of Top-E for business licence will be reaffirmed upon expiry of the licence;
8. It is assumed that the assets acquired, obtained and construction procedures involved in the appraised object are in compliance of the relevant laws and regulations of the PRC;
9. Top-E has clearly-established ownership of its assets, the assets are owned by the appraised entity, and there is no potential several liability and legal issues other than those arising from the valuation.

The Company will make a further announcement and/or include in the circular, within 15 business days of this announcement, containing other information on the profit forecast required under 14.60A(2) to (4) of the Listing Rules.

The full text of the asset valuation report is set out in the appendix to this announcement. The qualification of the Valuer is as follows:

<b>Name</b>	<b>Qualification</b>
<i>Beijing Guorongxinghua Assets Appraisal Co., Ltd.</i>	<i>Professional valuer in the PRC</i>

As at the date of this announcement, the above expert has given and has not withdrawn its written consent to the publication of this announcement with the inclusion herein of its report and reference to its name in the form and context in which they respectively appear.

As at the date of this announcement, the above expert did not have any shareholding in any member of the Group nor did it have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the date of this announcement, the above expert did not have any direct or indirect interest in any assets which had been, since 31 December 2023, being the date to which the latest published audited financial statements of the Group were made up, acquired, disposed of by or leased to, or were proposed to be acquired, disposed of by or leased to any member of the Group.



## **FINANCIAL EFFECTS OF THE EQUITY TRANSFER**

The Company holds 95.56% equity interest in Top-E as at the date of this announcement. Upon completion of the Equity Transfer, Top-E will become a wholly-owned subsidiary of the Company.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY TRANSFER CONTRACT**

After the conversion of Top-E into a wholly-owned subsidiary through acquisition of 4.44% equity interest in Top-E held by Guangdong Expressway, the Company will consider the merge of Top-E into one of its branches, so as to strengthen the reform of service zone business and further stimulate the value of expressway service zone network and improve the profitability of expressway service zone business. The Board of the Company is of the view that after the completion of the acquisition of 4.44% equity interests in Top-E,

- (1) the Company will enjoy all the equity interests and value gains of Top-E, which will bring definite profit growth to the Company;
- (2) the Company will have full control over Top-E, which will facilitate the implementation of long-term strategies and decisions more effectively and improve the overall operational efficiency. The Company will also make adjustment to the comprehensive reform to and design the strategic layout on developing our expressway service zone business, carry out comprehensive reform of the expressway service zone business in terms of the business model, business process and internal control system, effectively revitalize the remnant asset, improve the overall anti-risk ability and enhance the comprehensive competitiveness; and
- (3) the Company will consider the merger of Top-E, which will enable the Company to reduce asset-liability ratio, optimize asset structure and improve the efficiency of capital allocation. It is also conducive to creating more favorable conditions for financing activities such as bank borrowings and issuance of bonds.

Given as stated above, the Directors believe that the Equity Transfer will further enhance the Group's growth in business and profitability, and is therefore in the interest of the Group and the Shareholders of the Company as a whole.



## **OPINIONS OF THE DIRECTORS**

The consideration of the Equity Transfer was determined by the parties after arm's length negotiation with reference to (a) the valuation of the total shareholders' equity of Top-E as at the base date of valuation as stated in the valuation report prepared by the Valuer jointly entrusted by Guangdong Expressway and the Company and (b) the percentage of equity interests to be acquired by the Company under the Equity Transfer Contract. In the opinions of the Directors, while the Equity Transfer Contract and the Equity Transfer contemplated thereunder are not entered into in the usual and ordinary course of business of the Group, the terms of the Equity Transfer Contract and the Equity Transfer contemplated thereunder are on normal commercial terms, fair and reasonable and in the best interest of the Company and its Shareholders as a whole.

Mr. Chen Chuxuan, a non-executive Director, is the deputy chief accountant and the head of the strategic development department of GCGC. Therefore, he is deemed to be unable to provide recommendations to the Board in an independent capacity in respect of entering into the Equity Transfer Contract and the transactions contemplated thereunder. Mr. Chen Chuxuan has abstained from voting on the resolution approving the Equity Transfer Contract and the Equity Transfer contemplated thereunder. Save as disclosed above, none of the other Directors has any material interest in the Equity Transfer Contract and the Equity Transfer contemplated thereunder and is therefore required to abstain from voting on the relevant resolution.

## **IMPLICATIONS OF THE LISTING RULES**

As at the date of this announcement, GCGC is the controlling shareholder of the Company, directly holding approximately 74.12% of the total issued capital of the Company. Guangdong Expressway is a subsidiary of GCGC. As such, Guangdong Expressway is a connected person of the Company under Chapter 14A of the Listing Rules, and the Equity Transfer constitutes a connected transaction of the Company.

As the highest applicable percentage ratio in respect of the Equity Transfer as calculated under Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the Equity Transfer constitute a discloseable and connected transaction of the Company and is subject to reporting, announcement, circular and Independent Shareholders approval requirements under Chapter 14A of the Listing Rules.

## **INFORMATION ON OTHER PARTIES**

### **The Group**

The Company was established under the laws of the PRC as a joint stock limited company with its H Shares listed on the Stock Exchange. The Group is principally engaged in the business of travel services.

## **GCGC**

GCGC is a controlling shareholder of the Company which holds approximately 74.12% of the entire issued share capital of the Company as at the date of this announcement. GCGC is a state-owned enterprise in the PRC and is wholly-owned by Guangdong State-owned Asset Supervision and Administration Commission. GCGC and its subsidiaries are principally responsible for the investment, construction and management of the expressways in the Guangdong Province and are also engaged in the logistics and transportation.

## **Guangdong Expressway**

Guangdong Expressway is principally engaged in investment, project operation and management of expressways and related facilities.

## **DEFINITIONS**

“Board”	the board of directors of the Company
“Company”	Guangdong Yueyun Transportation Company Limited* (廣東粵運交通股份有限公司), a joint stock limited company incorporated under the laws of the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03399)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Equity Transfer”	proposed transfer by Guangdong Expressway of its 4.44% equity interest in Top-E to the Company pursuant to the Equity Transfer Contract
“Equity Transfer Contract”	the contract dated 22 March 2024 and entered into between the Company and Guangdong Expressway in relation to the Equity Transfer
“GCGC”	Guangdong Provincial Communication Group Company Limited* (廣東省交通集團有限公司), a state-owned enterprise established in the PRC and a controlling shareholder of the Company
“Group”	the Company and its subsidiaries owned from time to time
“Guangdong Expressway”	Guangdong Provincial Expressway Company Limited* (廣東省高速公路有限公司), a company established in the PRC with limited liability and a subsidiary of GCGC

“Independent Board Committee”	a committee comprised of Mr. Su Wujun, Ms. Huang Yuan, Mr. Shen Jialong and Mr. Zhang Xiangfa, all of whom are independent non-executive directors of the Company, formed to advise the Independent Shareholders in connection with the Equity Transfer
“Independent Shareholders”	shareholders of the Company that in relation to the resolution approving the Equity Transfer, excludes GCGC and its associates
“Independent Financial Adviser” or “Vinco Financial”	Vinco Financial Limited, a corporation licensed to carry out business in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) and being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Equity Transfer
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“percentage ratio(s)”	has the meaning ascribed to it under the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of share(s) of the Company
“Top-E”	Guangdong Top-E Expressway Service Zone Limited* (廣東通驛高速公路服務區有限公司)
“Valuer”	Beijing Guorongxinghua Assets Appraisal Co., Ltd.
“%”	percentage

By order of the Board  
**Guangdong Yueyun Transportation Company Limited**  
**Zhu Fang**  
*Chairman of the Board*

Guangzhou, the PRC  
22 March 2024

*As at the date of this announcement, the Board comprises Mr. Zhu Fang, Mr. Huang Wenban, Mr. Hu Xianhua and Mr. Hu Jian as executive directors of the Company, Mr. Chen Chuxuan as non-executive director of the Company, and Mr. Su Wujun, Ms. Huang Yuan, Mr. Shen Jialong and Mr. Zhang Xiangfa as independent non-executive directors of the Company.*

\* For identification purpose only

## **Appendix Asset Valuation Report**

This asset valuation report was prepared in accordance with China Asset Valuation Standards

### **Project for Value of the Entire Equity Interest of Shareholders of Guangdong Top-E Expressway Service Zone Company Limited Involved in the Proposed Transfer by Guangdong Provincial Expressway Company Limited of its 4.44% Equity Interest in Guangdong Top-E Expressway Service Zone Company Limited to Guangdong Yueyun Transportation Company Limited Asset Valuation Report**

Guo Rong Xing Hua Ping Bao Zi [2024] No. 620001

(Volume 1 of 1)

Name of valuer: Beijing Guorongxinghua Assets Appraisal Co., Ltd.

Date of valuation report: 20 February 2024

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## DECLARATION

I. This asset appraisal report has been prepared in accordance with the basic standards for asset appraisal issued by the Ministry of Finance of the People's Republic of China, and the code of practice and professional ethics for asset appraisal industry issued by the China Association of Asset Appraisal.

II. We and our appraisers comply with laws, administrative regulations and asset appraisal related standards, adhere to the principles of independence, objectivity and impartiality, and take responsibilities legally for the asset appraisal report issued.

III. The asset appraisal report shall be used by the client or any other user in accordance with relevant laws and administrative regulations, and in the applicable scope stated herein. Where the client or any user uses the asset valuation report by violating the immediately preceding provision, we and our appraisers disclaim any liability arising therefrom.

No entity or individual can use the asset valuation report except the client and any other user who is specified by the asset valuation engagement contract or stipulated by laws or administrative regulations to use the same.

We and our appraisers would like to remind that the users of the asset valuation report shall have a correct understanding of the valuation conclusion, which does not represent the realisable price of the subject of valuation and shall not be deemed a guarantee for the realisable price of the subject of valuation.

IV. The list of assets and liabilities involved in the evaluated object are reported by the client and the appraised entity with confirmation through their signatures, official seals or any other means permitted by law. The client and any other related party shall assume legal responsibility for the truthfulness, completeness and legality of the information provided by them.

V. Our appraisers have conducted on-site survey on the subject of valuation and the assets thereof. They have paid necessary attention to and checked the legal ownership status of the assets in relation to the evaluated object. They have also made truthful disclosure of the issues identified, and reminded the client and other related parties to perfect ownership thereof so as to meet the requirements for issuing the asset appraisal report.

VI. We and our appraisers have no existing or prospective interest in or relationship with the subject of valuation in the asset valuation report, nor do we and our appraisers have any existing or prospective interest in or relationship with or any bias against any relevant party.

VII. The analysis, judgment and results in the asset valuation report issued by us are subject to the assumptions and limitations herein and its users should take full account of the assumptions, limitations, and special notes set forth in the asset valuation report and their impact on the valuation conclusions.

**Project for Value of the Entire Equity Interest of Shareholders of Guangdong Top-E Expressway Service Zone Company Limited Involved in the Proposed Transfer by Guangdong Provincial Expressway Company Limited of its 4.44% Equity Interest in Guangdong Top-E Expressway Service Zone Company Limited to Guangdong Yueyun Transportation Company Limited**

**Summary of the Asset Valuation Report**

Guo Rong Xing Hua Ping Bao Zi [2024] No. 620001

**Guangdong Provincial Expressway Company Limited**

**Guangdong Yueyun Transportation Company Limited:**

As engaged by Guangdong Provincial Expressway Company Limited and Guangdong Yueyun Transportation Company Limited, Beijing Guorongxinghua Assets Appraisal Co., Ltd. has, in accordance with the laws, administrative regulations and asset valuation standards, and following necessary valuation procedures, appraised the market value of the entire shareholders' equity of Guangdong Top-E Expressway Service Zone Company Limited as at the date of valuation in the principles of independence, objectivity and impartiality. The asset valuation report is summarised as follows:

**Purpose of valuation:** According to the document of Guangdong Provincial Communication Group Company Limited titled "Notice on Commencing Relevant Work in Relation to Transfer of 4.44% Equity Interest in Guangdong Top-E Expressway Service Zone Company Limited" (Yue Jiao Ji Tou [2022] No. 41), Guangdong Provincial Expressway Company Limited intends to transfer its 4.44% equity interest in Guangdong Top-E Expressway Service Zone Co., Ltd. to Guangdong Yueyun Transportation Company Limited. In this regard, it is necessary to assess the market value of the entire shareholders' equity of Guangdong Top-E Expressway Service Zone Company Limited as at the date of valuation, so as to provide a reference for the value as at the date of valuation for the above economic behaviour.

**Subject of valuation:** the value of entire shareholders' equity of Guangdong Top-E Expressway Service Zone Company Limited.

**Scope of valuation:** All assets and liabilities of the appraised entity, including current assets, non-current assets (fixed assets, long-term equity investments and intangible assets, etc.), current liabilities and non-current liabilities.

**Date of valuation:** 30 September 2023

**Type of value:** Market value

**Valuation method:** Asset-based approach and income approach



Valuation conclusion: The valuation result under the income approach is selected as the final valuation conclusion in this asset valuation report. The specific valuation conclusion is as follows:

The book value of net assets of Guangdong Top-E Expressway Service Zone Company Limited as at the date of valuation was RMB496,054,600. The entire shareholders' equity appraised under income approach was RMB2,465,812,700, representing an increase of RMB1,969,758,100 or 397.08%.

This asset valuation report is issued for the sole purpose of providing value reference for the economic behaviour described herein, and the valuation conclusion shall be valid for one year from the date of valuation.

Users of the asset valuation report shall fully consider the assumptions, limiting conditions and notes on special matters set out in the asset valuation report and their impacts on the valuation conclusion.

Users of the report are specifically reminded to pay attention to other special matters and subsequent significant events when using this report.

**The above has been extracted from the full text of the asset valuation report. For details of this valuation, and in order to properly understand and use the valuation conclusion, you should carefully read the full text of the asset valuation report.**

**Project for Value of the Entire Equity Interest of Shareholders of Guangdong Top-E Expressway Service Zone Company Limited Involved in the Proposed Transfer by Guangdong Provincial Expressway Company Limited of its 4.44% Equity Interest in Guangdong Top-E Expressway Service Zone Company Limited to Guangdong Yueyun Transportation Company Limited**

**Text of the Asset Valuation Report**

Guo Rong Xing Hua Ping Bao Zi [2024] No. 620001

**Guangdong Provincial Expressway Company Limited**

**Guangdong Yueyun Transportation Company Limited:**

Based on your engagement, Beijing Guorongxinghua Assets Appraisal Co., Ltd. has, in accordance with the laws, administrative regulations and asset valuation standards, and following necessary valuation procedures, appraised the market value of the entire shareholders' equity of Guangdong Top-E Expressway Service Zone Company Limited as at 30 September 2023 involved in the proposed transfer by Guangdong Provincial Expressway Company Limited of its 4.44% equity interest in Guangdong Top-E Expressway Service Zone Company Limited to Guangdong Yueyun Transportation Company Limited under the asset-based approach and the income approach in the principles of independence, objectivity and impartiality. The asset valuation is reported as follows:

**I. The client, the appraised entity and other users of the asset valuation report specified in the asset valuation engagement contract**

The clients for whom this valuation is performed consist of Guangdong Yueyun Transportation Company Limited and Guangdong Provincial Expressway Company Limited, and the appraised entity is Guangdong Top-E Expressway Service Zone Company Limited.

(I) Overview of clients

1. Client 1

Name: Guangdong Yueyun Transportation Company Limited (“Yueyun Transportation”)

Unified social credit identifier: 91440000719285123G

Domicile: 8F, No. 1731-1735, Airport Road, Baiyun District, Guangzhou

Legal representative: Guo Junfa

Registered capital: RMB799,847,800

Type of company: Joint stock limited company (joint venture funded by investors from Taiwan, Hong Kong, Macau and Mainland China, and a listed company)

Date of establishment: 28 December 1999

Term of business: 28 December 1999 to indefinite term

Scope of business: inter-provincial scheduled passenger transport, inter-city scheduled passenger transport, inter-provincial chartered passenger transportation and inter-city chartered passenger transportation; development of high technologies in the transportation sector; investment in the development of transportation network, investment in transportation industry and expressway service industry; wholesale and retail of means of industrial production (excluding gold, silver and hazardous chemicals), and construction materials (establishment of new stores subject to separate approval); agency for cargo transshipment, agency for cargo sourcing, operation and agency of import and export of various commodities and technologies, except for commodities and technologies that are restricted or prohibited from import and export by the country; advertising, internet advertising services, and other advertising services; retail, wholesale and online sales: primary agricultural products, agricultural and sideline products, aquatic products, tea, food, health products, pharmaceuticals, wine, functional beverages, daily necessities, audio and video products, publications; processing of aquatic products; making and sales of snacks and Chinese food; provision of tickets, transportation, accommodation, catering and other agency services to tourists (excluding travel agency business); passenger ticketing agency; software development; development of AI application software; information system integration services; information consulting service (not including licensing information consulting service); data processing and storage support service.

## 2. Client 2

Name: Guangdong Provincial Expressway Company Limited (“GPFC”)

Unified social credit identifier: 91440000190330413W

Domicile: No. 83 Baiyun Road, Yuexiu District, Guangzhou

Legal representative: Chen Peilin

Registered capital: RMB12,488,950,995

Type of company: Limited liability company (state-controlled)

Date of establishment: 19 May 1990

Term of business: From 19 May 1990 to indefinite term

Scope of business: investment, project operation and management of expressways and their ancillary facilities, and organisation and management of refuelling and spare parts supply for expressways.

## (II) Overview of the appraised entity

### 1. Profile of registration

Name: Guangdong Top-E Expressway Service Zone Company Limited (“Top-E”)

Unified social credit identifier: 914400007247959966

Domicile: 5F, No. 1731-1735, Airport Road, Baiyun District, Guangzhou

Legal representative: Liu Wanneng

Registered capital: RMB100,000,000

Type of company: Other limited company

Date of establishment: 7 September 2000

Term of business: From 7 September 2000 to indefinite term

Scope of business: Sales of health-care food (pre-packaging); sales of food (sales of pre-packaged food only); wholesale of sporting goods and equipment; wholesale of arts and crafts and collectibles (except for ivory and its products); sales of communication equipment; sales of toys, animation and amusement products; sales of solar thermal power products; sales of software; sales agency; sales of daily consumables; sales of daily necessities; wholesale of aquatic products; sales of agricultural sideline products; purchase of primary agricultural products; wholesale of auto parts; wholesale of refined oil (excluding hazardous chemicals); sales of petroleum products (excluding hazardous chemicals); catering management; investment activities with its own funds; operation of electric vehicle charging infrastructure; carrying out operating activities under the authorisation of the head office; utilities management services; centralised quick charging stations; sales of lubricant oil; retail of auto parts; sales of building materials; sales of building decoration materials; sales of gifts and flowers; leasing and agency-based management of flower and green plant; flower planting; leasing of machinery and equipment; landscaping engineering construction; forest pest prevention services; city greening management; advertising design and agency; advertisement publication (not radio stations, television stations, and newspaper publishing organisations); primary processing of edible agricultural products; retail of edible agricultural products; sales of grain; retail of aquatic products; leasing-out of audio-visual products; leasing-out of electronic publications; purchase of aquatic products; leasing of non-residential properties; leasing of residential houses; general cargo warehousing services (excluding hazardous chemicals and other items subject to approval); domestic freight forwarding agency; typesetting and photocopy; safety consultancy services; building cleaning services; professional cleaning, washing and disinfection services; convention and exhibition services; property management; car park services; travel solicitation and consulting services at travel agency service outlets; ticketing agency services; information system integration services; information technology consulting services; software development; software outsourcing services; lease of photovoltaic power generation equipment; solar power technology services; sales of toys; retail of sports goods and equipment; sales of electronic products; consultancy and planning services; project planning and public relations services; commercial complex management services; marketing planning; brand management; production of advertisements; refined oil storage (excluding hazardous chemicals); sales of class-II medical devices; business training (excluding training requiring permits such as education training and vocational skills training); wholesale of refined oil (hazardous chemicals only) (operated by branches only); online food sales (sales of pre-packaged food); operation of food; wholesale of publications (operated by branches only); retail of publications (operated by branches only); catering services; various engineering construction activities; general contracting of building construction and municipal infrastructure projects; refuelling of gas vehicle; retail of refined oil (excluding hazardous chemicals); residential interior decoration; publication of advertisement (radio stations, television stations, press and publication organisations); operation of food (sale of bulk food); online sales of food; retail of pharmaceutical products; wine-related operation; retail of tobacco products; work safety inspection and testing; accommodation services (operated by branches only); operation of low-cost catering, snacks and food workshops; retail of refined oil (hazardous chemicals only) (operated by branches only); refined oil storage (hazardous chemicals only) (operated by branches only).

## 2. History

### (1) Establishment of the Company

Guangdong Top-E Expressway Service Zone Company Limited was incorporated on 7 September 2000. With a registered capital of RMB20,000,000, the company was funded by the following seven companies and was registered as a limited liability company in Guangzhou: Guangdong Yuedi Transportation Co. Ltd., Guangdong Provincial Freeway Company., Guangdong Xinyue Communication Investment Co., Ltd., Guangdong Provincial Highway Construction Co., Ltd., Guangdong Road & Bridge Construction Development Co. Ltd., Guangdong Communication Industrial Investment Co. Ltd., and Guangdong Changda Highway Engineering Co., Ltd. The shareholding structure of the company at the time of its establishment was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Yuedi Transportation Co. Ltd.	20.00%	400.00	400.00
Guangdong Provincial Freeway Company	25.00%	500.00	500.00
Guangdong Xinyue Communication Investment Co., Ltd.	25.00%	500.00	500.00
Guangdong Provincial Highway Construction Co., Ltd.	7.50%	150.00	150.00
Guangdong Road & Bridge Construction Development Co. Ltd.	7.50%	150.00	150.00
Guangdong Communication Industrial Investment Co., Ltd.	7.50%	150.00	150.00
Guangdong Provincial Changda Highway Engineering Co., Ltd.	7.50%	150.00	150.00
Total	<u>100.00%</u>	<u>2,000.00</u>	<u>2,000.00</u>

### (2) Change in name of shareholder

In 2001, Guangdong Yuedi Transportation Co. Ltd., a shareholder of Guangdong Top-E Expressway Service Zone Company Limited, changed its name to Guangdong Nan Yue Logistics Company Limited.

### (3) First equity transfer of the Company

On 11 March 2002, the appraised entity held a general meeting, at which Guangdong Xinyue Communication Investment Co., Ltd. and Guangdong Provincial Freeway Company were approved to transfer a part of their shares in the appraised entity to Guangdong Nan Yue Logistics Company Limited. The shareholding structure of the appraised entity upon the equity transfer was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Nan Yue Logistics Company Limited	50.00%	1,000.00	1,000.00
Guangdong Provincial Freeway Company	10.00%	200.00	200.00
Guangdong Xinyue Communication Investment Co., Ltd.	10.00%	200.00	200.00
Guangdong Provincial Highway Construction Co., Ltd.	7.50%	150.00	150.00
Guangdong Road & Bridge Construction Development Co. Ltd.	7.50%	150.00	150.00
Guangdong Communication Industrial Investment Co., Ltd.	7.50%	150.00	150.00
Guangdong Provincial Changda Highway Engineering Co., Ltd.	7.50%	150.00	150.00
<b>Total</b>	<b>100.00%</b>	<b>2,000.00</b>	<b>2,000.00</b>

### (4) First capital increase of the Company

On 24 July 2002, the appraised entity held a general meeting, at which Guangdong Nan Yue Logistics Company Limited was approved to increase its capital contribution to Top-E by RMB25,000,000, and the registered capital of Top-E would be increased from RMB20,000,000 to RMB45,000,000. The shareholding structure of the appraised entity upon the capital increase was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Nan Yue Logistics Company Limited	77.80	3,500.00	3,500.00
Guangdong Provincial Freeway Company	4.44%	200.00	200.00
Guangdong Xinyue Communication Investment Co., Ltd.	4.44%	200.00	200.00
Guangdong Provincial Highway Construction Co., Ltd.	3.33%	150.00	150.00
Guangdong Road & Bridge Construction Development Co. Ltd.	3.33%	150.00	150.00
Guangdong Communication Industrial Investment Co., Ltd.	3.33%	150.00	150.00
Guangdong Provincial Changda Highway Engineering Co., Ltd.	3.33%	150.00	150.00
<b>Total</b>	<b>100.00%</b>	<b>4,500.00</b>	<b>4,500.00</b>

(5) Second equity transfer and change in name of shareholder of the Company

On 23 December 2002, the appraised entity held a general meeting, at which Guangdong Changda Highway Engineering Co., Ltd., a shareholder of the Company, was approved to transfer its 3.33% equity interest in Guangdong Top-E Expressway Service Zone Company Limited to Guangdong Changda Development Investment Co., Ltd. at a consideration of RMB1,500,000. The name of Guangdong Provincial Freeway Company, a shareholder of the Company, was changed to Guangdong Provincial Expressway Company Limited. The shareholding structure of the appraised entity upon the change in equity interest was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Nan Yue Logistics Company Limited	77.80%	3,500.00	3,500.00
Guangdong Provincial Expressway Company Limited	4.44%	200.00	200.00
Guangdong Xinyue Communication Investment Co., Ltd.	4.44%	200.00	200.00
Guangdong Provincial Highway Construction Co., Ltd.	3.33%	150.00	150.00
Guangdong Road & Bridge Construction Development Co. Ltd.	3.33%	150.00	150.00
Guangdong Communication Industrial Investment Co., Ltd.	3.33%	150.00	150.00
Guangdong Changda Development Investment Co., Ltd.	3.33%	150.00	150.00
<b>Total</b>	<b>100.00%</b>	<b>4,500.00</b>	<b>4,500.00</b>

(6) Third equity transfer of the Company

On 24 November 2003, the appraised entity held a general meeting, at which Guangdong Xinyue Communication Investment Co., Ltd., Guangdong Provincial Highway Construction Co., Ltd., Guangdong Road & Bridge Construction Development Co. Ltd., Guangdong Communication Industrial Investment Co. Ltd. and Guangdong Changda Highway Engineering Co., Ltd. were approved to transfer their entire equity interests in Top-E to Guangdong Nan Yue Logistics Company Limited. The shareholding structure of the appraised entity upon the equity transfer was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Nan Yue Logistics Company Limited	95.56%	4,300.00	4,300.00
Guangdong Provincial Expressway Company Limited	4.44%	200.00	200.00
<b>Total</b>	<b>100.00%</b>	<b>4,500.00</b>	<b>4,500.00</b>



(7) Second capital increase of the Company

On 31 December 2005, the appraised entity held a general meeting, at which Top-E was approved to increase its registered capital by RMB55,000,000, bringing its registered capital from RMB45,000,000 to RMB100,000,000. The increase in the registered capital was subscribed by Guangdong Nan Yue Logistics Company Limited and GPFC in proportion to their shareholding. The shareholding structure of the appraised entity upon the capital increase was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Nan Yue Logistics Company Limited	95.56%	9,556.00	9,556.00
Guangdong Provincial Expressway Company Limited	4.44%	444.00	444.00
Total	<u>100.00%</u>	<u>10,000.00</u>	<u>10,000.00</u>

(8) Change in name of shareholder

On 18 December 2013, Top-E held an extraordinary general meeting, at which Guangdong Nan Yue Logistics Company Limited, a shareholder of Guangdong Top-E Expressway Service Zone Company Limited, was approved to change its company name to Guangdong Yueyun Transportation Company Limited. The shareholding structure of Top-E upon the change was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Yueyun Transportation Company Limited	95.56%	9,556.00	9,556.00
Guangdong Provincial Expressway Company Limited	4.44%	444.00	444.00
Total	<u>100.00%</u>	<u>10,000.00</u>	<u>10,000.00</u>

There was no change in the equity structure of the appraised entity during the period from such change to the date of valuation (being 30 September 2023).

### 3. Company Profile

#### (1) Overview of the Company

Guangdong Top-E Expressway Service Zone Company Limited was established on 7 September 2000. It is a chain enterprise authorised by Guangdong Provincial Communication Group (GPCG) to implement the integrated operation of expressway service zones solely owned or controlled by GPCG within Guangdong province from planning, construction, and operation to management. Top-E implements centralised operation and management of the expressway service zones in an integrated mode, which is the first of its kind in the country.

As of 30 September 2023, Top-E had 361 service zones (including 103 service zones in Nantou) with operation rights, 351 service zones (including 83 parking zones) in operation; and 208 gas stations (64 proprietary gas stations); and operated 261 proprietary convenience stores and 264 charging stations in service zones. The relevant business qualifications, including Business Licence for Retail of Refined Oil, Business Licence for Hazardous Chemicals and Business Licence for Food, have been obtained for those gas stations and proprietary convenience stores.

#### (2) Overview of branches and subsidiaries

As of the date of valuation (being 30 September 2023), the appraised entity had a total of 5 branches, 3 majority-owned subsidiaries and 3 investee subsidiaries. The branches were Yuedong Branch, Yuexi Branch, Yuebei Branch, Pearl River Delta Branch and Landscaping and Decoration Engineering Branch. The 3 majority-owned subsidiaries were Guangdong Jindaoda Expressway Economic Development Co., Ltd., Guangdong Zhong Yue Tong Oil Products Operation Co., Ltd. and Guangdong Top-E Landscaping Co., Ltd. The 3 investee subsidiaries were Guangdong Expressway Media Co., Ltd., Guangdong Zhongyou Top-E Energy Trading Company Limited and Guangdong Yueyun Development Co., Ltd. Shareholding of the Company in each subsidiary is as follows:

No.	Name of the investee	Date of investment	Investment horizon	Percentage of shareholding	Investment cost (RMB'0000)
1	Guangdong Jindaoda Expressway Economic Development Co., Ltd.	1 March 2002	Long-term	95%	950.00
2	Guangdong Top-E Landscaping Co., Ltd.	1 September 2001	Long-term	100%	2,000.00
3	Guangdong Zhong Yue Tong Oil Products Operation Co., Ltd.	24 October 2005	Long-term	30.58346%	936.20
4	Guangdong Zhongyou Top-E Energy Trading Company Limited	15 March 2017	Long-term	51%	3,122.50
5	Guangdong Expressway Media Co., Ltd.	23 January 2003	Long-term	40%	1,320.00
6	Guangdong Yueyun Development Co., Ltd.	29 March 2021	Long-term	10%	360.00

Particulars of the subsidiaries are as follows:

### 1) Guangdong Jindaoda Expressway Economic Development Co., Ltd.

#### ① Profile of registration

Registered name: Guangdong Jindaoda Expressway Economic Development Co., Ltd. (“Jindaoda”)

Unified social credit identifier: 91440000231131809C

Registered address: Room 204, No. 34, Huaguili, Xiaogang Road, Haizhu District, Guangzhou

Legal representative: Chen Liang

Registered capital: RMB10,000,000

Company type: Limited liability company (state-controlled)

Date of establishment: 10 November 1997

Term of business: 10 November 1997 to indefinite term

Scope of business: Economic development along expressways and development and operation of ancillary facilities, investment in various industries and property management thereof, maintenance of household appliances, typesetting and photocopying services; sales of construction materials; design and construction of urban landscaping projects, sale of landscaping plant materials; operation of gas stations along expressways (operated by the branch in accordance with Yue Mao Han [1999] No. 192 of the Provincial Trade Commission); and design, production, agency and publication of various domestic and overseas advertisements.

#### ② History of Jindaoda

##### A. Establishment of Jindaoda

Guangdong Jindaoda Expressway Economic Development Co., Ltd. was established on 29 September 1997 by Guangdong Provincial Expressway Company Limited and the Trade Union of Guangdong Provincial Freeway Company (“GPFC Trade Union”). The registered capital of the company at the time of establishment was RMB1,000,000. The shareholding structure of the company at the time of establishment was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Provincial Expressway Company Limited	51.00%	51.00	51.00
Trade Union of Guangdong Provincial Freeway Company	49.00%	49.00	49.00
<b>Total</b>	<b>100.00%</b>	<b>100.00</b>	<b>100.00</b>

## B. First capital increase and new shareholders of Jindaoda

On 2 December 1998, the board of directors of Jindaoda convened a meeting, at which it was agreed that the registered capital of the company would be increased from RMB1,000,000 to RMB1,108,700, of which RMB510,000 was contributed by GPFC, representing 46.00% of its equity interest; RMB490,000 by GPFC Trade Union, representing 44.00% of its equity interest, and RMB108,700 by the Trade Union of Guangdong Jindaoda Expressway Economic Development Co., Ltd. (“Jindaoda Trade Union”), representing 10.00% of its equity interest. The shareholding structure of Jindaoda upon the capital increase was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Provincial Expressway Company Limited	46.00%	51.00	51.00
Trade Union of Guangdong Provincial Freeway Company	44.00%	49.00	49.00
Trade Union of Guangdong Jindaoda Expressway Economic Development Co., Ltd.	10.00%	10.87	10.87
<b>Total</b>	<b>100.00%</b>	<b>110.87</b>	<b>110.87</b>

## C. Second capital increase and new shareholders of Jindaoda

On 18 June 1999, a general meeting of Jindaoda was held, at which it was agreed that the registered capital of the company would be increased from RMB1,108,700 as at the date of establishment to RMB10,000,000, of which, RMB1,785,000 was contributed by GPFC, representing 17.85% of its equity interest; RMB1,715,000 by GPFC Trade Union, representing 17.15% of its equity interest; and RMB2,500,000 by Guangdong Provincial Expressway Development Co., Ltd. (“Yue Expressway”), representing 25.00% of its equity interest; and RMB4,000,000 by Jindaoda Trade Union, representing 40.00% of its equity interest. The shareholding structure of Jindaoda upon the capital increase was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Provincial Expressway Company Limited	17.85%	178.50	178.50
Trade Union of Guangdong Provincial Freeway Company	17.15%	171.50	171.50
Guangdong Provincial Expressway Development Co., Ltd.	25.00%	250.00	250.00
Trade Union of Guangdong Jindaoda Expressway Economic Development Co., Ltd.	40.00%	400.00	400.00
<b>Total</b>	<b>100.00%</b>	<b>1,000.00</b>	<b>1,000.00</b>

#### D. First equity transfer of the company

On 1 March 2002, Jindaoda held a general meeting, at which it was agreed that equity interest held by GPFC Trade Union, Yue Expressway, and Jindaoda Trade Union in Jindadao would be transferred to Guangdong Top-E Expressway Service Zone Company Limited and GPFC. After the equity transfer, RMB7,770,000 was contributed by Top-E, representing 77.70% of its equity interests; and RMB2,230,000 by GPFC, representing 22.30% of its equity interests. The shareholding structure of Jindaoda upon the equity transfer was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Top-E Expressway Service Zone Company Limited	77.70%	777.00	777.00
Guangdong Provincial Expressway Company Limited	22.30%	223.00	223.00
Total	100.00%	1,000.00	1,000.00

#### E. Second equity transfer of the company

On 24 June 2004, Jindaoda held a general meeting, at which the transfer of 22.3% equity interest held by GPFC to Top-E was approved. After the transfer, Top-E contributed RMB9,500,000, representing 95% of equity interest of Jindaoda; and Guangdong Yueyun Transportation Company Limited (formerly known as Guangdong Nan Yue Logistics Company Limited) contributed RMB500,000, representing 5% of the equity interest of Jindaoda. The shareholding structure of Jindaoda upon the equity transfer is as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Top-E Expressway Service Zone Company Limited	95.00%	950.00	950.00
Guangdong Yueyun Transportation Company Limited	5.00%	50.00	50.00
Total	100.00%	1,000.00	1,000.00

There was no change in the equity structure of Jindaoda during the period from such change to the date of valuation (being 30 September 2023). Guangdong Top-E Expressway Service Zone Company Limited held 95% of equity interest in Jindaoda as at the date of valuation.

### ③ Assets, financial position and operation of Jindaoda in recent years

The following table sets out assets, financial position and operation of Jindaoda in recent years:

<i>Unit: RMB</i>				
<b>Item</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>30 September 2023</b>
Total assets	60,897,372.89	64,508,870.85	68,724,728.81	69,475,152.51
Total liabilities	7,718,613.52	9,775,116.54	7,891,615.41	8,942,182.67
Total owners' equity	53,178,759.37	54,733,754.31	60,833,113.40	60,532,969.84

  

<b>Item</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>January to September 2023</b>
Operating revenue	49,766,097.72	50,666,904.52	46,893,993.00	28,022,806.73
Total profits	6,870,246.45	5,859,831.15	10,869,253.37	5,271,412.77
Net profits	4,709,145.99	3,849,409.97	7,670,308.36	4,304,056.03

*Note:* The financial data of Jindaoda for 2020 was extracted from the audit report (KPMG Huazhen Sui Shen Zi No. 2100187) issued by KPMG Huazhen LLP; the financial data for 2021 was extracted from the audit report (Xin Kuai Shi Yue Bao Zi [2022] No. 20118) issued by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch; and the financial statements for 2022 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP and the financial statements for the period from January to September 2023 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch.

## 2) Guangdong Zhong Yue Tong Oil Products Operation Co., Ltd.

### ① Profile of registration

Name: Guangdong Zhong Yue Tong Oil Products Operation Co., Ltd. (“Zhong Yue Tong”)

Unified social credit identifier: 9144000078201238XL

Domicile: Room 201, No. 1735, Airport Road, Baiyun District, Guangzhou, Guangdong

Legal representative: Xu Yulong

Registered capital: RMB30,612,300

Type of company: Other limited company

Date of establishment: 24 October 2005

Term of business: From 24 October 2005 to indefinite term

Scope of business: Operation and management of petrol stations and gas stations; sales of petroleum products (excluding refined oil), building materials, automobile parts and components; vehicle cleaning services; retail of motor vehicle fuel (for end users) and gas operation; automobile charging services; retail of prepackaged food, bulk food, dairy products, health food, books, newspapers, journals, electronic publications, audio-visual products, cigarettes, cigars, daily necessities, clothing, hardware, household appliances, electronic products and top-up cards; agency and publication of advertisements (the above items shall be operated by the branches with licenses); project investment; and technical consultation.

## ② History of Zhong Yue Tong

### A. Establishment of Zhong Yue Tong

Guangdong Zhong Yue Tong Oil Products Operation Co., Ltd. was established by China Petroleum & Chemical Corporation, Guangdong Nan Yue Logistics Company Limited (now renamed as Guangdong Yueyun Transportation Company Limited) and Guangdong Top-E Expressway Service Zone Company Limited on 24 October 2005. At the time of establishment, the registered capital of Zhong Yue Tong was RMB25,000,000. The shareholding structure of Zhong Yue Tong at the time of establishment was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
China Petroleum & Chemical Corporation	40.00%	1,000.00	1,000.00
Guangdong Nan Yue Logistics Company Limited	25.00%	625.00	625.00
Guangdong Top-E Expressway Service Zone Company Limited	35.00%	875.00	875.00
<b>Total</b>	<b>100.00%</b>	<b>2,500.00</b>	<b>2,500.00</b>

### B. First capital increase and new shareholders of Zhong Yue Tong

In April 2006, Zhong Yue Tong convened a general meeting, at which it was approved to increase the registered capital of the company from RMB25,000,000 as at the date of establishment to RMB30,000,000, of which RMB15,000,000 was contributed by China Petroleum & Chemical Corporation, representing 50.00% of the equity interest; RMB8,750,000 was contributed by Top-E, representing 29.17% of the equity interest; and RMB6,250,000 by Guangdong Nan Yue Logistics Company Limited, representing 20.83% of the equity interest. The shareholding structure of Zhong Yue Tong upon the capital increase was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
China Petroleum & Chemical Corporation	50.00%	1,500.00	1,500.00
Guangdong Nan Yue Logistics Company Limited	20.83%	625.00	625.00
Guangdong Top-E Expressway Service Zone Company Limited	29.17%	875.00	875.00
<b>Total</b>	<b>100.00%</b>	<b>3,000.00</b>	<b>3,000.00</b>



### C. First equity transfer of Zhong Yue Tong

On 5 August 2013, Guangdong Nan Yue Logistics Company Limited, a shareholder of Zhong Yue Tong, changed its company name to Guangdong Yueyun Transportation Company Limited. In December 2014, Zhong Yue Tong convened a general meeting, at which it was approved that China Petroleum & Chemical Corporation would transfer its equity interest in the company to Sinopec Sales Co., Ltd. (now renamed as Sinopec Sales Corporation). After the equity transfer, Sinopec Sales Co., Ltd., Top-E and Guangdong Yueyun Transportation Company Limited made respective capital contribution of RMB15,000,000, RMB8,750,000 and RMB6,250,000, representing 50.00%, 29.17% and 20.83% of the equity interest of Zhong Yue Tong, respectively. The shareholding structure of Zhong Yue Tong upon the equity transfer was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Sinopec Sales Corporation	50.00%	1,500.00	1,500.00
Guangdong Yueyun Transportation Company Limited	20.83%	625.00	625.00
Guangdong Top-E Expressway Service Zone Company Limited	29.17%	875.00	875.00
<b>Total</b>	<b>100.00%</b>	<b>3,000.00</b>	<b>3,000.00</b>

### D. Second capital increase of Zhong Yue Tong

On 9 January 2020, Zhong Yue Tong convened a general meeting, at which it was agreed that Top-E would increase its capital contribution to Zhong Yue Tong by RMB612,000 in cash. The registered capital of Zhong Yue Tong therefore increased from RMB30,000,000 to RMB30,612,300, of which RMB15,000,000 was contributed by Sinopec Sales Co., Ltd., representing 48.99991% of the equity interest; RMB9,362,000 by Top-E, representing 30.58346% equity interest; and RMB6,250,000 by Guangdong Yueyun Transportation Company Limited, representing 20.41663% of the equity interest. The shareholding structure of Zhong Yue Tong upon the capital increase was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Sinopec Sales Corporation	48.99991%	1,500.00	1,500.00
Guangdong Yueyun Transportation Company Limited	20.41663%	625.00	625.00
Guangdong Top-E Expressway Service Zone Company Limited	30.58346%	936.20	936.20
<b>Total</b>	<b>100.00%</b>	<b>3,061.23</b>	<b>3,061.23</b>

There was no change in the equity structure of Zhong Yue Tong during the period from such equity transfer to the date of valuation (being 30 September 2023). Guangdong Top-E Expressway Service Zone Company Limited held 30.58346% of equity interest in Zhong Yue Tong as at the date of valuation. At the same time, Yueyun Transportation entrusted Top-E to manage its 20.41663% equity interests in Zhong Yue Tong, and therefore it could exercise control over Zhong Yue Tong.

③ Assets, financial position and operating condition of Zhong Yue Tong in recent years

The following table sets out the financial position and operating condition of Zhong Yue Tong:

<i>Unit: RMB</i>				
<b>Item</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>30 September 2023</b>
Total assets	196,126,901.11	249,856,138.56	266,938,006.90	356,650,434.76
Total liabilities	35,581,461.02	27,222,785.26	28,696,684.81	37,925,100.28
Total owners' equity	160,545,440.09	222,633,353.30	238,241,322.09	318,725,334.48
<b>Item</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>January to September 2023</b>
Operating revenue	666,172,178.63	1,110,250,631.97	1,048,252,739.42	926,898,266.08
Total profits	110,244,543.02	156,844,707.08	128,742,848.85	102,766,703.03
Net profits	82,650,879.50	116,770,618.18	94,827,093.78	75,893,907.79

*Note:* The financial data of Zhong Yue Tong for 2020 was extracted from the audit report (KPMG Huazhen Sui Shen Zi No. 2100188) issued by KPMG Huazhen LLP, the financial data for 2021 was extracted from the audit report (Xin Kuai Shi Yue Bao Zi [2022] No. 20120) issued by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch, and the financial statements for 2022 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP and the financial statements for the period from January to September 2023 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch.

### 3) Guangdong Top-E Landscaping Co., Ltd.

#### ① Profile of registration

Name: Guangdong Top-E Landscaping Co., Ltd. (“Top-E Landscaping”)

Unified social credit identifier: 91440000707660870C

Domicile: 3/F, No. 1731, 1733, and 1735, Airport Road, Baiyun District, Guangzhou

Legal representative: Yu Wei

Registered capital: RMB20,000,000

Type of company: Limited liability company (sole proprietorship of legal person)

Date of establishment: 18 August 1998

Term of business: From 18 August 1998 to indefinite term

Scope of business: Contracting foreign projects; landscaping engineering construction; flower planting; planting of landscape products; planting and management of trees; leasing and agency-based management of flower and green plant; city greening management; professional design services; information technology consulting services; technology services; development of technologies; technology consulting services; technology exchange, technology transfer, technology promotion; Construction management services; contracting foreign projects; research, testing and development of engineering and technologies; engineering technology services (excluding planning management, investigation, design and supervision); leasing of machinery and devices for engineering; water pollution treatment; wastewater treatment and recycling; installation services of public environmental and sanitation facilities; soil pollution treatment and restoration; restoration and protection of ecosystem; monitoring ecological resources; consulting services for environmental protection; solid waste treatment; sales of ecomaterials; management of flood control facilities; promotion of new materials and technologies; consultancy and planning services; sales of building decoration materials; sales of building materials; sales of forest products; property management; car park services; leasing of residential houses; leasing of non-residential properties; lease of photovoltaic power generation equipment; leasing of storage battery; sales of battery; construction, maintenance and testing of electrical services; construction of engineering projects; general contracting of building construction and municipal infrastructure projects; residential interior decoration; supervision of construction works; professional construction works; labour sub-contracting for construction works; intelligent engineering in construction works; production and operation of grass seeds; kitchen waste treatment; municipal solid waste operating services; power supply business; catering services.

## ② History of Top-E Landscaping

### A. Establishment

Guangdong Guantong Expressway Assets Management Co., Ltd. (the predecessor of Guangdong Top-E Landscaping Co., Ltd.) was established on 18 August 1998. It is jointly funded by Guangdong Provincial Highway Construction Company and Trade Union of Guangdong Provincial Highway Construction Co., Ltd. The shareholding structure of Top-E Landscaping at time of its establishment was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Provincial Highway Construction Company	70.00%	70.00	70.00
Trade Union of Guangdong Provincial Highway Construction Company	30.00%	30.00	30.00
<b>Total</b>	<b>100.00%</b>	<b>100.00</b>	<b>100.00</b>

### B. First capital increase and first equity transfer of Top-E Landscaping

In 1999, the registered capital of Guangdong Guantong Expressway Assets Management Co., Ltd. was increased to RMB10,000,000. Trade Union of Guangdong Provincial Highway Construction Co., Ltd. transferred its shares to Guangdong Harbor Engineering Corporation (Hong Kong). The shareholding structure of Top-E Landscaping upon the change was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Provincial Highway Construction Company	97.00%	970.00	970.00
Guangdong Harbor Engineering Corporation (Hong Kong)	3.00%	30.00	30.00
<b>Total</b>	<b>100.00%</b>	<b>1,000.00</b>	<b>1,000.00</b>

### C. Second equity transfer of Top-E Landscaping

In December 2001, Guangdong Provincial Highway Construction Company transferred its shares to Guangdong Top-E Expressway Service Zone Company Limited and Guangdong Harbor Engineering Corporation transferred its shares to Guangdong Hangsheng Engineering Co., Ltd. The shareholding structure of Top-E Landscaping upon the change was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Top-E Expressway Service Zone Company Limited	97.00%	970.00	970.00
Guangdong Hangsheng Engineering Co. Ltd	3.00%	30.00	30.00
<b>Total</b>	<b>100.00%</b>	<b>1,000.00</b>	<b>1,000.00</b>

### D. Change in name of shareholder

In March 2008, the name of Guangdong Hangsheng Engineering Co. Ltd., which is one of shareholders of the Company, was changed to Guangdong Hangsheng Construction Group Co., Ltd. The shareholding structure of Top-E Landscaping upon the change was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Top-E Expressway Service Zone Company Limited	97.00%	970.00	970.00
Guangdong Hangsheng Construction Group Co., Ltd.	3.00%	30.00	30.00
<b>Total</b>	<b>100.00%</b>	<b>1,000.00</b>	<b>1,000.00</b>

### E. Third equity transfer of Top-E Landscaping

On 29 July 2013, Guangdong Hangsheng Construction Group Co., Ltd. transferred its equity interest to CRCC Harbour & Channel Engineering Bureau Group Co., Ltd. The shareholding structure of Top-E Landscaping upon the change was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Top-E Expressway Service Zone Company Limited	97.00%	970.00	970.00
CRCC Harbour & Channel Engineering Bureau Group Co., Ltd.	3.00%	30.00	30.00
<b>Total</b>	<b>100.00%</b>	<b>1,000.00</b>	<b>1,000.00</b>

### F. Change in name and the fourth equity transfer of Top-E Landscaping

On 14 January 2014, the name of Guangdong Guantong Expressway Assets Management Co., Ltd. was changed to Guangdong Top-E Landscaping Co., Ltd., and CRCC Harbour & Channel Engineering Bureau Group Co., Ltd. transferred its equity interest to Guangdong Top-E Expressway Service Zone Company Limited. The shareholding structure of Top-E Landscaping upon the change was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Top-E Expressway Service Zone Company Limited	100.00%	1,000.00	1,000.00
<b>Total</b>	<b>100.00%</b>	<b>1,000.00</b>	<b>1,000.00</b>

## G. Second capital increase of Top-E Landscaping

In June 2015, Top-E Landscaping increased its registered capital to RMB20,000,000. The shareholding structure of Top-E Landscaping upon the capital increase was as follows:

Name of shareholder	Percentage of capital contribution	Subscribed capital contribution (RMB'0000)	Paid-in capital contribution (RMB'0000)
Guangdong Top-E Expressway Service Zone Company Limited	100.00%	2000.00	2000.00
Total	<u>100.00%</u>	<u>2000.00</u>	<u>1000.00</u>

There was no change in the equity structure of Top-E Landscaping during the period from such equity transfer to the date of valuation (being 30 September 2023). Guangdong Top-E Expressway Service Zone Company Limited held 100% equity interest in Guangdong Top-E Landscaping Co., Ltd. as at the date of valuation.

### ③ Assets, financial position and operating condition of Top-E Landscaping in recent years

The following table sets out the financial position and operating condition of Top-E Landscaping in recent years:

<i>Unit: RMB</i>				
Item	31 December 2020	31 December 2021	31 December 2022	30 September 2023
Total assets	52,168,520.58	49,973,288.24	46,288,432.43	41,073,571.41
Total liabilities	21,075,647.21	17,822,851.50	15,049,367.93	12,057,478.13
Total owners' equity	31,092,873.37	32,150,436.74	31,239,064.50	29,016,093.28
Item	2020	2021	2022	January to September 2023
Operating revenue	27,270,836.08	21,473,140.61	12,370,072.60	3,690,992.38
Total profits	3,455,261.39	1,204,573.46	-935,375.78	-2,272,006.70
Net profits	2,563,979.70	1,057,563.37	-911,372.24	-2,222,971.22

*Note:* The financial data of Top-E Landscaping for 2020 was extracted from the audit report (KPMG Huazhen Sui Shen Zi No. 2100184) issued by KPMG Huazhen LLP; the financial data for 2021 was extracted from the audit report (Xin Kuai Shi Yue Bao Zi [2022] No. 20119) issued by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch; the financial statements for 2022 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP and the financial statements for the period from January to September 2023 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch.



#### 4) Guangdong Expressway Media Co., Ltd.

##### ① Profile of registration

Name: Guangdong Expressway Media Co., Ltd. (“Expressway Media”)

Unified social credit identifier: 914400007470723448

Domicile: Room 1803, Yueyun Building, No. 3 Zhongshan 2nd Road, Yuexiu District, Guangzhou

Legal representative: Zhou Xiaorong

Registered capital: RMB33,000,000

Type of company: Other limited company

Date of establishment: 23 January 2003

Term of business: From 23 January 2003 to indefinite term

Scope of business: design, planning, production and publication of advertisements; corporate image planning and corporate management services; conference services; internal training organisation services; organisation of cultural exchange activities; wholesale of daily necessities; business consulting; undertaking of exhibitions; and undertaking of interior decoration design and construction.

##### ② History of Expressway Media

###### A. Establishment of Expressway Media

Guangdong Expressway Media Co., Ltd. (formerly known as “Guangdong Xinlu Advertising Co., Ltd.”) was established on 23 January 2003 and it was jointly funded by Guangdong Nan Yue Logistics Company Limited (now renamed as Guangdong Yueyun Transportation Company Limited) and Guangdong Top-E Expressway Service Zone Company Limited. The registered capital of the company at the time of establishment was RMB3,000,000. The shareholding structure of Expressway Media at the time of establishment was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Nan Yue Logistics Company Limited	60.00%	180.00	180.00
Guangdong Top-E Expressway Service Zone Company Limited	40.00%	120.00	120.00
<b>Total</b>	<b>100.00%</b>	<b>300.00</b>	<b>300.00</b>

## B. First capital increase of Expressway Media

On 5 March 2009, Express Media held a general meeting, at which it was approved that the registered capital of the company would be increased from RMB3,000,000 to RMB33,000,000, of which RMB19,800,000 was contributed by Guangdong Nan Yue Logistics Company Limited, representing 60.00% of equity interest and RMB13,200,000 by Top-E, representing 40.00% of the equity interest. The shareholding structure of Expressway Media upon the capital increase was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Nan Yue Logistics Company Limited	60.00%	1,980.00	1,980.00
Guangdong Top-E Expressway Service Zone Company Limited	40.00%	1,320.00	1,320.00
<b>Total</b>	<b>100.00%</b>	<b>3,300.00</b>	<b>3,300.00</b>

## C. Change in shareholder name of Expressway Media

On 5 August 2013, Guangdong Nan Yue Logistics Company Limited, a shareholder of Expressway Media, changed its company name to Guangdong Yueyun Transportation Company Limited. The shareholding structure upon such change was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
Guangdong Yueyun Transportation Company Limited	60.00%	1,980.00	1,980.00
Guangdong Top-E Expressway Service Zone Company Limited	40.00%	1,320.00	1,320.00
<b>Total</b>	<b>100.00%</b>	<b>3,300.00</b>	<b>3,300.00</b>

There was no change in the shareholding structure of Expressway Media during the period from such equity transfer to the date of valuation (being 30 September 2023). As at the date of valuation, Guangdong Top-E Expressway Service Zone Company Limited held 40% equity interest in Expressway Media.

③ Assets, financial position and operating condition of Expressway Media in recent years

The following table sets out the financial position and operating condition of Expressway Media:

<i>Unit: RMB</i>				
<b>Item</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>30 September 2023</b>
Total assets	299,242,093.61	210,076,677.10	177,808,538.24	170,663,051.72
Total liabilities	213,191,636.48	121,828,771.85	87,584,680.56	84,644,717.55
Total owners' equity	86,050,457.13	88,247,905.25	90,223,857.68	86,018,334.17

  

<b>Item</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>January to September 2023</b>
Operating revenue	119,454,624.05	104,916,280.27	58,682,919.19	47,918,545.75
Total profits	16,998,716.46	14,027,841.80	7,731,309.45	2,013,893.96
Net profits	12,532,339.78	10,092,822.18	5,798,482.09	1,045,167.64

*Note:* The financial data of Expressway Media for 2020 is extracted from the audit report (KPMG Huazhen Sui Shen Zi No. 2100120) issued by KPMG Huazhen LLP; the financial data for 2021 is extracted from the audit report (Xin Kuai Shi Yue Bao Zi [2022] No. 20132) issued by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch; and the financial statements for 2022 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP and the financial statements for the period from January to September 2023 is extracted from the financial statements of the company.

## 5) Guangdong Zhongyou Top-E Energy Trading Company Limited

### ① Profile of registration

Name: Guangdong Zhongyou Top-E Energy Trading Company Limited (“Zhongyou Top-E”)

Unified social credit identifier: 91440101MA59K9C71E

Domicile: Room 1404&1405, No. 1, Pazhou Avenue East, Haizhu District, Guangzhou

Legal representative: Liu Wanneng

Registered capital: RMB61,224,500

Type of company: Other limited company

Date of establishment: 15 March 2017

Term of operation: 15 March 2017 to indefinite term

Scope of business: wholesale of refined oil (excluding hazardous chemicals); sales of petroleum products (excluding hazardous chemicals); refined oil storage (excluding hazardous chemicals); sales of lubricant oil; sales of general merchandise; sales of daily necessities; sales of daily consumables; food operation (sale of pre-packaged food only); retail of fresh fruit; sales of new automobiles; retail of auto parts; sales of automotive decorative products; sales of motor vehicle charging; electric vehicle charging infrastructure operation; repair and maintenance of motor vehicles; electronic weighing service; advertisement publication (non-radio stations, television stations, newspaper publishing organisations); leasing of non-residential properties; business training (excluding training requiring permits such as education training and vocational skills training); convention and exhibition services; sales agency; ticketing agency services; car wash services; centralised quick charging stations; sales of new energy vehicles; solar power technology services; sale of chemical products (excluding licenced chemical products); sales of used vehicles; sales of building materials; sales of building decoration materials; wholesale of refined oil (hazardous chemicals only); retail of refined oil (hazardous chemicals only); retail of refined oil (excluding hazardous chemicals); gas operation; gas vehicle refuelling operation; road cargo transportation station operation; wine operation; retail of tobacco products; food operation; food operation (sale of bulk food); sales of health-care food; light refreshments.

## ② History of Zhongyou Top-E

### A. Establishment of Zhongyou Top-E

Guangdong Zhongyou Top-E Energy Trading Company Limited was established on 15 March 2017 and it was jointly funded by PetroChina Company Limited and Guangdong Top-E Expressway Service Zone Company Limited. The registered capital of the company is RMB60,000,000, of which RMB30,000,000 was contributed by PetroChina Company Limited, representing 50.00% of the equity interest and RMB30,000,000 by Guangdong Top-E Expressway Service Zone Company Limited, representing 50.00% of the equity interest. The shareholding structure of Zhongyou Top-E at the time of establishment was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
PetroChina Company Limited	50.00%	3,000.00	3,000.00
Guangdong Top-E Expressway Service Zone Company Limited	50.00%	3,000.00	3,000.00
<b>Total</b>	<b>100.00%</b>	<b>6,000.00</b>	<b>6,000.00</b>

## B. First capital increase of Zhongyou Top-E

In January 2021, Zhongyou Top-E held a general meeting, at which it was approved that the registered capital of the company would be increased from RMB60,000,000 to RMB61,224,500 of which RMB30,000,000 was contributed by PetroChina Company Limited, representing 49.00% of equity interest, and RMB31,225,000 by Top-E, representing 51.00% of the equity interest. The shareholding structure of Zhongyou Top-E upon the capital increase was as follows:

<b>Name of shareholder</b>	<b>Percentage of capital contribution</b>	<b>Subscribed capital contribution (RMB'0000)</b>	<b>Paid-in capital contribution (RMB'0000)</b>
PetroChina Company Limited	49.00%	3,000.00	3,000.00
Guangdong Top-E Expressway Service Zone Company Limited	51.00%	3,122.45	3,122.45
<b>Total</b>	<b>100.00%</b>	<b>6,122.45</b>	<b>6,122.45</b>

There was no change in the equity structure of Zhongyou Top-E during the period from such equity transfer to the date of valuation (being 30 September 2023). As at the date of valuation, Guangdong Top-E Expressway Service Zone Company Limited held 51% equity interest in Zhongyou Top-E. However, due to the directorship held by Guangdong Top-E Expressway Service Zone Company Limited was less than half, it did not realise control over Zhongyou Top-E.

③ The following table sets out the financial position and operating condition of Zhongyou Top-E in recent years:

	<i>Unit: RMB</i>			
<b>Item</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>30 September 2023</b>
Total assets	89,201,013.93	81,142,510.77	113,686,453.84	102,843,254.97
Total liabilities	18,321,054.85	7,259,945.20	45,681,963.95	33,425,758.24
Total owners' equity	70,879,959.08	73,882,565.57	68,004,489.89	69,417,496.73
<b>Item</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>January to September 2023</b>
Operating revenue	169,276,568.67	333,081,253.89	130,544,954.11	157,406,903.16
Total profits	9,424,166.41	9,057,626.73	751,997.30	30,436.81
Net profits	7,030,261.32	6,788,246.67	563,997.98	22,827.61

*Note:* The financial data of Zhongyou Top-E for 2020 was extracted from the audit report (Yue Cheng [2021] Shen Zi No. 001) issued by Guangzhou Yuecheng Certified Public Accountants (General Partnership); the financial data for 2021 was extracted from the audit report (Yue Cheng [2022] Shen Zi No. 002) issued by Guangzhou Yuecheng Certified Public Accountants (General Partnership); and the financial data for 2022 and January to September 2023 is extracted from the financial statements of the company.

## 6) Guangdong Yueyun Development Co., Ltd.

### ① Profile of registration

Name: Guangdong Yueyun Development Co., Ltd. (“Yueyun Development”)

Unified social credit identifier: 91440101MA59BEYJ4F

Domicile: Unit CD, 18/F, No. 3, Zhongshan Second Road, Yuexiu District, Guangzhou (for office use only)

Legal representative: Zhao Ruhan

Registered capital: RMB36,000,000

Type of company: Other limited company

Date of establishment: 12 January 2016

Term of business: 12 January 2016 to indefinite term

Scope of business: ticketing agency services; passenger ticketing agency; corporate management; corporate management consulting; advertising design and agency; production of advertisements; advertisement publication (non-radio stations, television stations, newspaper publishing organisations); bidding agency services; marketing planning; market research (excluding foreign-related research); social and economic consulting services; car park services; travel solicitation and consulting services at travel agency service outlets; technology services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; software development; sales of software; software outsourcing services; development of network and information security software; network technology services; information system operation and maintenance services; information system integration services; internet security services; internet data services; data processing services; data processing and storage support services; big data services; retail of computer hardware and software and ancillary equipment; wholesale of computer hardware and software and auxiliary equipment; computer system services; information technology consulting services; information consulting services (excluding licenced information consulting services); security system monitoring services; retail of edible agricultural products; sales of general merchandise; internet sales (except for the sales of goods requiring licences); food operation (sale of pre-packaged food only); education and teaching testing and evaluation activities; book rental; rental of audio-visual products; business training (excluding training requiring permits such as education training and vocational skills training); road passenger transportation operations; road passenger transportation station operation; tourism business; internet information services; call centre; online car booking services; basic telecommunications services; class i value-added telecommunications business; class ii value-added telecommunications services; retail of tobacco products; food operation; food operation (sale of bulk food); food internet sales; production of audio-visual products; reproduction of audio-visual products; and production of electronic publication.

## ② Shareholding structure of Yueyun Development

As at the date of valuation, the shareholding structure of Yueyun Development was as follows:

Name of shareholder	Percentage of capital contribution	Subscribed capital contribution (RMB'0000)	Paid-in capital contribution (RMB'0000)
Guangdong Yueyun Transportation Company Limited	20.00%	720.00	720.00
Guangdong Vehicle Transportation Group Co. Ltd.	10.00%	360.00	360.00
Guangdong Yueyun Langri Co., Ltd.	10.00%	360.00	360.00
Guangdong Top-E Expressway Service Zone Company Limited	10.00%	360.00	360.00
Shanwei Yueyun Vehicles Transportation Co., Ltd.	10.00%	360.00	360.00
Heyuan Yueyun Vehicles Transportation Co., Ltd.	10.00%	360.00	360.00
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	10.00%	360.00	360.00
Zhaoqing Yueyun Vehicles Transportation Co., Ltd.	10.00%	360.00	360.00
Shaoguan Yueyun Vehicles Transportation Co., Ltd.	10.00%	360.00	360.00
<b>Total</b>	<b>100.00%</b>	<b>3,600.00</b>	<b>3,600.00</b>

As at the date of valuation, Guangdong Top-E Expressway Service Zone Company Limited held 10% equity interest in Yueyun Development.

③ Assets, financial position and operating conditions of Yueyun Development as at the date of valuation

<i>Unit: RMB</i>				
Item	31 December 2020	31 December 2021	31 December 2022	30 September 2023
Total assets	20,354,612.45	25,915,477.19	21,923,854.83	18,983,996.80
Total liabilities	18,050,545.26	13,732,450.34	13,406,747.35	11,923,460.17
Total owners' equity	2,304,067.19	12,183,026.85	8,517,107.48	7,060,536.63
Item	2020	2021	2022	January to September 2023
Operating revenue	3,835,381.03	16,486,409.08	13,139,168.07	18,358,449.07
Total profits	-4,685,301.45	-4,266,913.66	-3,490,561.68	-1,613,501.87
Net profits	-4,685,301.45	-4,266,913.66	-3,497,440.33	-1,613,524.55



*Note:* The financial statements of Yueyun Development for 2020 were audited by KPMG Huazhen LLP, and KPMG Huazhen LLP issued the audit report on the financial statements of Guangdong Yueyun Development Co., Ltd. for the year from 1 January 2020 to 31 December 2020 (KPMG Huazhen Sui Shen Zi No. 2100145), in which the firm expressed unqualified opinions for the audit report. The financial statements of the appraised entity for 2021 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch, which issued the audit report and financial statements of Guangdong Yueyun Development Co., Ltd. (1 January 2021 to 31 December 2021) (Xin Kuai Shi Yue Bao Zi [2022] No. 20192) and expressed an unqualified opinion. The financial data for 2022 and January to September 2023 is extracted from the financial statements of the company.

#### 4. Assets, financial position and operating conditions in the past three years

The financial position of the appraised entity in the past three years is as follows (in terms of parent company):

	<i>Unit: RMB</i>			
<b>Item</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>30 September 2023</b>
Current assets	340,060,893.46	386,519,895.20	470,458,291.95	523,407,057.46
Non-current assets	<u>2,715,737,220.14</u>	<u>2,979,384,275.96</u>	<u>2,828,267,379.77</u>	<u>2,805,728,645.41</u>
<b>Total assets</b>	<b><u>3,055,798,113.60</u></b>	<b><u>3,365,904,171.16</u></b>	<b><u>3,298,725,671.72</u></b>	<b><u>3,329,135,702.87</u></b>
Current liabilities	810,886,214.69	1,088,740,543.09	1,136,128,538.87	1,076,760,120.89
Non-current liabilities	<u>1,749,251,855.99</u>	<u>1,804,848,794.83</u>	<u>1,754,619,331.06</u>	<u>1,756,320,999.57</u>
<b>Total liabilities</b>	<b><u>2,560,138,070.68</u></b>	<b><u>2,893,589,337.92</u></b>	<b><u>2,890,747,869.93</u></b>	<b><u>2,833,081,120.46</u></b>
<b>Owners' equity</b>	<b><u>495,660,042.92</u></b>	<b><u>472,314,833.24</u></b>	<b><u>407,977,801.79</u></b>	<b><u>496,054,582.41</u></b>

The operation position of the appraised entity in the past three years is as follows (in terms of parent company):

	<i>Unit: RMB</i>			
<b>Item</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>January to September 2023</b>
Operating revenue	2,250,513,620.84	2,521,913,072.04	2,655,628,688.23	2,746,208,451.61
Total profits	168,451,611.40	98,479,949.85	-6,792,886.83	116,107,318.71
Net profits	128,438,839.80	79,653,721.89	1,646,449.17	84,246,430.51

The cash flow of the appraised entity in the past three years is as follows (in terms of the parent company):

<i>Unit: RMB</i>				
Item	2020	2021	2022	January to September 2023
<b>I. Cash flows from operating activities</b>				
Sub-total of cash inflows from operating activities	2,467,887,117.16	2,816,358,838.81	2,923,645,103.68	3,041,362,354.02
Sub-total of cash outflows from operating activities	2,084,506,152.56	2,439,579,473.64	2,596,989,956.81	2,798,930,299.98
<b>Net cash flows from operating activities</b>	<b>383,380,964.60</b>	<b>376,779,365.17</b>	<b>326,655,146.87</b>	<b>242,432,054.04</b>
<b>II. Cash flows from investing activities</b>				
Sub-total of cash inflows from investing activities	57,169,992.21	25,886,991.75	35,499,261.69	113,151,544.67
Sub-total of cash outflows from investing activities	179,011,074.27	238,517,516.01	158,353,961.93	44,708,450.75
<b>Net cash flows from investing activities</b>	<b>-121,841,082.06</b>	<b>-212,630,524.26</b>	<b>(122,854,700.24)</b>	<b>68,443,093.92</b>
<b>III. Cash flows from financing activities</b>				
Sub-total of cash inflows from financing activities	119,064,041.69	552,179,350.00	533,644,276.70	243,000,000.00
Sub-total of cash outflows from financing activities	404,695,988.33	679,950,041.58	755,122,618.16	502,805,289.60
<b>Net cash flows from financing activities</b>	<b>-285,631,946.64</b>	<b>-127,770,691.58</b>	<b>(221,478,341.46)</b>	<b>(259,805,289.60)</b>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>				
<b>V. Net increase in cash and cash equivalents</b>	<b>-24,092,064.10</b>	<b>36,378,149.33</b>	<b>(17,677,894.83)</b>	<b>51,069,858.36</b>
Plus: Opening balance of cash and cash equivalents	65,047,085.49	40,955,021.39	77,333,170.72	59,655,275.89
<b>VI. Closing balance of cash and cash</b>	<b>40,955,021.39</b>	<b>77,333,170.72</b>	<b>59,655,275.89</b>	<b>110,725,134.25</b>

The financial position of the appraised entity in the past three years is as follows (on a consolidated basis):

<i>Unit: RMB</i>				
<b>Item</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>30 September 2023</b>
Current assets	573,347,773.81	685,722,287.52	768,845,952.87	913,378,961.22
Non-current assets	<u>2,704,014,665.35</u>	<u>2,961,311,239.19</u>	<u>2,834,289,301.37</u>	<u>2,808,174,883.58</u>
<b>Total assets</b>	<b><u>3,277,362,439.16</u></b>	<b><u>3,647,033,526.71</u></b>	<b><u>3,603,135,254.24</u></b>	<b><u>3,721,553,844.80</u></b>
Current liabilities	844,545,103.83	111,730,6044.21	1,167,084,161.02	1,117,797,080.74
Non-current assets	<u>1,759,125,309.33</u>	<u>1,814,204,108.21</u>	<u>1,763,424,638.87</u>	<u>1,764,423,348.51</u>
<b>Total liabilities</b>	<b><u>2,603,670,413.16</u></b>	<b><u>2,931,510,152.42</u></b>	<b><u>2,930,508,799.89</u></b>	<b><u>2,882,220,429.25</u></b>
<b>Owners' equity</b>	<b><u>673,692,026.00</u></b>	<b><u>715,523,374.29</u></b>	<b><u>672,626,454.35</u></b>	<b><u>839,333,415.55</u></b>

The operation position of the appraised entity in the past three years is as follows (on a consolidated basis):

<i>Unit: RMB</i>				
<b>Item</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>January to September 2023</b>
Operating revenue	2,959,128,001.21	3,673,515,312.54	3,743,426,291.40	3,694,257,063.58
Total profits	277,097,660.31	242,289,601.74	104,557,543.77	217,341,514.79
Net profits	206,418,505.51	181,365,774.85	76,040,104.47	157,789,951.02

The cash flow of the appraised entity in the past three years is as follows (in terms of the parent company):

<i>Unit: RMB</i>				
Item	2020	2021	2022	January to September 2023
<b>I. Cash flows from operating activities</b>				
Sub-total of cash inflows from operating activities	3,278,458,991.30	4,129,741,680.63	4,146,237,621.29	4,114,649,862.97
Sub-total of cash outflows from operating activities	2,794,903,179.58	3,601,720,601.96	3,743,029,266.75	3,802,005,885.92
<b>Net cash flows from operating activities</b>	<u>483,555,811.72</u>	<u>528,021,078.67</u>	<u>403,208,354.54</u>	<u>312,643,977.05</u>
<b>II. Cash flows from investing activities</b>				
Sub-total of cash inflows from investing activities	44,703,061.50	5,694,994.77	6,935,670.32	108,086,689.44
Sub-total of cash outflows from investing activities	154,768,806.42	246,399,807.38	181,336,575.61	44,414,442.05
<b>Net cash flows from investing activities</b>	<u>-110,065,744.92</u>	<u>-240,704,812.61</u>	<u>-174,400,905.29</u>	<u>63,672,247.39</u>
<b>III. Cash flows from financing activities</b>				
Sub-total of cash inflows from financing activities	119,064,041.69	552,179,350.00	533,644,276.70	243,000,000.00
Sub-total of cash outflows from financing activities	421,432,262.22	721,897,000.58	814,428,311.42	504,275,150.39
<b>Net cash flows from financing activities</b>	<u>-302,368,220.53</u>	<u>-169,717,650.58</u>	<u>-280,784,034.72</u>	<u>-261,275,150.39</u>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>				
<b>V. Net increase in cash and cash equivalents</b>				
Plus: Opening balance of cash and cash equivalents	71,121,846.27	117,598,615.48	-51,976,585.47	115,041,074.05
	<u>70,669,646.14</u>	<u>141,791,492.41</u>	<u>259,390,107.89</u>	<u>207,413,522.42</u>
<b>VI. Closing balance of cash and cash</b>	<u>141,791,492.41</u>	<u>259,390,107.89</u>	<u>207,413,522.42</u>	<u>322,454,596.47</u>

*Note:* The financial statements of the appraised entity for 2020 were audited by KPMG Huazhen LLP, and KPMG Huazhen LLP issued the audit report on the financial statements of Guangdong Top-E Expressway Service Zone Company Limited for the Year from 1 January 2020 to 31 December 2020 (KPMG Huazhen Sui Shen Zi No. 2100140), respectively, and expressed unqualified opinions for both of the audit reports. The financial statements of the appraised entity for 2021 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch, which issued the audit report and financial statements of Guangdong Top-E Expressway Service Zone Company Limited (from 1 January 2021 to 31 December 2021) (Xin Kuai Shi Yue Bao Zi [2022] No. 20117) and expressed an unqualified opinion. The financial statements of the appraised entity for 2022 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP and the financial statements for the period from January to September 2023 were were audited by BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch, which issued the audit report and financial statements of Guangdong Top-E Expressway Service Zone Company Limited (Xin Kuai Shi Yue Bao Zi [2024] No. 20156) and expressed an unqualified opinion.

### (III) Relationship between the client and the appraised entity

Client 1 Yueyun Transportation and client 2 GPFC are related enterprises under common control. As at the date of valuation, Yueyun Transportation held 95.56% equity interest in Top-E, the appraised entity, and GPFC held 4.44% equity interest in Top-E. GPFC proposed to transfer its 4.44% equity interest in Top-E to Yueyun Transportation.

(IV) Other users of the Asset Valuation Report as agreed in the asset valuation engagement contract

This Asset Valuation Report shall only be used by the client and users of the Asset Valuation Report as required by national laws and regulations, and shall not be used or relied on by any other third party.

## **II. Purpose of valuation**

According to the document of Guangdong Provincial Communication Group Company Limited titled “Notice on Commencing Relevant Work in Relation to Transfer of 4.44% Equity Interest in Guangdong Top-E Expressway Service Zone Company Limited” (Yue Jiao Ji Tou [2022] No. 41), Guangdong Provincial Expressway Company Limited intends to transfer its 4.44% equity interest in Guangdong Top-E Expressway Service Zone Co., Ltd. to Guangdong Yueyun Transportation Company Limited. In this regard, it is necessary to assess the market value of the entire shareholders’ equity of Guangdong Top-E Expressway Service Zone Company Limited as at the date of valuation, so as to provide a reference for the value as at the date of valuation for the above economic behaviour.

## **III. Subject and scope of valuation**

### (I) Subject of valuation:

The subject of valuation was value of entire shareholders’ equity of Guangdong Top-E Expressway Service Zone Company Limited.

### (II) Scope of valuation

The scope of valuation covers all assets and liabilities of Guangdong Top-E Expressway Service Zone Company Limited as at 30 September 2023. The total assets covered by the valuation as at the date of valuation were RMB3,329,135,702.87, of which current assets were RMB523,407,057.46 and non-current assets were RMB2,805,728,645.41. Total liabilities amounted to RMB 2,833,081,120.46, of which current liabilities amounted to RMB1,076,760,120.89, non-current liabilities amounted to RMB1,756,320,999.57, and total owners’ equity amounted to RMB496,054,582.41 See the table below:

## Balance sheet as at 30 September 2023 (the parent company)

*Unit: RMB*

Assets	30 September 2023	Liabilities and owners' equity	30 September 2023
Current assets:		Current liabilities:	
Monetary funds	110,725,134.25	Short-term borrowings	328,345,900.00
Bills receivable	500,000.00	Bills payable	0.00
Account receivable	61,033,262.14	Accounts payable	241,554,602.79
Prepayments	156,267,120.83	Receipts in advance	62,266,571.45
Centralised deposit of funds	65,553,956.32	Contract liabilities	21,558,576.33
Other receivables	30,504,178.91	Employee benefits payable	31,214,987.82
Inventories	93,181,454.11	Tax payable	35,231,646.37
Other current assets	5,641,950.90	Other payables	180,746,271.98
<b>Total current assets</b>	<b>523,407,057.46</b>	Non-current liabilities due within one year	175,841,564.15
Non-current assets:		Other current liabilities	0.00
Long-term receivables	0.00	<b>Total current liabilities</b>	<b>1,076,760,120.89</b>
Long-term equity investments	133,061,304.95	Non-current liabilities:	
Other equity instrument investments	3,600,000.00	Lease liabilities	1,606,861,860.55
Fixed assets	659,793,386.90	Deferred income	149,459,139.02
Construction in progress	8,639,323.12	<b>Total non-current liabilities</b>	<b>1,756,320,999.57</b>
Right-of-use assets	1,618,416,712.37	<b>Total liabilities</b>	<b>2,833,081,120.46</b>
Intangible assets	111,360,322.18	Total owners' equity:	
Long-term deferred expenses	158,533,567.69	Paid-in capital	100,000,000.00
Deferred tax assets	101,998,358.04	Special reserve	8,490,281.89
<b>Other non-current assets</b>	<b>10,325,670.16</b>	Surplus reserve	50,000,000.00
<b>Total non-current assets</b>	<b>2,805,728,645.41</b>	Retained earnings	337,564,300.52
		<b>Total owners' equity</b>	<b>496,054,582.41</b>
<b>Total assets</b>	<b>3,329,135,702.87</b>	<b>Total liabilities and owners' equity</b>	<b>3,329,135,702.87</b>

The subject and scope of the valuation are consistent with those involved in the economic behavior. As at the date of valuation, the book value of assets and liabilities within the scope of valuation has been audited.

1. The major assets within the scope of valuation are as follows:

The major assets included in the scope of valuation as declared by the enterprise include: inventories, other equity instrument investments, long-term equity investment, buildings and structures, equipment assets, intangible assets and long-term deferred expenses. The types and characteristics of the assets are as follows:

(1) Inventories mainly included raw materials and finished goods. The book balance of inventories was RMB93,181,454.11 without provision for impairment of inventories. The book value of inventories was RMB93,181,454.11. Raw materials mainly consisted of raw materials for catering with a book value of RMB219,953.87; and commodity stocks mainly consisted of consumable materials for catering, proprietary commodities/non-cooked food, oil products at gas stations, convenience store goods and gifts with a book value of RMB92,961,500.24.

(2) Other equity instrument investments

The book value of other equity instrument investments included in the scope of this valuation was RMB3,600,000.00. The investee was an investee subsidiary. Particulars are set forth in the following table:

*Unit: RMB*

No.	Name of the investee	Date of investment	Percentage of shareholding (%)	Investment cost	Book value	Operation status
1	Guangdong Yueyun Development Co., Ltd.	29 March 2021	10	3,600,000.00	3,600,000.00	Normal operation

(3) Long-term equity investments

The book value of the long-term equity investment included in the scope of valuation was RMB133,061,304.95, and the investees were 3 majority-owned subsidiaries and two investee subsidiaries. Particulars are set forth in the following table:

*Unit: RMB*

No.	Name of the investee	Date of investment	Investment horizon	Percentage of shareholding	Investment cost	Book value
1	Guangdong Jindaoda Expressway Economic Development Co., Ltd.	1 March 2002	Long-term	95%	9,500,000.00	11,937,008.94
2	Guangdong Top-E Landscaping Co., Ltd.	1 September 2001	Long-term	100%	20,000,000.00	20,357,642.00
3	Guangdong Zhong Yue Tong Oil Products Operation Co., Ltd.	24 October 2005	Long-term	30.58346%	9,362,000.00	30,956,397.01
4	Guangdong Zhongyou Top-E Energy Trading Company Limited	15 March 2017	Long-term	51%	31,225,000.00	35,402,923.33
5	Guangdong Expressway Media Co., Ltd.	23 January 2003	Long-term	40%	13,200,000.00	34,407,333.67
Total						133,061,304.95

*Note:* Guangdong Top-E Expressway Service Zone Company Limited held 51% equity interest in Zhongyou Top-E as at the date of valuation. However, due to the directorship held by Guangdong Top-E Expressway Service Zone Company Limited in the board of directors of Zhongyou Top-E was less than half, it did not realised control over Zhongyou Top-E.



#### (4) Buildings and structures

Buildings and structures included in the scope of valuation consisted of 249 items of buildings and structures, with original book value of RMB960,194,350.11 and a net book value of RMB602,656,138.20. They were mainly buildings and structures of various Expressway Service Zone such as new staff canteen, warehouse and dormitory in Yuwan Service Zone, the property of Pingtang Gas Station and the structure of Pingtang Gas Station. The fixed assets of buildings and structures were located in various expressway service zones in Guangdong Province such as those expressway zones in Guangzhou, Shanwei, Heyuan, Zhaoqing, Yunfu and Yangjiang, respectively. Title registration certificates have not been obtained for and no mortgage or other rights were created upon those buildings and structures as at the date of valuation.

#### (5) Fixed assets of equipment

The original book value of fixed assets of equipment was RMB254,265,646.22, and the net book value was RMB57,137,248.70. Such fixed assets consisted of machinery and equipment, vehicles and electronic equipment (including other equipment). There were a total of 14 machinery and equipment with original book value of RMB4,518,656.21 and net book value of RMB703,568.61, which were mainly operating equipment such as diesel generator sets, generators and stainless steel submersible pumps. Those machineries and equipment are installed in service zones under Top-E, and they are currently in normal use and average maintenance, and their overall newness rate is ordinary. There was a total of 117 transportation vehicles, with the original book value of RMB20,093,004.97 and the net book value of RMB1,919,334.05, which were mainly vehicles for office use such as cars, trucks and forklifts. The vehicles were all subject to normal annual inspection and could be used normally. They are average in glossiness of body and overall newness rate. Those vehicles are mainly located in the expressway service zones under Top-E. There was a total of 16,551 electronic equipment (including other equipment), with the original book value of RMB229,653,985.04 and the net book value of RMB54,514,346.04, mainly including office furniture and appliances such as computers, air conditioners, printers and office furniture, which are located in the expressway service zones under Top-E. The electronic equipment (including other equipment) can be used normally.

As at the date of valuation, the fixed assets of equipment were not subject to mortgage or other encumbrances.

#### (6) Construction in progress

A total of 75 construction in progress were included in the scope of valuation, with a book value of RMB8,639,323.12, mainly including the construction of two gas stations in Shengtang (a pair of stations), the interior decoration of Shengtang service building and the decoration of convenience stores, and the construction of two gas stations in Yangjiang (a pair of stations).

(7) Intangible assets

The book value of intangible assets was RMB111,360,322.18, including land use rights and other intangible assets, of which the book value of land use rights was RMB98,468,127.72, including 4 land use rights, details of which are as follows:

*Unit: RMB*

Land title certificate number	Name of land parcel	Type	Land use	Date of acquisition	Date of expiration of land use right	Zone (m <sup>2</sup> )	Book value
Dahuai land use right (Yue (2017) EnPing City Shi Bu Dong Chan Quan No.0000519)	Fenjielong, Jinxin Village Committee, Dahuai Town, Enping City	Assignment	Other commercial service land and land for highway	16 January 2017	15 January 2057	140,878.37	16,818,477.41
	Fenjielong, Jinxin Village Committee, Dahuai Town, Enping City	Assignment	Other commercial service land and land for highway	16 January 2017	15 January 2067		32,502,474.68
Yue (2017) EnPing Shi City Bu Dong Chan Quan No.0000520	Hechakeng, Dahuai Village Committee, Dahuai Town, Enping City	Assignment	Other commercial service land and land for highway	16 January 2017	15 January 2057	40,209.52	1,720,199.64
	Hechakeng, Dahuai Village Committee, Dahuai Town, Enping City	Assignment	Other commercial service land and land for highway	16 January 2017	15 January 2067		10,143,574.22
Yue (2017) Haifeng County Bu Dong Chan Quan No.0000154	Southern Zone of Houmen Service Zone, Shenshan Expressway, Haifeng County	Assignment	Road land	10 January 2017	30 September 2064	115,898.56	26,254,087.47
Yue (2017) Haifeng County Bu Dong Chan Quan No.0000155	Northern Zone of Houmen Service Zone, Shenshan Expressway, Haifeng County	Assignment	Road land	10 January 2017	30 September 2064	48,688.90	11,029,314.30
Total							98,468,127.72

As at the date of valuation, the above-mentioned land use rights were not subject to mortgage or other encumbrances.

Intangible assets – there were 65 items of intangible assets with an book value of RMB12,892,194.46, which were recorded as other intangible assets, mainly include electronic document exchange system, gas station management system software, business data collection system for merchants in service zones and other business office systems and famous trademark rights of Loyee.

There were 273 famous trademark rights of LOYEE (樂驛) with an original book value of RMB60,000.00, which had been amortised as at the date of valuation, resulting in a net book value of RMB0. As at the date of valuation, the trademarks declared by the enterprise for inclusion in valuation were as follows.

No.	Trademark name	Status	Registration number	Date of application	Trademark publication date	International classification
1	樂驛	Registered	61412510	2021-12-15	2022-05-28	Class 27 Carpets, rugs and mats
2	LOYEE	Registered	61413947	2021-12-15	2022-06-07	Class 30 Convenience food

No.	Trademark name	Status	Registration number	Date of application	Trademark publication date	International classification
3	LOYEE	Registered	61421998	2021-12-15	2022-06-07	Class 38 Communication services
4	樂驛	Registered	61422281	2021-12-15	2022-08-07	Class 39 Transportation and storage
5	樂驛	Registered	61433428	2021-12-15	2022-06-21	Class 30 Convenience food
6	樂驛	Registered	61415420	2021-12-15	2022-05-28	Class 35 Advertising sales
7	LOYEE	Registered	61431923	2021-12-15	2022-08-28	Class 9 Scientific instruments
8	樂驛	Registered	61438306	2021-12-15	2022-05-28	Class 31 Agriculture, forestry and fresh products
9	LOYEE	Registered	61437973	2021-12-15	2022-06-07	Class 27 Carpets, rugs and mats
10	LOYEE	Registered	61430092	2021-12-15	2022-06-07	Class 21 Apparatus for daily use
11	LOYEE	Registered	61415697	2021-12-15	2022-08-07	Class 10 Medical devices
12	LOYEE	Registered	61427227	2021-12-15	2022-06-07	Class 40 Processing of materials
13	LOYEE	Registered	61430173	2021-12-15	2022-06-14	Class 39 Transportation and storage
14	樂驛	Registered	61408876	2021-12-15	2022-08-07	Class 37 Building maintenance
15	LOYEE	Registered	61434855	2021-12-15	2022-06-07	Class 41 Education and entertainment
16	LOYEE	Registered	61417719	2021-12-15	2022-06-07	Class 42 Design research
17	樂驛	Registered	61412450	2021-12-15	2022-08-07	Class 24 Fabrics and bed sheets
18	LOYEE	Registered	61437938	2021-12-15	2022-06-07	Class 20 Furniture
19	LOYEE	Registered	61405929	2021-12-15	2022-06-07	Class 29 Food
20	LOYEE	Registered	61410762	2021-12-15	2022-06-07	Class 5 Medical supplies
21	樂驛	Registered	61425655	2021-12-15	2022-06-07	Class 38 Communication services
22	LOYEE	Registered	61420512	2021-12-15	2022-06-07	Class 37 Building maintenance
23	樂驛	Registered	61422414	2021-12-15	2022-08-07	Class 25 Clothing, footwear and headgear
24	樂驛	Registered	61438047	2021-12-15	2022-05-28	Class 20 Furniture
25	LOYEE	Registered	61421829	2021-12-15	2022-08-14	Class 22 Ropes, nets, bags and tents
26	LOYEE	Registered	61417579	2021-12-15	2022-06-07	Class 31 Agriculture, forestry and fresh products
27	樂驛	Registered	61410648	2021-12-15	2022-05-28	Class 8 Hand tools and implements
28	樂驛	Registered	61422341	2021-12-15	2022-05-28	Class 14 Jewellery and watches
29	樂驛	Registered	61435025	2021-12-15	2022-06-07	Class 42 Design research
30	樂驛	Registered	61437606	2021-12-15	2022-08-07	Class 43 Food, beverage and accommodation
31	樂驛	Registered	61429434	2021-12-15	2022-08-07	Class 16 Office supplies
32	樂驛	Registered	61422062	2021-12-15	2022-05-28	Class 3 Household chemicals
33	LOYEE	Registered	61419397	2021-12-15	2022-06-07	Class 18 Leather and imitations of leather
34	LOYEE	Registered	61430069	2021-12-15	2022-08-14	Class 16 Office supplies
35	樂驛	Registered	61404523	2021-12-15	2022-08-07	Class 21 Apparatus for daily use
36	LOYEE	Registered	61420478	2021-12-15	2022-08-14	Class 28 Apparatus for achieving physical fitness
37	樂驛	Registered	61406093	2021-12-15	2022-06-07	Class 40 Processing of materials
38	樂驛	Registered	61438015	2021-12-15	2022-05-28	Class 18 Leather and imitations of leather
39	樂驛	Registered	61417297	2021-12-15	2022-08-28	Class 9 Scientific instruments
40	LOYEE	Registered	61419449	2021-12-15	2022-06-07	Class 43 Food, beverage and accommodation

No.	Trademark name	Status	Registration number	Date of application	Trademark publication date	International classification
41	樂驛	Registered	61422160	2021-12-15	2022-05-28	Class 10 Medical devices
42	樂驛	Registered	61437545	2021-12-15	2022-05-28	Class 5 Medical supplies
43	樂驛	Registered	61417388	2021-12-15	2022-05-28	Class 22 Ropes, nets, bags and tents
44	LOYEE	Registered	61427076	2021-12-15	2022-06-07	Class 8 Hand tools and implements
45	TOP.E	Registered	55867299	2021-05-08	2022-03-14	Class 42 Design research
46	驛伴	Registered	54740924	2021-03-29	2021-10-14	Class 16 Office supplies
47	驛伴	Registered	54760066	2021-03-29	2021-10-21	Class 31 Agriculture, forestry and fresh products
48	驛伴	Registered	54763316	2021-03-29	2021-10-21	Class 21 Apparatus for daily use
49	驛伴	Registered	54739326	2021-03-29	2021-10-14	Class 29 Food
50	驛伴	Registered	54760089	2021-03-29	2021-10-21	Class 43 Food, beverage and accommodation
51	驛伴	Registered	54766646	2021-03-29	2021-10-14	Class 30 Convenience food
52	驛伴	Registered	54742912	2021-03-29	2021-10-14	Class 32 Beers and beverages
53	TOPE	Registered	50754071	2020-10-27	2021-07-07	Class 36 Finance and property management
54	通驛	Registered	50767911	2020-10-27	–	Class 39 Transportation and storage
55	通驛	Registered	50767951	2020-10-27	2021-07-07	Class 45 Social and legal services
56	TOPE	Registered	50745604	2020-10-27	2021-08-28	Class 45 Social and legal services
57	TOPE	Registered	50769162	2020-10-27	2021-08-28	Class 37 Building maintenance
58	通驛	Registered	50754109	2020-10-27	2021-07-07	Class 37 Building maintenance
59	通驛	Registered	50742786	2020-10-27	2021-07-07	Class 36 Finance and property management
60	TOPE	Registered	50741398	2020-10-27	–	Class 39 Transportation and storage
61	驛優品泉	Registered	48226556	2020-07-20	2021-03-07	Class 32 Beers and beverages
62	Graphics	Registered	46618625	2020-05-25	2021-02-28	Class 16 Office supplies
63	Graphics	Registered	46637861	2020-05-25	2021-02-28	Class 39 Transportation and storage
64	Graphics	Registered	46630263	2020-05-25	2021-02-28	Class 20 Furniture
65	Graphics	Registered	46630290	2020-05-25	2021-02-21	Class 37 Building maintenance
66	Graphics	Registered	46626145	2020-05-25	2021-02-28	Class 9 Scientific instruments
67	Graphics	Registered	46618617	2020-05-25	2021-02-28	Class 4 Fuels and greases
68	Graphics	Registered	46630275	2020-05-25	2021-02-28	Class 26 Accessories, ribbons and braids
69	Graphics	Registered	46607437	2020-05-25	2021-02-28	Class 28 Apparatus for achieving physical fitness
70	Graphics	Registered	46605790	2020-05-25	2021-02-28	Class 24 Fabrics and bed sheets
71	Graphics	Registered	46607416	2020-05-25	2021-02-21	Class 18 Leather and imitations of leather
72	Graphics	Registered	46607441	2020-05-25	2021-02-28	Class 35 Advertising sales
73	Graphics	Registered	46627745	2020-05-25	2021-02-28	Class 21 Apparatus for daily use
74	LOYEE	Registered	43261641	2019-12-23	2020-09-07	Class 43 Food, beverage and accommodation
75	樂驛	Registered	43263289	2019-12-23	2020-09-07	Class 30 Convenience food

No.	Trademark name	Status	Registration number	Date of application	Trademark publication date	International classification
76	大槐	Registered	42934355	2019-12-09	2020-09-28	Class 37 Building maintenance
77	大槐	Registered	42933617	2019-12-09	2020-09-28	Class 35 Advertising sales
78	大槐	Registered	42924526	2019-12-09	2020-09-21	Class 5 Medical supplies
79	大槐	Registered	42935619	2019-12-09	2020-11-21	Class 7 Machinery and equipment
80	大槐	Registered	42917378	2019-12-09	2020-09-21	Class 12 Vehicles
81	大槐	Registered	42920962	2019-12-09	2020-09-28	Class 31 Agriculture, forestry and fresh products
82	大槐	Registered	42929203	2019-12-09	2020-11-14	Class 41 Education and entertainment
83	大槐	Registered	42923383	2019-12-09	2020-10-21	Class 36 Finance and property management
84	大槐	Registered	42938183	2019-12-09	2020-09-21	Class 9 Scientific instruments
85	大槐	Registered	42923175	2019-12-09	2020-10-21	Class 42 Design research
86	大槐	Registered	42915421	2019-12-09	2020-09-21	Class 30 Convenience food
87	大槐	Registered	42933994	2019-12-09	2020-10-07	Class 39 Transportation and storage
88	LOYEE	Registered	38686594	2019-06-05	2020-02-07	Class 30 Convenience food
89	樂驛	Registered	38681376	2019-06-05	2020-06-07	Class 9 Scientific instruments
90	樂驛	Registered	38701152	2019-06-05	2020-10-21	Class 30 Convenience food
91	LOYEE	Registered	38696507	2019-06-05	2020-04-28	Class 29 Food
92	LOYEE	Registered	38689618	2019-06-05	2020-10-07	Class 43 Food, beverage and accommodation
93	樂驛	Registered	38691033	2019-06-05	2020-04-28	Class 29 Food
94	樂驛	Registered	38681418	2019-06-05	2020-04-21	Class 43 Food, beverage and accommodation
95	LOYEE	Registered	34315528	2018-10-28	2019-08-21	Class 35 Advertising sales
96	LOYEE	Registered	34315627	2018-10-28	2019-08-28	Class 35 Advertising sales
97	樂驛	Registered	34231480	2018-10-24	2019-07-21	Class 26 Accessories, ribbons and braids
98	LOYEE	Registered	34246184	2018-10-24	2019-09-28	Class 44 Medical gardening
99	LOYEE	Registered	34242125	2018-10-24	2019-07-28	Class 41 Education and entertainment
100	LOYEE	Registered	34241525	2018-10-24	2019-07-28	Class 20 Furniture
101	樂驛	Registered	34241410	2018-10-24	2021-10-28	Class 9 Scientific instruments
102	樂驛	Registered	34243702	2018-10-24	2019-09-28	Class 12 Vehicles
103	樂驛	Registered	34228531	2018-10-24	2019-07-21	Class 45 Social and legal services
104	LOYEE	Registered	34242057	2018-10-24	2019-09-28	Class 12 Vehicles
105	樂驛	Registered	34245982	2018-10-24	2019-09-28	Class 36 Finance and property management
106	LOYEE	Registered	34236224	2018-10-24	2019-09-28	Class 22 Ropes, nets, bags and tents
107	樂驛	Registered	34231455	2018-10-24	2019-09-28	Class 20 Furniture
108	LOYEE	Registered	34239986	2018-10-24	2019-07-28	Class 40 Processing of materials
109	LOYEE	Registered	34244066	2018-10-24	2019-07-28	Class 8 Hand tools and implements
110	LOYEE	Registered	34234405	2018-10-24	2019-07-21	Class 42 Design research



No.	Trademark name	Status	Registration number	Date of application	Trademark publication date	International classification
111	樂驛	Registered	34239324	2018-10-24	2019-09-28	Class 19 Construction materials
112	樂驛	Registered	34251527	2018-10-24	2019-10-14	Class 41 Education and entertainment
113	LOYEE	Registered	34235341	2018-10-24	2021-08-21	Class 30 Convenience food
114	LOYEE	Registered	34253613	2018-10-24	2019-09-28	Class 9 Scientific instruments
115	樂驛	Registered	34235435	2018-10-24	2019-07-28	Class 38 Communication services
116	樂驛	Registered	34249022	2018-10-24	2019-07-28	Class 27 Carpets, rugs and mats
117	樂驛	Registered	34254152	2018-10-24	2019-09-28	Class 39 Transportation and storage
118	樂驛	Registered	34247575	2018-10-24	2019-09-28	Class 24 Fabrics and bed sheets
119	LOYEE	Registered	34247413	2018-10-24	2019-07-28	Class 10 Medical devices
120	樂驛	Registered	34244068	2018-10-24	2019-07-28	Class 8 Hand tools and implements
121	LOYEE	Registered	34229159	2018-10-24	2019-07-21	Class 17 Rubber products
122	LOYEE	Registered	34250616	2018-10-24	2019-09-28	Class 11 Civil equipment
123	樂驛	Registered	34241383	2018-10-24	2019-09-28	Class 7 Machinery and equipment
124	LOYEE	Registered	34238805	2018-10-24	2019-07-28	Class 27 Carpets, rugs and mats
125	樂驛	Registered	34238674	2018-10-24	2019-07-28	Class 10 Medical devices
126	LOYEE	Registered	34237000	2018-10-24	2020-04-14	Class 43 Food, beverage and accommodation
127	樂驛	Registered	34248940	2018-10-24	2019-07-28	Class 18 Leather and imitations of leather
128	LOYEE	Registered	34236209	2018-10-24	2019-07-28	Class 21 Apparatus for daily use
129	LOYEE	Registered	34237156	2018-10-24	2019-07-28	Class 38 Communication services
130	LOYEE	Registered	34229632	2018-10-24	2021-08-07	Class 29 Food
131	樂驛	Registered	34242149	2018-10-24	2020-08-21	Class 43 Food, beverage and accommodation
132	樂驛	Registered	34239867	2018-10-24	2019-09-28	Class 21 Apparatus for daily use
133	樂驛	Registered	34247490	2018-10-24	2019-07-28	Class 15 Musical instruments
134	LOYEE	Registered	34235799	2018-10-24	2019-08-07	Class 26 Accessories, ribbons and braids
135	LOYEE	Registered	34243769	2018-10-24	2019-09-28	Class 16 Office supplies
136	LOYEE	Registered	34236030	2018-10-24	2019-07-28	Class 7 Machinery and equipment
137	樂驛	Registered	34242082	2018-10-24	2019-07-28	Class 13 Firearms and firework
138	樂驛	Registered	34253936	2018-10-24	2021-07-07	Class 29 Food
139	樂驛	Registered	34254543	2018-10-24	2019-07-28	Class 31 Agriculture, forestry and fresh products
140	樂驛	Registered	34241570	2018-10-24	2019-07-28	Class 22 Ropes, nets, bags and tents
141	樂驛	Registered	34236748	2018-10-24	2019-07-28	Class 14 Jewellery and watches
142	樂驛	Registered	34228521	2018-10-24	2019-09-28	Class 44 Medical gardening
143	LOYEE	Registered	34229585	2018-10-24	2019-12-14	Class 28 Apparatus for achieving physical fitness
144	LOYEE	Registered	34236152	2018-10-24	2019-07-28	Class 37 Building maintenance
145	LOYEE	Registered	34242373	2018-10-24	2019-07-28	Class 18 Leather and imitations of leather

No.	Trademark name	Status	Registration number	Date of application	Trademark publication date	International classification
146	LOYEE	Registered	34234300	2018-10-24	2019-07-21	Class 15 Musical instruments
147	樂驛	Registered	34254054	2018-10-24	2019-07-28	Class 17 Rubber products
148	樂驛	Registered	34239431	2018-10-24	2019-07-28	Class 34 Tobacco utensils
149	樂驛	Registered	34237568	2018-10-24	2019-09-28	Class 25 Clothing, footwear and headgear
150	LOYEE	Registered	34241476	2018-10-24	2019-07-28	Class 36 Finance and property management
151	LOYEE	Registered	34251497	2018-10-24	2019-07-28	Class 39 Transportation and storage
152	樂驛	Registered	34232019	2018-10-24	2019-09-28	Class 37 Building maintenance
153	LOYEE	Registered	34236082	2018-10-24	2019-07-28	Class 31 Agriculture, forestry and fresh products
154	LOYEE	Registered	34243974	2018-10-24	2019-07-28	Class 24 Fabrics and bed sheets
155	樂驛	Registered	34231309	2018-10-24	2019-07-21	Class 40 Processing of materials
156	樂驛	Registered	34229480	2018-10-24	2019-07-21	Class 23 yarns
157	LOYEE	Registered	34247466	2018-10-24	2019-07-28	Class 13 Firearms and firework
158	LOYEE	Registered	34236246	2018-10-24	2019-07-28	Class 23 yarns
159	樂驛	Registered	34235344	2018-10-24	2020-08-21	Class 30 Convenience food
160	LOYEE	Registered	34234434	2018-10-24	2019-07-21	Class 45 Social and legal services
161	LOYEE	Registered	34245966	2018-10-24	2019-07-28	Class 34 tobacco utensils
162	樂驛	Registered	34231336	2018-10-24	2019-07-21	Class 42 Design research
163	LOYEE	Registered	34236949	2018-10-24	2019-09-28	Class 19 Construction materials
164	樂驛	Registered	34216722	2018-10-23	2019-08-14	Class 2 Paints and colorants
165	樂驛	Registered	34212109	2018-10-23	2019-08-07	Class 6 Metal materials
166	LOYEE	Registered	34207326	2018-10-23	2019-08-07	Class 4 Fuels and greases
167	樂驛	Registered	34221185	2018-10-23	2019-08-14	Class 1 chemical raw materials
168	樂驛	Registered	34213585	2018-10-23	2019-08-07	Class 5 Medical supplies
169	LOYEE	Registered	34212086	2018-10-23	2019-08-07	Class 1 chemical raw materials
170	LOYEE	Registered	34210790	2018-10-23	2019-08-07	Class 5 Medical supplies
171	LOYEE	Registered	34223174	2018-10-23	2019-10-28	Class 6 Metal materials
172	樂驛	Registered	34216725	2018-10-23	2019-08-07	Class 3 Household chemicals
173	樂驛	Registered	34214693	2018-10-23	2019-08-14	Class 4 Fuels and greases
174	LOYEE	Registered	34221190	2018-10-23	2019-10-28	Class 2 Paints and colorants
175	通驛	Registered	31105084	2018-05-23	2019-03-07	Class 37 Building maintenance
176	Graphics	Registered	31104201	2018-05-23	2019-02-28	Class 45 Social and legal services
177	Graphics	Registered	31101356	2018-05-23	2019-02-28	Class 37 Building maintenance
178	TOP.E	Registered	31113072	2018-05-23	2019-02-28	Class 45 Social and legal services
179	通驛	Registered	31108525	2018-05-23	2019-02-28	Class 45 Social and legal services
180	TOP.E	Registered	31115337	2018-05-23	2019-03-28	Class 37 Building maintenance



No.	Trademark name	Status	Registration number	Date of application	Trademark publication date	International classification
181	YEEBEFIT	Registered	23542808	2017-04-12	2018-03-28	Class 35 Advertising sales
182	Graphics	Registered	23543439	2017-04-12	2018-06-21	Class 5 Medical supplies
183	Graphics	Registered	23543221	2017-04-12	2018-03-28	Class 41 Education and entertainment
184	Graphics	Registered	23542996	2017-04-12	2018-03-28	Class 36 Finance and property management
185	Graphics	Registered	23543104	2017-04-12	2018-03-28	Class 37 Building maintenance
186	YEEBEFIT	Registered	23542811	2017-04-12	2018-03-28	Class 9 Scientific instruments
187	Graphics	Registered	23543902	2017-04-12	2018-06-21	Class 30 Convenience food
188	Graphics	Registered	23543799	2017-04-12	2018-03-21	Class 29 Food
189	Graphics	Registered	23543657	2017-04-12	2018-03-28	Class 42 Design research
190	YEEBEFIT	Registered	23543421	2017-04-12	2018-03-28	38 Communication services
191	Graphics	Registered	23543952	2017-04-12	2018-06-21	Class 31 Agriculture, forestry and fresh products
192	Graphics	Registered	23543205	2017-04-12	2018-03-21	Class 38 Communication services
193	YEEBEFIT	Registered	23543634	2017-04-12	2018-03-21	Class 42 Design research
194	YEEBEFIT	Registered	23543077	2017-04-12	2018-03-21	Class 37 Building maintenance
195	Graphics	Registered	23544223	2017-04-12	2018-06-21	Class 32 Beers and beverages
196	YEEBEFIT	Registered	23542897	2017-04-12	2018-03-28	Class 36 Finance and property management
197	YEEBEFIT	Registered	23543334	2017-04-12	2018-03-21	Class 39 Transportation and storage
198	Graphics	Registered	23542788	2017-04-12	2018-06-28	Class 35 Advertising sales
199	YEEBEFIT	Registered	23543502	2017-04-12	2018-03-28	Class 41 Education and entertainment
200	Graphics	Registered	23542707	2017-04-12	2018-06-28	Class 9 Scientific instruments
201	Graphics	Registered	23543577	2017-04-12	2018-03-28	Class 39 Transportation and storage
202	驛伴	Registered	23185060	2017-03-17	2018-03-07	Class 37 Building maintenance
203	驛伴	Registered	23185056	2017-03-17	2018-03-07	Class 42 Design research
204	滿驛	Registered	23185049	2017-03-17	2018-03-07	Class 39 Transportation and storage
205	禮驛	Registered	23185053	2017-03-17	2018-03-07	Class 30 Convenience food
206	驛伴	Registered	23185062	2017-03-17	2018-03-07	Class 35 Advertising sales
207	驛伴	Registered	23185061	2017-03-17	2018-03-07	Class 36 Finance and property management
208	驛伴	Registered	23185059	2017-03-17	2018-03-07	Class 38 Communication services
209	驛伴	Registered	23185063	2017-03-17	2018-03-07	Class 9 Scientific instruments
210	禮驛	Registered	23185055	2017-03-17	2018-03-07	Class 5 Medical supplies
211	驛伴	Registered	23185058	2017-03-17	2018-03-07	Class 39 Transportation and storage
212	禮驛	Registered	23185050	2017-03-17	2018-03-07	Class 33 Wine
213	禮驛	Registered	23185051	2017-03-17	2018-03-07	Class 32 Beers and beverages
214	滿驛	Registered	23185048	2017-03-17	2018-03-07	Class 41 Education and entertainment
215	禮驛	Registered	23185054	2017-03-17	2018-03-07	Class 29 Food

No.	Trademark name	Status	Registration number	Date of application	Trademark publication date	International classification
216	驛伴	Registered	23185057	2017-03-17	2018-03-07	Class 41 Education and entertainment
217	禮驛	Registered	23185052	2017-03-17	2018-03-07	Class 31 Agriculture, forestry and fresh products
218	驛優品	Registered	22832005	2017-02-15	2018-02-21	Class 31 Agriculture, forestry and fresh products
219	驛優品	Registered	22832004	2017-02-15	2018-02-27	Class 30 Convenience food
220	驛優品	Registered	22831843	2017-02-15	2018-02-21	Class 16 Office supplies
221	驛優品	Registered	22831852	2017-02-15	2018-02-21	Class 21 Apparatus for daily use
222	驛優品	Registered	22832017	2017-02-15	2018-03-07	Class 29 Food
223	驛優品	Registered	22832137	2017-02-15	2018-02-28	Class 32 Beers and beverages
224	驛優品	Registered	22831739	2017-02-15	2018-05-14	Class 12 Vehicles
225	粵樂鮮	Registered	22823342	2017-02-14	2018-02-21	Class 30 Convenience food
226	驛優品	Registered	22823676	2017-02-14	2018-02-21	Class 3 Household chemicals
227	Graphics	Registered	21371355	2016-09-21	2017-11-14	Class 31 Agriculture, forestry and fresh products
228	Graphics	Registered	21371212	2016-09-21	2017-11-14	Class 30 Convenience food
229	粵樂鮮	Registered	21370060	2016-09-21	2017-11-14	Class 30 Convenience food
230	粵樂鮮	Registered	21370043	2016-09-21	2017-11-14	Class 3 Household chemicals
231	粵樂鮮	Registered	21370314	2016-09-21	2017-11-14	Class 32 Beers and beverages
232	粵樂鮮	Registered	21370194	2016-09-21	2017-11-14	Class 21 Apparatus for daily use
233	粵樂鮮	Registered	21370380	2016-09-21	2017-11-14	Class 33 Wine
234	粵樂鮮	Registered	21370104	2016-09-21	2017-11-14	Class 16 Office supplies
235	粵樂鮮	Registered	21370098	2016-09-21	2017-11-14	Class 12 Vehicles
236	Graphics	Registered	21370597	2016-09-21	2018-01-14	Class 9 Scientific instruments
237	粵樂鮮	Registered	21370234	2016-09-21	2018-01-14	Class 29 Food
238	粵樂鮮	Registered	21370241	2016-09-21	2017-11-14	Class 31 Agriculture, forestry and fresh products
239	Graphics	Registered	21371013	2016-09-21	2017-11-14	Class 29 Food
240	Graphics	Registered	21370685	2016-09-21	2017-11-14	Class 16 Office supplies
241	Graphics	Registered	21371523	2016-09-21	2017-11-14	Class 32 Beers and beverages
242	Graphics	Registered	21371579	2016-09-21	2017-11-14	Class 33 Wine
243	Graphics	Registered	10057644	2011-10-12	2013-01-07	Class 43 Food, beverage and accommodation
244	TOP.E	Registered	10057606	2011-10-12	2013-07-21	Class 43 Food, beverage and accommodation
245	Graphics	Registered	10057681	2011-10-12	2012-12-07	Class 44 Medical gardening
246	通驛	Registered	10057635	2011-10-12	2013-01-21	Class 43 Food, beverage and accommodation
247	8	Registered	10052559	2011-10-11	2012-12-28	Class 41 Education and entertainment
248	8	Registered	10052436	2011-10-11	2013-01-07	Class 42 Design research
249	通驛	Registered	10052546	2011-10-11	2012-12-21	Class 41 Education and entertainment
250	通驛	Registered	10052419	2011-10-11	2012-12-21	Class 42 Design research

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251	Graphics	Registered	10046201	2011-10-10	2012-12-14	Class 39 Transportation and storage
252	Graphics	Registered	10046050	2011-10-10	2012-12-14	Class 37 Building maintenance
253	通驛	Registered	10046171	2011-10-10	2012-12-14	Class 39 Transportation and storage
254	通驛	Registered	10045925	2011-10-10	2012-12-07	Class 37 Building maintenance
255	TOP.E	Registered	10046132	2011-10-10	2012-12-14	Class 39 Transportation and storage
256	TOP.E	Registered	10045903	2011-10-10	2012-12-14	Class 37 Building maintenance
257	Graphics	Registered	10042017	2011-10-09	2013-01-07	Class 30 Convenience food
258	Graphics	Registered	10042068	2011-10-09	2013-01-07	Class 32 Beers and beverages
259	TOP.E	Registered	10042102	2011-10-09	2013-09-21	Class 36 Finance and property management
260	TOP.E	Registered	10042049	2011-10-09	2013-01-07	Class 32 Beers and beverages
261	Graphics	Registered	10042152	2011-10-09	2013-04-14	Class 36 Finance and property management
262	TOP.E	Registered	10042000	2011-10-09	2012-12-07	Class 30 Convenience food
263	通驛	Registered	10042138	2011-10-09	2013-02-07	Class 36 Finance and property management
264	Graphics	Registered	10038952	2011-10-08	2012-12-14	Class 35 Advertising sales
265	通驛	Registered	10038806	2011-10-08	2012-12-07	Class 29 Food
266	TOP.E	Registered	10038886	2011-10-08	2013-07-21	Class 35 Advertising sales
267	TOP.E	Registered	10038761	2011-10-08	2012-12-14	Class 29 Food
268	Graphics	Registered	10038831	2011-10-08	2012-12-14	Class 29 Food
269	通驛	Registered	10038933	2011-10-08	2012-12-07	Class 35 Advertising sales
270	樂驛	Registered	7596798	2009-08-05	2010-12-14	Class 35 Advertising sales
271	LOYEE	Registered	7596789	2009-08-05	2012-09-07	Class 35 Advertising sales
272	通驛; TOP-E	Registered	1804423	2001-02-26	2002-07-07	Class 42 Design research
273	通驛	Registered	1945548	2001-02-26	2002-10-08	Class 35 Advertising sales

*Note:* The above trademarks were all within their validity period as at the date of valuation and the appraised entity had paid the annual audit fee.

The unrecorded intangible assets include 12 work copyrights, three software copyrights, two domain names and two mini programs. The details of the 12 work copyrights are as follows.

No.	Registration No.	Type of work	Name of work	Creation completion date	Date of publication	Date of registration
1	Guo Zuo Deng Zi -2022- F-10047319	Fine art	LOYEE 樂驛 Graphics	2021-10-01	2021-12-15	2022-03-03
2	Guo Zuo Deng Zi -2021- F-01239559	Fine art	驛品薈 LOGO	2020-06-10	–	2021-01-15
3	Guo Zuo Deng Zi -2020- F-01142428	Fine art	驛品薈 LOGO	–	–	2020-10-16

4	Guo Zuo Deng Zi -2020- F-01135251	Fine art	驛品泉	2019-07-22	2019-10-22	2020-09-29
5	Yue Zuo Deng Zi -2020- F-00025109	Fine art	Youduan Graphics (油噸圖案)	2019-07-17	2019-07-26	2020-09-21
6	Guo Zuo Deng Zi -2020- F-01018837	Fine art	Dahuai Service Zone	2019-09-15	-	2020-04-13
7	Guo Zuo Deng Zi -2020- F-01018838	Fine art	Mascot for Dahuai Service Zone	2019-09-15	-	2020-04-13
8	Yue Zuo Deng Zi -2018- F-00026261	Fine art	LOYEE 樂驛 LOGO	2009-09-08	2009-09-09	2018-10-22
9	Yue Zuo Deng Zi -2018- F-00026262	Fine art	LOYEE 樂驛 – LOGO (Colorful)	2009-09-08	2009-09-09	2018-10-22
10	Guo Zuo Deng Zi -2018- F-00618912	Fine art	樂驛 Mascot LOGO	2018-02-26	2018-03-26	2018-09-17
11	Yue Zuo Deng Zi -2016- F-00013275	Fine art	驛優品	2016-08-08	2016-08-30	2016-10-18
12	Yue Zuo Deng Zi -2016- F-00013286	Fine art	粵樂鮮	2016-08-08	2016-08-30	2016-10-18

Details of the three software copyrights are as follows:

No.	Software name	Version	Classification of software	Classification of industry	Date of registration
1	Intelligent public toilet management system based on monitoring and management platform	V1.0	Other software	Other industry	2019-05-08
2	Image contrast based foreign body monitoring scanning system	V1.0	Other software	Other industry	2019-05-05
3	Xinzhifu charging operation platform	V1.0	Operating system	Other industry	2018-05-21

Details of the two domain names are as follows:

No.	Homepage	Website name	Domain name	Filing No.
1	www.top-e.com.cn www.eebin.com www.eebin.net	Guangdong Top-E Expressway Service Zone Company Limited	top-e.cn top-e.com.cn 驛伴.cn eebin.cn	Yue ICP Bei No.05071255 -1
2	www.eebin.cn www.eebin.com.cn www.驛伴.com www.驛伴.cn	Guangdong Top-E Expressway Service Zone Company Limited	驛伴.com eebin.net eebin.com.cn eebin.com	Yue ICP Bei No.05071255 -2

The two mini programs are Yue Yun Energy Data Analysis Platform and Yue Yun Energy.

(8) Long-term deferred expenses

The book value of long-term deferred expenses was RMB158,533,567.69, which was the amortisation of expenses for the Commercial Space Upgrade and Renovation Project in Lixi service zone, Commercial Space Upgrade and Renovation Project in Yayao service zone, Commercial Space Upgrade and Renovation Project in Dianbai service zone, Commercial Space Upgrade and Renovation Project in Xincheng service zone and Commercial Space Renovation Project in Luhe service zone.

2. The types and quantities of off-balance sheet assets declared by the enterprise.

The off-balance sheet assets declared by the enterprise comprise the 12 work copyrights, three software copyrights, two domain names and two mini programs as detailed previously.

3. Whether to quote the conclusion of report issued by any other agency

This valuation report does not quote the content of any report issued by any other agency.

#### **IV. Type of value**

Based on the purpose of valuation, the type of value of the subject of valuation is determined as market value.

Market value refers to the estimated value of the subject of valuation in a normal and arm's length transaction on the date of valuation between a willing purchaser and a willing seller acting rationally and without compulsion.

#### **V. Date of valuation**

(I) The date of valuation of this report is 30 September 2023.

(II) Based on the principle that the date of valuation should be as close as possible to the date on which the economic behaviour to be addressed in the asset valuation is realised, the client determined the date of valuation.

(III) In this asset valuation, the definition of valuation scope of valuation, selection of valuation parameters and determination of appraised value are determined based on the internal financial statements of the enterprise as at the date of valuation, external economic environment and market conditions. All the standards for price determination in this report are valid price standards as at the date of valuation.

## **VI. Basis of Valuation**

### **(I) Basis of economic behaviour**

Notice on Commencing Relevant Work in Relation to Transfer of 4.44% Equity Interest in Guangdong Top-E Expressway Service Zone Company Limited (Yue Jiao Ji Tou [2022] No. 41)

### **(II) Legal and regulatory basis**

1. The Civil Code of the People's Republic of China (adopted at the 3rd Session of the 13th National People's Congress on 28 May 2020);

2. The Asset Valuation Law of the People's Republic of China (adopted at the 21st Meeting of the 12th Standing Committee of the National People's Congress on 2 July 2016);

3. The Company Law of the People's Republic of China (as amended for the fourth time in accordance with the Decision on Amending the Company Law of the People's Republic of China at the 6th Meeting of the 13th Standing Committee of National People's Congress on 26 October 2018);

4. Measures for Fiscal Supervision and Administration of the Asset Valuation Industry (Order No. 86 of the Ministry of Finance of the People's Republic of China, as amended pursuant to the Decision of the Ministry of Finance on Amending the Administrative Measures for the Practicing Licence and Supervision of Accounting Firms and Another Departmental Regulations issued on 2 January 2019);

5. Measures for the Supervision and Administration of Transactions of State-owned Assets of Enterprises (Order No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance);

6. Notice on Matters Concerning the Circulation and Transactions of State-owned Assets of Enterprises (Guo Zi Fa Chan Quan Gui [2022] No. 39);

7. Measures for the Administration of State-owned Assets Appraisal (issued by Order No. 91 of the State Council of the People's Republic of China on 16 November 1991 and amended by Order No. 732 of the State Council of the People's Republic of China on 11 December 2020);

8. Law of the People's Republic of China on State-owned Assets of Enterprises (passed at the 5th Meeting of the Standing Committee of the 11th National People's Congress of the People's Republic of China on 28 October 2008);

9. Accounting Standards for Business Enterprises – Basic Standards (Order No.33 of the Ministry of Finance), The Decision of the Ministry of Finance on Amending the Accounting Standards for Business Enterprises – Basic Standards (Order No.76 of the Ministry of Finance);



10. Securities Law of the People's Republic of China (revised at the 15th Meeting of the 13th Standing Committee of National People's Congress on 28 December 2019);

11. Provisional Regulations of the People's Republic of China on Value-added Tax (Order No. 691 of the State Council, 2017);

12. Notice on Comprehensively Promoting the Pilot Programme of the Collection of Value-added Tax in Lieu of Business Tax (Cai Shui [2016] No. 36 of the Ministry of Finance and the State Administration of Taxation);

13. Announcement on Relevant Policies for Deepening the VAT Reform (Announcement No. 39 of 2019 of the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs) issued by the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs;

14. Vehicle Purchase Tax Law of the People's Republic of China (passed at the 7th Meeting of the Standing Committee of the 13th National People's Congress of the People's Republic of China);

15. Law of the People's Republic of China on Administration of Urban Real Estate (adopted by voting at the 12th Meeting of the 13th Standing Committee of the National People's Congress on 26 August 2019);

16. Land Administration Law of the People's Republic of China (passed at the 12th Meeting of the Standing Committee of the 13th National People's Congress on 26 August 2019).

17. Guidelines for the Filing for Recordation of the Assessment Projects of State-owned Assets of Enterprises (Guo Zi Fa Chan Quan [2013]. No. 64).

### (III) Valuation standard basis

1. Basic Standards for Asset Valuation (Cai Zi [2017] No. 43);

2. Code of Professional Ethics for Asset Valuation (Zhong Ping Xie [2017] No. 30);

3. Practicing Guidelines for Asset Valuation – Asset Valuation Reports (Zhong Ping Xie [2018] No. 35);

4. Practicing Guidelines for Asset Valuation – Asset Valuation Procedures (Zhong Ping Xie [2018] No. 36);

5. Practicing Guidelines for Asset Valuation – Asset Valuation Files (Zhong Ping Xie [2018] No. 37);

6. Practicing Guidelines for Asset Valuation – Enterprise Values (Zhong Ping Xie [2018] No. 38);

7. Practicing Guidelines for Asset Valuation – Asset Valuation Engagement Contracts (Zhong Ping Xie [2017] No. 33);

8. Practicing Guidelines for Asset Valuation – Machinery and Equipment (Zhong Ping Xie [2017] No. 39);



9. Practicing Guidelines for Asset Valuation – Intangible Assets (Zhong Ping Xie [2017] No. 37);
10. Practicing Guidelines for Asset Valuation – Real Estate (Zhong Ping Xie [2017] No. 38);
11. Practicing Guidelines for Asset Valuation – Asset Valuation Approach (Zhong Ping Xie [2019] No. 35);
12. Asset Valuation Expert Guidelines No. 8 – Examination and Verification in Asset Valuation (Zhong Ping Xie [2019] No. 39);
13. Guidelines for State-owned Assets Evaluation Report of Enterprises (Zhong Ping Xie [2017] No. 42);
14. Guidelines for Business Quality Control of Asset Valuation Institutions (Zhong Ping Xie [2017] No. 46);
15. Guiding Opinions on Types of Values for Asset Valuation (Zhong Ping Xie [2017] No. 47);
16. Guiding Opinions on Legal Ownership of the Subjects of Valuation (Zhong Ping Xie [2017] No. 48);
17. Guidelines for Valuation of Intellectual Property Assets (Zhong Ping Xie [2023] No. 14);
18. Guiding Opinions on Valuation of Trademark Assets (Zhong Ping Xie [2017] No. 51);
19. Guiding Opinions on Valuation of Patent Assets (Zhong Ping Xie [2017] No. 44);
20. Guiding Opinions on Valuation of Copyright Assets (Zhong Ping Xie [2017] No. 50).

(IV) Basis of ownership

1. Equipment purchase contracts and invoices etc.;
2. Real estate title certificate;
3. Vehicle registration certificates and invoices;
4. Property ownership undertakings without title certificates;
5. Other ownership certificate documents.

(V) Basis for price determination

1. Mechanical and Electrical Products Quotation Manual (2023);
2. Financial statements and audit reports for previous years provided by the enterprise;
3. Profit forecast data for future years provided by the enterprise;
4. Document of Guangdong Top-E Expressway Service Zone Company Limited titled “Notice of Top-E on Issuing the “14 Five-Year” Strategic Plan” (Tong Yi Tou [2022] No. 3);
5. Price inquiry websites such as JD.com, Taobao, Alibaba and hc360.com;
6. Construction Cost Management Requirements for Basic Construction Projects (Cai Jian [2016] No. 504);
7. Notice on Further Easing Administration of Professional Service Price for Construction Projects (Fa Gai Jia Ge [2015] No. 299)
8. www.gldzb.com (廣聯達指標網);
9. www.landchina.com (中國土地市場網);
10. Other valuation-related information collected by the appraisers;
11. Other information related to this asset valuation.

(VI) Other reference basis

1. List of assets, valuation declaration form and profit forecast declaration form provided by the appraised entity;
2. Urban Land Appraisal Regulations (GB/T 18508-2014);
3. Urban Land Grading Regulations (GB/T 18507-2014);
4. Code for Real Estate Appraisal (GB/T 50291-2015).

## VII. Valuation Methods

The income approach is a valuation method to determine the value of the subject of valuation by capitalising or discounting expected income.

The market approach is a valuation method to determine the value of the subject of valuation by comparing the subject of valuation against comparable listed companies or comparable transaction cases.

The asset-based approach is a valuation method to determine the value of various assets and liabilities on and off the balance sheet of the subject of valuation based on its balance sheet as at the date of valuation.

The Practicing Guidelines for Asset Valuation – Enterprise Value provides that, when conducting enterprise value appraisal business, an asset valuer shall analyse the applicability of the three basic approaches, namely the income approach, the market approach and the asset-based approach, according to the purposes of valuation, subject of valuation, types of values and collection of information and choose a suitable valuation approach.

The valuation methods selected for this valuation are the asset-based approach and income approach. The reason for selecting such methods are as below:

### (I) Analysis of applicability of valuation methods –

1. Analysis of applicability of the asset-based approach: As the appraised entity has complete financial information and asset management information available, and the sources of relevant data and information of asset acquisition costs are relatively wide, therefore, the asset-based approach can be adopted in this valuation.

2. Analysis of applicability of the income approach: The business model of the appraised entity has gradually become mature, and the future income can be reasonably predicted with the existing business content and scope, and the discount rate corresponding to the risk level of the future income of the enterprise can also be reasonably estimated. Therefore, the income approach can be adopted in this valuation.

3. Analysis of applicability of market approach: Based on the characteristics of the assets under this valuation and the current low degree of marketisation and informatisation in China, it is difficult to collect sufficient property transaction cases of similar enterprises, therefore the market approach should not be adopted in this valuation.

Taking into account the subject of valuation and purpose of asset valuation and the information collected by the appraiser, the valuer determined to adopt the asset-based approach and the income approach to respectively appraise the value of Top-E.

## (II) Asset-based approach

### 1. Current assets

(1) The appraised value of monetary funds and deposits placed under centralised mode, including cash and bank deposits, was determined to be the verified value through cash counting and verification of bank statements and bank letters.

(2) For bills receivables, the appraiser verified the correctness of the reported amount, and check it against the general ledger, various accounts and verified original evidence and bills, so as to check if the results meet the existing materials and the reported amount is correct. the appraised value of bills receivables shall be determined verified book value.

(3) For accounts receivable and other receivables, the appraiser determined the appraised value according to the potentially recoverable amount of each payment, on the basis of verifying the correctness of the receivables. For receivables that are believed to be fully recoverable with sufficient reason, the appraised value was calculated based on the total amount of receivables. For the amount that is likely to be unrecoverable, when it is difficult to determine the amount of unrecoverable accounts, the appraiser, based on historical information and on-site investigation, specifically analyse the amount, time and reason of the arrears, recovery of the amount, the status of the debtor's funds, credit, operation and management to estimate the amount that is likely to be unrecoverable in the ageing analysis method and then calculated the appraised value by deducting such estimated amount as the risk loss. For receivables that are proved to be unrecoverable with conclusive evidence, the appraised value was calculated as nil. The "bad debt provision" item on the book was calculated as nil.

(4) Prepayments: the appraisers checked relevant materials purchase contracts or supply agreements to understand the services and goods received between the date of valuation to the on-site verification date for the valuation. If the supplier is not found to be bankrupt, cancelled the contract or to be unable to provide goods or services on schedule as specified in contracts, the verified book value is the appraised value. For those prepayments in respect of which there is conclusive evidence showing the impossibility of receiving corresponding goods, and which cannot form corresponding assets or interests, the appraised value shall be nil.

(5) Raw materials: the appraiser first checked the purchase and sale contracts and invoices for raw materials to verify the date of purchases and the recorded amounts. The book cost structure was reasonable, and there was no gain or loss on materials. The appraiser investigated the market price as at the date of valuation. Most of the inventory raw materials were recently purchased, and their book values approximated to their market prices as at the date of valuation, thus the book values of raw materials after verification were taken as appraised values.

(6) Finished goods: for oil products which are sold in ordinary course of business, the appraised value was determined based on the ex-factory selling price less selling expenses, all taxes and an appropriate amount of net profit after tax. For consumable materials for food and beverage, proprietary retail goods, convenience store goods and gifts in finished goods, if the appraised entity is a non-production enterprise, and such commodities are purchased goods, the appraisers conducted research on the market price as at the date of valuation. For finished goods purchased recently with insignificant price changes, the book value is close to the market selling price on the date of valuation, and the book value was taken as the appraised value.

(7) Other current assets: The appraiser checked the consistency between the subsidiary ledger and the general ledger and the balance in the statements, and conducted spot checks on certain original vouchers, tax payment returns and other relevant information to verify the authenticity and amount of taxes and fees. The appraised value was determined based on the verified book value. The appraised value was determined based on the verified book value.

## 2. Long-term equity investments

### (1) Wholly-owned and controlling long-term equity investment

In the overall valuation of wholly-owned and controlling long-term equity investment, the appraiser first appraised the value of the entire shareholders' equity in the investee, which was then multiplied by the shareholding percentages to arrive at the values of the shareholders' equity.

### (2) Non-controlling long-term equity investment

Non-controlling long-term equity investments did not meet the conditions for overall valuation, therefore the appraiser, in light of the actual conditions of the investee, obtained the financial statements of the investee as at the date of valuation, and after appropriate analysis of the financial statements of the investee, the appraiser determined the appraised value of the non-controlling long-term equity investments by multiplying the net assets of the investee after the statement analysis by the shareholding percentage.

## 3. Other equity instrument investment

For other equity instrument investment, as the conditions for overall valuation were not satisfied, the appraisers determined the appraised value of other equity instrument investments by multiplying the net assets of the investee after the statement analysis by the shareholding percentage after proper analysis of the financial statements of the investee.

## 4. Fixed assets of equipment

The statements were consistent with those listed in the account books after verifying against the breakdown list of the machinery and equipment provided by the company. At the same time, the ownership was recognised after examining and verifying related contracts, legal ownership certificates and accounting documents. On such basis, professional engineering staff was assigned to carry out necessary on-site inspection and verification of major equipment.

For the purpose of the valuation, the replacement cost method was mainly adopted for the valuation based on the principle of continuous use, the market price, the characteristics of the appraised equipment and the information collected. The calculation formula of the replacement cost method is as follows:

Appraised value = Full replacement price x comprehensive newness rate

### (1) Determination of full replacement price

#### 1) Machinery and equipment

Full replacement price = equipment purchase price + transportation and miscellaneous expenses + installation cost + preliminary and other expenses + capital cost – creditable input VAT

### ① Equipment purchase cost

The purchase costs of domestic machinery equipment were mainly determined by enquiring, or by making reference to the Quotation Catalogue of Mechanical and Electrical Products in 2023, as well as recent contract prices of similar equipment. With regard to a few pieces of equipment for which the purchase costs are not available, the purchase prices are determined on the basis of the price change rates of equipment of the same category produced in the same year.

### ② Transportation and miscellaneous fees

If the equipment purchase cost does not include transportation and miscellaneous fees, the transportation and miscellaneous fees shall be determined with reference to the estimated indicators in the Manual of Commonly Used Data and Parameters for Asset Valuation, and Measures for the Preparation of Budget for Machinery Construction Projects and Various Budget Indicators, while taking into account factors such as the transportation distance, weight and volume of the equipment.

### ③ Installation costs

Installation costs were determined with reference to the final account information provided by the client, and based on the type, characteristics, weight, and consumption level of human resources, materials and equipment, as well as the information obtained through market inquiry, while taking into account relevant necessary fees and in accordance with relevant regulations.

For small equipment that does not need to be installed, installation costs were not taken into consideration.

### ④ Preliminary and other expenses

Preliminary and other expenses include project construction management fees, survey and design fees, project supervision fees, feasibility study fees, bidding agency fees, environmental impact assessment fees. These expenses were calculated with reference to the relevant rate basis and standards formulated by the national ministries and commissions.

### ⑤ Capital costs

The capital cost was determined based on the sum of equipment purchase cost, installation cost, preliminary and other expenses according to the reasonable construction period of the project and the loan interest rate for the corresponding period as at the date of valuation.

### ⑥ Creditable input VAT in relation to equipment purchase price

For equipment purchase price that satisfies conditions for VAT credit, the VAT credit was made on the basis of the calculated creditable input VAT.

## 2) Vehicles

The current tax-inclusive purchase price of transportation vehicles was determined based on the recent vehicle market price information such as the sales information of the local vehicle market. On this basis, the full replacement price was determined based on the provisions of the Vehicle Purchase Tax Law of the People's Republic of China, including vehicle purchase tax and new vehicle licence fees. The calculation formula is as follows:

Full replacement price = tax-free purchase price + vehicle purchase tax + new vehicle registration fee

## 3) Electronic equipment (including other equipment)

The full replacement price was determined based on the purchase price according to recent market price information such as local market information.

For electronic equipment (including other equipment) which were bought long ago and no longer for sale in the market but can be used, their full replacement prices were determined with reference to the market prices of second-hand equipment.

## (2) Determination of comprehensive newness rate

The comprehensive newness rate was determined after modification through the on-site inspection of the use of equipment (instrument) (engineering environment, maintenance, appearance, utilization rate and availability rate), and review of the operation, incident, repair, performance assessment and other necessary records of the equipment (instrument).

1) For special equipment and general machinery and equipment, their remaining useful life was determined mainly in accordance with the economic lifespan of the equipment, lapsed useful life, the on-site investigation and understanding of the usage and technology conditions of equipment. Their comprehensive newness rate was then determined according to the following formula.

The comprehensive newness rate = remaining useful life/(remaining useful life + used life) × 100%

2) For small-sized equipment such as electronic equipment (including other equipment) and air conditioners, their comprehensive newness rate were determined mainly based on their economic lifespan; and the comprehensive newness rate of large-sized electronic equipment (including other equipment) were determined with reference to the work environment and operation of the equipment.

3) According to the mandatory vehicle scrapping standard issued by the state, the newness rate of a vehicle is determined based on the vehicle mileage or service life, whichever is lower, is used, and then adjusted based on the on-site investigation. The formula is as follows:

The newness rate based on the useful life = (specified useful life – used life)/specified useful life) x 100%

The newness rate based on mileage = (specified mileage – travelled mileage)/specified mileage x 100%

Comprehensive newness rate= Theoretical newness rate x adjustment factor



### (3) Determination of appraised value

Appraised value of equipment = full replacement price of equipment × comprehensive newness rate

### 5. Fixed assets of buildings and structures

According to the characteristics, and types of appraised value, data collection and other relevant conditions of the fixed assets of buildings and structures, for the fixed assets of buildings and structures that are decoration and renovation in nature within the scope of this valuation, the property is owned by the lessor, and such fixed assets are to be amortised. The appraisers inquired about the construction contracts of decoration and renovation, relevant evidence and books, and did not detect any abnormality, and then determined the appraised value on the basis of the verified book value.

The cost method was adopted for valuation of buildings and structures complete with main body within the scope of valuation. The formula for cost method is as follows:

Appraised value = full replacement price × comprehensive newness rate

#### (1) Determination of full replacement price

Full replacement price of buildings and structures generally includes: comprehensive construction and installation cost, preliminary and other expenses and capital cost. The full replacement price of buildings and structures was calculated as follows:

Full replacement price = construction and installation cost + preliminary and other costs + capital costs – creditable input tax

#### 1) Comprehensive construction and installation cost

The benchmark cost per square metre was determined based on the factors affecting the construction cost such as structural span, floor height and decoration level of buildings and structures. The cost per square metre reflects the normal construction level, construction quality and general decoration standard of such type of buildings (structures) as at the date of valuation in region where it operates. On this basis, according to the characteristics of the buildings (structures) (such as different storeys, span, special decoration and construction difficulties) and the on-site survey, the cost per square metre was adjusted accordingly to determine the construction and installation project cost exclusive of and inclusive of tax.

#### 2) Determination of preliminary and other expenses

Based on various charge regulations of the state (industry), taking into account the actual situation of the location of the construction project on the date of valuation, the appraised entity was regarded as an independent construction project, and the preliminary and other expenses were determined based on the investment scale of the fixed assets of the enterprise.

### 3) Capital cost

The capital cost was calculated based on the reasonable construction period of the appraised entity, with reference to the benchmark interest rate for RMB loans of financial institutions for the same period issued by the People's Bank of China as at the date of valuation, and based on the sum of comprehensive construction and installation costs, preliminary and other expenses, and other expenses. The formula of capital cost is as follows:

Capital cost = (comprehensive construction and installation cost inclusive tax + preliminary and other expenses) × capital cost rate × reasonable construction period/2

### 4) Creditable input VAT

For any expense that satisfies conditions for VAT credit, the VAT credit was made on the basis of the calculated creditable input VAT.

#### (2) Determination of comprehensive newness rate

The comprehensive newness rate was determined as follows:

Comprehensive newness rate = remaining useful life/(lapsed useful life + remaining useful life)

Determination of the remaining useful life within the formula above:

The comprehensive newness rate was determined comprehensively on the basis of the economic life and lapsed useful life of the target buildings and structures with reference to field survey, historical renovations and maintenance of the buildings. In determining the comprehensive newness rate, the availability of continuous usage of the subject of valuation was the premise and stability and robustness of the basic and main structure were the main conditions. The degree of newness degree of decoration and ancillary facilities was only calculated subject to the continuous usage of the basic and main structure, and such continuous usage was taken as a supplementary condition for revising newness rate of the basic and main structure.

#### (3) Determination of appraised value

Appraised value = Full replacement price × Comprehensive newness rate

### 6. Construction in progress

For the construction in progress included in the scope of valuation, the appraiser verified with the relevant personnel the commencement and progress of the construction project, understood the implementation of the budget, collected the contracts of the relevant project, and verified the payment and accounting of the project. As the construction in progress included in the scope of valuation has a short construction period, it is a construction in progress project under normal construction, during which the price changes of materials and labour involved in the investment are not significant, and the appraised value is determined based on the book value.

## 7. Right-of-use assets

Right-of-use assets refer to right-of-use assets of all leased land, and office buildings in service zones. The appraiser understood the remaining values and rights of each of assets mainly by checking relevant documents and original evidence. Such appraised values of right-to-use assets shall be determined at its book values.

## 8. Intangible assets – Land use rights

According to the Regulations for Valuation of Urban Land (GB/T18508-2014) and the relevant technical regulations for land valuation, the commonly used methods for land valuation mainly include five methods, namely market comparison method, income return method, residue method, cost approximation method and benchmark land price factor revision method.

According to the on-site investigation, the purpose of land use right is other commercial service land and road land, and the market method was adopted for the valuation of land use right. The reasons for adopting the market method for the valuation are as follows:

The market comparison method is to determine the comparable cases by collecting land transaction cases to establish the basis for price comparison, and then to determine the final market price of the subject of valuation by adjusting the transaction price. The market comparison method is mainly used for land use rights within the scope of valuation in areas with developed real estate market and sufficient comparable examples, and there are many transactions in the surrounding areas of such land. Therefore, the market comparison method can be adopted for the valuation of such land.

Income return method is a method of estimating the total annual income and total annual expenses by collecting relevant information to determine the net annual income, and then calculating the land income price on basis of the income return rate. The income return method is mainly used for the land with actual income or potential income, while the appraised land has no actual income and the surrounding land rent level is not available, and it is difficult to estimate its potential income, therefore it is not appropriate to use the income return method to appraise the land.

The residue method, also called as assumed development method, is a method to estimate the land price by estimating the transaction price of real estate, present value of buildings and transaction taxes. The residue method is mainly used for land valuation with potential for investment development or redevelopment. The subjects of valuation are lands for commercial services and roads, and have no potential for investment development or redevelopment. Therefore, the residue method is not suitable for valuation of the land use rights included in the scope of valuation.

The cost approximation method is to obtain the land acquisition fee, land development fee, and relevant taxes in respect of the land to be appraised by collecting the cost, interest, profit and other information related to the valuation, and making necessary adjustments to the land price to obtain the price of the land to be appraised. The cost approximation method is generally applicable to the valuation of land prices in newly developed land or areas with less developed land markets and few transaction cases, therefore the cost approximation method was not adopted for the valuation of such land.

The benchmark land price method is a method to calculate the price of a land parcel through the benchmark land price correction system by collecting the benchmark land price information. The benchmark land price method is applicable to the area where the government has published the benchmark land price and has a complete benchmark land price revision system. As the benchmark land price published by the government in the area where the land use right is located is relatively long away from the date of valuation, the benchmark land price approach was not adopted for the valuation of the land.

In conclusion, based on the purpose of this valuation, the market method was adopted for the valuation of the land use rights to be appraised.

The market method is a method to estimate the objective and reasonable price or value of the land to be appraised by comparing the land to be appraised with similar land transaction cases that have been recently transacted as at the date of valuation and making appropriate adjustments to the known price of such similar land transaction cases.

The calculation formula of market method is as follows:

Price of land to be appraised = Price of comparable cases × Transaction adjustment × Transaction date adjustment × Adjustment for regional factor × Adjustment for individual factors × Land useful life

#### 9. Intangible assets – Other intangible assets

Other intangible assets within the scope of this valuation are software and trademarks of the enterprise.

##### (1) Software

The appraiser checked the books and evidences and verified the correctness of the amortisation of the enterprise. Verification and investigation have shown that certain software had been upgraded and maintained, but most of the software were not upgraded. For outsourcing software that is currently on the market but the version has been upgraded, the appraised value is determined by deducting the software upgrade fee at the current market price. For software that is sold in the market and does not have an upgraded version as at the date of valuation, the appraised value was determined based on the price of similar software as at the date of valuation.

## (2) Trademarks

For trademarks, which are intangible assets, there are three valuation methods for intangible assets, namely replacement cost method, market comparison method and present value of earning method. The cost method adopted for the valuation of trademark is a way of determining a value of a trademark by quantifying the costs for engaging a valuer in making valuation, including all direct and indirect costs, accrued interests and profits, so as to determine the value of rights of trademarks in light of registration of trademarks and use of the trademarks. The adoption of cost method is conditional upon the existence of same or similar transaction, and provided that the transactions should be arm's length transactions. Income method is a way to forecast the expected income on products or services sold and assess the income contribution from the trademarks as a percentage to the value of their value at the open market at the valuation date, so as to assess the effects of these trademarks on the increase of income, which enable a company to adopt a reasonable discount rate and duration of income contribution for these trademarks in determining their values.

Based on results of our market survey and relevant introduction, there is no comparable historical transaction and transaction price data can be found, the market method is not applicable. As the extent of the income contribution from the trademarks cannot be reasonably estimated, income approach is not adopted for valuation in this valuation. Based on the characteristics of the trademark in this valuation, we decided to adopt the cost approach. The basic formula of the cost approach is as follows:

Value of ownership of trademarks to be valued = (direct cost + indirect cost + accrued interests + profit) x (1 – depreciation rate)

### ① Estimation of direct cost

Estimation of direct cost is the sum of registration fee, agency fee and fees of collection and design arising from registration of the relevant trademarks in a given condition, which will be estimated on prevailing price and rate of fees.

### ② Indirect cost, accrued interests and profit

Indirect cost is the sum of subsequent promotion, advertisement and maintenance arising from registration of the relevant trademarks, which can be quantified in a monetary amount and estimated on a percentage of the direct cost.

### ③ Depreciation rate

As the trademarks can be continuously used and there is no factor of depreciation, the depreciation rate shall be zero for this valuation.

## 10. Long-term deferred expenses

Long-term deferred expenses include the amortised balance of expenses such as the commercial space upgrade and renovation project in Lixi service zone, the commercial space upgrade and renovation project in Xincheng Service Zone, the commercial space upgrade and renovation project in Yayao service zone and the commercial space upgrade and renovation project in Dianbai service zone.

The appraiser verified the verification method related to long-term deferred expenses of the appraised entity, consulted the decoration and purchase contracts and relevant evidences and books, and there was no abnormal situation found. The balance difference to be amortised was assessed to be nil, and the appraised value of the rest was determined based on the verified book value.

## 11. Deferred income tax assets

The accounting content of deferred income tax assets is the provision for bad debts and accrued expenses. The appraiser had verified the verification method related to deferred income tax assets of the appraised entity to determine the appraised value based on the verified book value.

## 12. Other non-current assets

Other non-current assets consist of prepaid taxes and prepayment for purchase of long-term assets. The appraiser checked the consistency between the subsidiary ledger and the general ledger and the balance in the statements, conducted spot checks on certain original evidences, tax payment returns and purchase contract and other relevant information, and verified the authenticity and amount of taxes and payments. The appraised value was determined based on the verified book value. The appraised value was determined based on the verified book value. Thus, the appraised value was based on the verified book value.

## 13. Liabilities

The valuation of liabilities of the Company mainly involved reviews and verifications. The appraiser verified the relevant documents, contracts, books and relevant evidence. Following the verification of their truthfulness, the appraised value was determined to be the verified book value or the actual liabilities assumed.

### (III) Income approach

The discounted cash flow method under the income approach is to appraise the overall value of an enterprise to indirectly obtain the value of all shareholders' equity. The overall value of the enterprise is composed of the value of operating assets generated from normal operating activities and the value of non-operating assets irrelevant to normal operating activities. For the determination of the value of operating assets, the discounted free cash flow model of the enterprise is adopted, which is based on the free cash flow of the enterprise in the next few years, and is calculated by discounting and summing up with an appropriate discount rate. The calculation model for the income approach is as follows:

Value of total shareholders' equity = overall enterprise value – value of interest-bearing debts

### 1. Overall enterprise value

Overall enterprise value refers to the sum of value of the total shareholders' equity and value of interest-bearing debts. According to the allocation and use of assets of the appraised entity, the formula for calculating overall value of enterprise is as follows:

Overall enterprise value = value of operating assets + value of surplus assets + value of non-operating assets and liabilities

#### (1) Value of operating assets

Operating assets refer to the assets and liabilities involved in free cash flow forecast of the enterprise related to the production and operation of the appraised entity after the date of valuation. The formula for value of operating assets is as follows:

$$P = \sum_{i=1}^{N_i} A_i (1+R)^{-i} + \frac{A_{i0}}{R} (1+R)^{-N_i}$$

Where: P: the value of the operating assets of the enterprise as at the date of valuation;

$A_i$ : Expected free cash flow of the enterprise in the year  $i$  after the date of valuation;

$A_{i0}$ : Expected free cash flow of the enterprise in the last year of the forecast period;

R: discount rate (weighted average cost of capital, WACC);

N: Forecast period;

$i$ : In the year  $i$  of the forecast period, this valuation adopts mid-year discount.

Of which, the calculation formula of free cash flow of the enterprise is as follows:

Free cash flow of the enterprise = net profit before interest but after tax + depreciation and amortisation – capital expenditure – increase in working capital

The calculation formula of discount rate (weighted average cost of capital, WACC) is as follows:

$$WACC = R_e \times [E/(D+E)] + R_d \times (1-T) \times [D/(D+E)]$$



Of which:  $R_e$ : Cost of equity capital

E: Market value of equity capital

D: Market value of debt capital

$R_d$ : Cost of debt capital

T: Income tax rate

Of which, the cost of equity capital is calculated using the Capital Asset Pricing Model (CAPM). The basic formula of it is as follows:

$$R_e = R_{f1} + \beta (R_m - R_{f2}) + \text{Alpha}$$

Where:  $R_e$ : Expected return on equity, i.e. cost of equity capital

$R_{f1}$ : Risk-free rate of return

$\beta$ : Beta factor

$R_m$ : Market expected rate of return

$R_{f2}$ : Expected turn rate of long-term market

Alpha: Special risk premium

$(R_m - R_{f2})$ : Excess risk return in the equity market, also known as ERP

## (2) Value of surplus assets

The surplus assets refer to the assets that exceed the production and operation needs of the enterprise on the date of valuation and are not involved in the forecast of the free cash flow of the enterprise after the date of valuation. Verification has shown that there is no surplus assets in the appraised entity.

## (3) Value of non-operating assets

Non-operating assets represent the assets not relating to production and operation of the appraised entity and not involved in the forecast of the free cash flow of the enterprise after the date of valuation. Non-operating assets of the appraised entity are other receivables, prepayments, other equity instrument investments and long-term equity investments. The income approach was adopted in this valuation.

#### (4) Non-operating assets and liabilities

Non-operating liabilities represent the liabilities not relating to production and operation of the appraised entity and not involved in the forecast of the free cash flow of the enterprise after the date of valuation. Non-operating liabilities of the appraised entity are other payables and deferred income liabilities. The income approach was adopted in this valuation.

#### 2. Value of interest-bearing debts

Interest-bearing debts represent liabilities that the appraised entity needs to pay interest as at the date of valuation. As at the date of valuation, interest-bearing debts of the appraised entity were short-term loans.

### **VIII. Implementation Process and Details of Valuation Procedures**

The appraiser appraised the assets and liabilities involved in the subject of valuation. Details of the implementation process of major valuation procedures are as follows:

#### (I) Acceptance of engagement

We reached an agreement with the client in respect of basic matters for valuation including the purposes of valuation, the subject of valuation, the scope of valuation and the date of valuation, as well as the rights and obligations of each party, and determined the basic valuation matters such as the corresponding valuation plan, time and method of submission of valuation report through negotiations with the client.

#### (II) Preliminary preparation

In view of the basic valuation matters, we prepared a valuation plan, established a valuation team and arranged training for the relevant personnel of the project.

#### (III) On-site investigation

The appraiser conducted necessary examination and verification of the assets involving the subject of valuation, and carried out necessary due diligence on the operation and management of the appraised entity.

1. Guiding the appraised entity to fill in the form and prepare the information to be provided to the valuer

The appraiser provided guidance to the finance and asset management personnel of the appraised entity on completing asset appraisal forms for the assets included in the scope of valuation in a meticulous and accurate manner based on self-examination of assets and in accordance with the breakdown of assets for appraisal, the requirements for completion and the list of information provided by us, and on collecting ownership certificates of assets and documents and information reflecting the performance, status and economic and technical indicators of the assets.

2. Preliminary review and improvement of the breakdown of assets for appraisal submitted by the appraised entity

The appraiser understood the detailed conditions of the specific assets included in the scope of valuation by accessing the relevant information, and carefully reviewed the various breakdown of assets for appraisal to check if there is any incomplete, wrong submission or any unclear asset, and examined based on our experience and understanding if there is any missing item in the breakdown of assets for appraisal, and provided feedback to the appraised entity for improvement of the breakdown of asset for valuation.

### 3. On-site inspection

With the cooperation of the relevant personnel of the appraised entity, the appraiser conducted on-site survey of the assets within the scope of valuation based on their types, quantity and distribution and in accordance with the relevant requirements of the asset appraisal standards, and adopted different survey methods in view of different natures and features of the assets.

### 4. Supplementing, amendment and perfection of the breakdown of asset for appraisal

The appraiser fully communicated with the relevant personnel of the appraised entity based on the results of on-site survey and further improved the breakdown of assets for appraisal to ensure the consistency among the book value, the record and the reality.

### 5. Verification of ownership certificates and documents

The appraiser verified the ownership certificates and documents of the assets within the scope of valuation including facilities, and requested the Company to verify or produce the relevant ownership certificates and documents for those with incomplete ownership information or unclear ownership.

## (IV) Collection of information

The appraiser collected the valuation information based on the specific conditions of the valuation project, including the information obtained directly and independently from the market and other channels, the information obtained from the clients and other relevant parties, and the information obtained from government departments, various professional institutions and other relevant departments. The appraiser conducted necessary analysis, induction and sorting of the data collected for valuation to form the basis for valuation.

## (V) Assessment and estimation

According to the specific conditions of various assets, the appraiser selected the corresponding formulas and parameters to make analysis, calculation and determination based on the valuation methods selected and formed the preliminary valuation conclusions. The project leader summarised the preliminary valuation conclusion of various assets, and compiled and prepared the preliminary asset valuation report.

## (VI) Internal review

In accordance with the requirements of the administrative measures for our valuation business process, the project leader submitted the completed the preliminary asset valuation report for our internal review. Upon completion of internal review, the project leader communicated with the client or other relevant parties agreed by the client about the contents of the asset valuation report, and issued the asset valuation report after making reasonable amendments according to their feedbacks.

## (VII) Maintenance of valuation files

According to the requirements of the asset appraisal standards, the appraiser sorted out the working papers, asset valuation report and other relevant materials to maintain an asset valuation file.

## **IX. Valuation Assumptions**

The assumptions adopted in analysing the estimates in this asset valuation report are as follows:

### (I) Basic assumptions

1. Open market assumption assumes that the assets to be valued are traded or can be traded on the open market, and both of the parties to the transaction of the assets are in equal position and have enough opportunities and time to obtain market information so as to make reasonable and rational judgment on the functions, purpose and considerations of the assets;

2. Transaction assumption assumes that all the assets to be valued are already in the process of transaction, and the appraisal carries out the valuation based on a simulated market which involves the transaction conditions of the assets to be valued. Transaction assumption is the most basic assumption for asset valuation;

3. Going concern assumption assumes that the appraised entity will not cease operation for any reason in the period of franchise.

### (II) General assumptions

1. It is assumed that there are no material changes in the relevant prevailing laws, regulations and policies and the macroeconomic situation in the country as well as the political, economic and social environment of the regions where the parties to the transaction are located.

2. It is assumed that there will be no force majeure and unforeseeable factors that will have a material adverse impact on the appraised entity after the date of valuation.

3. It is assumed that the operators of the Company are responsible, fully comply with all relevant laws and regulations, and the management of the Company is capable of performing their duties.

4. The enterprise complies with relevant national laws and regulations, and there will be no major violations that will affect the Company's development and revenue realisation.

5. It is assumed that there will be no material changes in the interest rates, exchange rates, taxation bases and tax rates and policy-based levies related to the appraised entity after the date of valuation.

6. It is assumed that the values of various parameters estimated in this valuation are determined in accordance with the current price system, without taking into account the impact of inflation factors after the date of valuation.

### (III) Special assumptions

1. It is assumed that the purchase, acquisition and construction processes of the assets involved in the subject of valuation are in compliance with the relevant national laws and regulations;

2. It is assumed that the business scope and method of the appraised entity will not undergo major changes in the future operating period, with its main business structure, revenue and cost composition, sales strategy and cost control of future business remaining in the same condition as they are in recent years without major changes. Future changes in operating capabilities, business scale, business structure etc. that may be caused by changes in the management, business strategy, additional investment, and business environment, although likely, have not been taken into consideration, which means that the valuation is based on the operating capability, scale of business and operating model as of the date of valuation as a going concern, without taking into no consideration of any special changes caused by over production or production reduction;

3. It is assumed that the operating and management expenses of the enterprise will not change significantly on the current basis in the future operating periods, and will remain in line with the trend of changes in recent years, and change in line with the changes in business scale;

4. It is assumed that the cash inflow of the appraised entity is an average inflow, and the cash outflow is an average outflow after the date of valuation;

5. It is assumed that the recovery and self-operation plan of the appraised entity's gas stations can be completed on schedule as planned by the management.

6. It is assumed that the contractual operation contract of the enterprise can be successfully renewed upon expiry;

7. It is assumed that the business licence qualification of Top-E can be renewed upon expiry;

8. It is assumed that the purchase, acquisition and construction processes of the assets involved in the subject of valuation are in compliance with the relevant national laws and regulations;

9. The property rights of the assets owned by the enterprise are clear and owned by the appraised entity, and there are no possible joint and several liabilities and legal issues outside the scope of valuation.

The valuation conclusion in this asset valuation report was effective as at the date of valuation on the aforesaid assumptions. We and the signing valuers disclaim any responsibility for any different valuation conclusion arising from any significant change in any assumption.

## X. Valuation Conclusion

According to relevant state regulations on asset valuation, in the principle of independence, fairness and objectivity and based on necessary valuation procedures, we appraised the value of all shareholders' equities of Guangdong Top-E Expressway Service Zone Company Limited. We adopted the asset-based approach and income approach in the valuation and the valuation conclusion was reached based on the above valuation work. The valuation conclusion is as follows:

### (I) Valuation results under asset-based approach

As at 30 September 2023, being the date of valuation, on the basis of ongoing operation, Guangdong Top-E Expressway Service Zone Company Limited had total assets of with book value of RMB3,329,135,700, the appraised value of total assets was RMB3,956,199,500, representing an appreciation amount of RMB627,063,800 and an appreciation rate of 18.84%; total liabilities of with book value was RMB2,833,081,100 and the appraised value was RMB2,833,081,100, representing no appreciation or depreciation; the book value of its net assets was RMB496,054,600 and the appraised value was RMB1,123,118,300, representing an appreciation amount of RMB627,063,800 and an appreciation rate of 126.41%. For details, please see the table below:

### Summary of Asset Valuation Results

The date of valuation: 30 September 2023

*Unit of amount: RMB'0000*

Item	Book value <i>A</i>	Appraised value <i>B</i>	Amount of appreciation or depreciation <i>C = B-A</i>	Appreciation rate (%) <i>D = C/A×100%</i>
1 Current assets	52,340.71	54,257.17	1,916.46	3.66
2 Non-current assets	280,572.86	341,362.78	60,789.91	21.67
3 Including: Long-term equity investments	13,306.13	47,000.32	33,694.19	253.22
4 Other equity instrument investments	360.00	66.36	-293.64	-81.57
5 Fixed assets	65,979.34	88,599.75	22,620.41	34.28

6	Construction in progress	863.93	711.22	-152.71	-17.68
7	Right-of-use assets	161,841.67	161,841.67	-	-
8	Intangible assets	11,136.03	16,306.16	5,170.13	46.43
9	Long-term deferred expenses	15,853.36	15,604.90	-248.46	-1.57
10	Deferred tax assets	10,199.84	10,199.84	-	-
11	Other non-current assets	1,032.57	1,032.57	-	-
12	<b>Total assets</b>	332,913.57	395,619.95	62,706.38	18.84
13	Current liabilities	107,676.01	107,676.01	-	-
14	Non-current liabilities	175,632.10	175,632.10	-	-
15	<b>Total liabilities</b>	283,308.11	283,308.11	-	-
16	<b>Net assets (owners' equity)</b>	49,605.46	112,311.83	62,706.38	126.41

According to the valuation under the asset-based approach, the entire equity interest in Guangdong Top-E Expressway Service Zone Company Limited was RMB1,123,118,300 as at the date of valuation.

### (II) Valuation results under the income approach

The valuation under income approach has shown that the values of the entire shareholders' equity of Guangdong Top-E Expressway Service Zone Company Limited as at 30 September 2023 (being the date of valuation) was RMB2,465,812,700 on a going-concern basis, representing an increase of RMB1,969,758,100 or 397.08%.

### (III) Valuation conclusion

The appraised value of entire equity interest under the income approach was RMB2,465,812,700, and the appraised value of entire equity interest under the asset-based approach was RMB1,123,118,300. The difference was RMB1,342,694,400 or 119.55% between the valuation results under the income approach and the asset-based approach.

These differences are as follows: the asset-based approach is to calculate the appraised value of the entire shareholders' equity under the asset-based approach by deducting the appraised value of the relevant liabilities from the sum of values of each sub-asset of the enterprise which are estimated in appropriate method according to the specific conditions of such sub-asset, based on the going concern basis and assuming the replacement of various production factors. The income approach is based on the judgement of asset profitability, and to capitalise or discount the expected income of the appraised entity for appraising the value of the appraised entity. The asset-based approach considers the value of assets from the re-acquisition of assets and reflects the replacement value of the existing assets of an enterprise. The income approach reflects the value of an enterprise from the perspective of future profitability of assets, which includes the value of intangible assets such as talent team, sales network, management efficiency and goodwill that are difficult to accurately reflect in the asset-based approach, therefore the income approach can fully reflect the overall value of an enterprise. Meanwhile, in terms of the purpose of this valuation, the acquirer not only focuses on the sum of the value of individual assets currently owned by the appraised enterprise, but also the future profitability and development potential of the appraised enterprise.

As analysed above, this Asset Valuation Report adopts the valuation results derived from the income approach as the valuation conclusion: the appraised value of entire equity interest of Guangdong Top-E Expressway Service Zone Company Limited was RMB2,465,812,700.



This valuation does not take into account the impact of equity liquidity, control premium and minority discount on the valuation results.

## **XI. Special matters**

The following matters identified in the course of valuation may affect the valuation conclusion but they are beyond the estimation of the appraiser by virtue of the standard of valuation practice and professional competence:

(I) The valuation conclusion in this valuation report has not taken into consideration the potential relevant expenses and taxes in the process of registration or change of titles of the appraised assets; the impact of mortgage, guarantee, pending litigation and other matters on the valuation conclusion; and the possible changes of tax obligation arising from the increase or decrease in the appraised value.

(II) This valuation report is based on the information in relation to asset valuation provided by the client and related parties of the appraised entity. It is the responsibility of the client and the related parties to provide the necessary information and ensure the truthfulness, legality and completeness of such information and legality of the operation. The responsibility of asset valuation professionals is to analyse, estimate and express professional view on the value of valuation target as at the valuation reference date for the specific purpose. Asset valuation professionals conduct the necessary verification and disclosure on such information and its sources, which does not represent any guarantee provided as to the truthfulness, legality and completeness of the above-mentioned information. It is beyond the scope of practice for asset valuation professionals to ascertain or express opinions on such information and its sources.

(III) Prior to this valuation, BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch conducted an audit on Guangdong Top-E Expressway Service Zone Company Limited with 30 September 2023 as the date of valuation, and issued an audit report (Xin Kuai Shi Yue Bao Zi [2024] No. 20156). Guangdong Top-E Expressway Service Zone Company Limited reported the results after audit adjustment. This valuation of the entire shareholders' equity of Guangdong Top-E Expressway Service Zone Company Limited is conducted on the basis of audit by certified public accountants. The users of this valuation report are requested to pay attention to the above audit report when using this asset valuation report.

(IV) Notes on special matters related to make reference to the conclusions of reports and the possible impact of such matter on the conclusion of the valuation;

This report did not quote any reports issued by other institutions.

(V) Notes on special matters related to incomplete or defective ownership information and the possible impact of the matter on the valuation conclusion;

1. Guangdong Top-E Expressway Service Zone Company Limited and its subsidiaries have not applied for the building ownership certificates for the buildings included in the scope of this valuation. Guangdong Top-E Expressway Service Zone Company Limited and its subsidiaries have undertaken that they are the owners of the property rights of such buildings. The appraiser checked the actual measured area reported by Guangdong Top-E Expressway Service Zone Company Limited and its subsidiaries and made the valuation on such area.

2. Top-E Intelligent Toilet Management Platform, one of intangible assets, is developed by Shenzhen Changge Technology Co., Ltd. engaged by Guangdong Top-E Expressway Service Zone Company Limited, the appraised entity. The R&D contract provided that both parties jointly own the property rights of the project, including but not limited to the “Intelligent Toilet Management Platform V1.0” and the upgraded version; the utility model patent titled “A Squatting Toilet Sanitary Appliance Capable of Detecting Blockage”; and the utility model patent titled “An Intelligent Infrared Valve for Fault Detection”. Research and development of technologies, preparation of intellectual property documents and reporting are completed by Shenzhen Changge Technology Co., Ltd. Top-E accounts for 60% of the intellectual property, and Shenzhen Changge Technology Co., Ltd. accounts for 40% of the intellectual property. Therefore, the software copyright owner of “Intelligent Public Toilet Management System V1.0 Based on the Monitoring and Management Platform” is Guangdong Top-E Expressway Service Zone Co., Ltd. and Shenzhen Changge Technology Co., Ltd. as at the date of valuation. The patent owners of the utility model patent titled “A Squatting Toilet Sanitary Appliance Capable of Detecting Blockage” and the utility model patent titled “An Intelligent Infrared Valve for Fault Detection” are Guangdong Top-E Expressway Service Zone Company Limited and Shenzhen Changge Technology Company Limited.

Users of this report should pay attention that this valuation had not taken into consideration the impact of the above defects on the appraised value.

(VI) Notes on special matters related to restrictions on valuation procedures and the possible impact of the matter on the valuation conclusion;

For Guangdong Zhongyou Top-E Energy Sales Co., Ltd. and Guangdong Expressway Media Co., Ltd., a part of the long-term equity investment, although Top-E, the appraised entity, holds 51% equity interest in Zhongyou Top-E, due to the number of directorship is less than half, it does not control Zhongyou Top-E, and Top-E holds 40% equity interest in Expressway Media, and does not control Expressway Media. The appraiser communicated and interviewed Top-E regarding the valuation project, collected information such as business licence, audit report for the past three years and financial statements as at the date of valuation, but it failed to conduct a comprehensive inspection and verification of the assets of Zhongyou Top-E and Expressway Media as at the date of valuation and obtained breakdown and ownership of inventories and fixed assets of Zhongyou Top-E and Expressway Media. As the conditions for the overall valuation were not met, the appraiser obtained the financial statements of the investee as at the date of valuation based on the actual situation of appraised entity. According to the statements of Guangdong Zhongyou Top-E Energy Sales Co., Ltd. and Guangdong Expressway Media Co., Ltd., the profitability of Zhongyou Top-E and Expressway Media in recent years is unstable, and the proportion of tangible assets is relatively low. Therefore, the above-mentioned long-term equity investment was evaluated by the statement analysis method. The above matters did not constitute a significant impact on the conclusion of this appraisal.

(VII) Notes on special matters related to incompleteness of the information of valuation and the possible impact of the matter on the valuation conclusion;

According to the industrial and commercial registration website, as at the date of valuation, Guangdong Jindaoda Expressway Economic Development Co., Ltd., a subsidiary of the assessed entity, held the equity interest of Guangzhou Huadu Jindaoda Expressway Economic Development Co., Ltd. After confirmation from the company, Guangdong Jindaoda Expressway Economic Development Co., Ltd. has not participated in the dividend distribution and management of Guangzhou Huadu Jindaoda Expressway Economic Development Co., Ltd. since 2000. The impairment has been made in the financial accounts with respect to the equity interests held in the above two companies, and those equity interests were not included in the valuation hereunder. Users of the report should be aware of the above.

(VIII) Notes on special matters related to pending legal and economic matter as at the date of valuation and the possible impact of the matter on the valuation conclusion;

## 1. Borrowing, Guarantee and mortgage

As of the valuation date, the appraised entity had the following loans:

No.	Name of the issuing bank (or institution)	Date of Issue	Maturity date	Interest rate per annum	Currency	Book value	Type of loan
1	Industrial and Commercial Bank of China Limited (Guangzhou Baiyun branch)	2022/12/27	2023/12/26	2.20%	RMB	85,345,900.00	loan on credit
2	Industrial and Commercial Bank of China Limited (Guangzhou Baiyun branch)	2023/5/31	2024/5/30	2.00%	RMB	50,000,000.00	loan on credit
3	Industrial and Commercial Bank of China Limited (Guangzhou Third sub-branch)	2023/9/27	2024/9/27	2.75%	RMB	70,000,000.00	loan on credit
4	China CITIC Bank Guangzhou branch	2023/9/27	2024/9/27	2.74%	RMB	25,000,000.00	loan on credit
5	Bank of Communications Guangdong branch	2023/6/21	2024/6/21	2.20%	RMB	50,000,000.00	loan on credit
6	Bank of Communications Guangdong branch	2023/6/21	2024/6/21	2.20%	RMB	19,500,000.00	loan on credit
7	Bank of Communications Guangdong branch	2023/6/25	2024/6/25	2.20%	RMB	9,500,000.00	loan on credit
8	Bank of Communications Guangdong branch	2023/6/26	2024/6/26	2.20%	RMB	9,500,000.00	loan on credit
9	Bank of Communications Guangdong branch	2023/6/28	2024/6/28	2.20%	RMB	9,500,000.00	loan on credit
Total						<u>328,345,900.00</u>	

## 2. Significant pending litigation

As at the date of valuation, pending litigations Top-E involved in are set out as below:

No.	Name of the case	Cause of action	Parties to the litigation		Principal involved (RMB)	Introduction of the case	Date of prosecution	Stage of progress
			Plaintiff	Defendant				
1	Dispute over contract between Guangdong Top-E Expressway Service Zone Company Limited against Guangdong Junyu Car Company Limited (Car owner centre project)	Contract dispute	Guangdong Top-E Expressway Service Zone Company Limited	Guangdong Junyu Car Company Limited	400,000.00	The plaintiff and the defendant signed the “Service Zone Car Maintenance Project Cooperation Framework Agreement” on 21 May 2018. The defendant failed to perform its contractual obligation. The plaintiff sues the defendant for the payment of the total outstanding contracting fees of RMB400,000 and pleads to the court to order the car service centre assets formed by investment of the defendant to the plaintiff.	2023/1/28	Pending. Second trial ongoing.

No.	Name of the case	Cause of action	Parties to the litigation		Principal involved (RMB)	Introduction of the case	Date of prosecution	Stage of progress
			Plaintiff	Defendant				
2	Dispute over construction contract Guangdong Top-E Expressway Service Zone Company Limited against Xiamen Luluxing Greening Engineering Construction Co., Ltd.	Contract dispute	Guangdong Top-E Expressway Service Zone Company Limited	Xiamen Luluxing Greening Engineering Construction Co., Ltd.	6,128,908.16	In March 2012, Top-E and Xiamen Luluxing Greening Engineering Construction Co., Ltd. signed the entrusted construction contract for the two phases of Guizhou Huixing greening engineering. In 2016, M-Grass Group acquired a part of equity of Luluxing with substantial control. The original management team of Luluxing was replaced M-Grass Group. The new management team did not understand historical accounts and projects. The final auditing was completed in early 2023. According to contractual agreement and audit results, Luluxing should pay Top-E approximately RMB618,900 for the remaining works of 21-A bid and approximately RMB749,700 for the remaining works of 21-B bid, and return the performance deposits and safety deposits of approximately RMB4.76 million paid on its behalf, amounting to a total of approximately RMB6.129 million. After numerous attempts to communicate, the parties could not reach an agreement on the resolution. Top-E sued Luluxing at the Changshun Court in Guizhou Province.	2023/6/15	Pending

Save for the above matters, the appraised entity did not provide any other mortgage, pledge, guarantee and significant pending litigation of the appraised assets to the valuer. This valuation has taken into account the impact of the above guarantees, mortgages and pending litigation on the valuation conclusion.

(ix) The nature and amount of guarantees/leases/contingent liabilities (contingent assets) and other matters and the special explanation on the relationship with the subject of valuation and the possible impact of such matters on the valuation conclusion;

None.

(x) Notes on special matters related to the possible impact of the matter on the valuation conclusion from the date of valuation to the date of asset valuation report;

During the validity period from the date of valuation to date of the asset valuation report, if there are significant changes in the quantity and pricing standard of the appraised assets which affect the valuation conclusion, the valuation conclusion cannot be directly used, and the valuation conclusion shall be adjusted or reassessed. We are not responsible for any significant changes in the value of the appraised assets after the date of valuation.

Users of the asset valuation report should pay attention to the impact of the above special matters on the valuation conclusion.

## **XII. Notes on the Limitations on Use of the Asset Valuation Report**

(I) This asset valuation report shall be used for the purposes and uses of valuation set out in this asset valuation report only and by the users specified in this asset valuation report only. The extraction of, reference to or public disclosure of all or any part of this asset valuation report shall be subject to our review, unless otherwise provided in the laws or regulations or agreed between the relevant parties;

(II) If the client or other users of the asset valuation report fail to use the asset valuation report in accordance with the laws, administrative regulations and the scope of use specified in the asset valuation report, the valuer and its asset valuation professionals disclaim any liability arising therefrom;

(III) Except for the client, other users of the asset valuation report as agreed in the asset valuation engagement contract and users of the asset valuation report as stipulated by laws and administrative regulations, no other institution or individual shall be a user of the asset valuation report;

(IV) The users of the asset valuation report shall have a correct understanding of the valuation conclusion and use it correctly, which does not represent the realisable price of the subject of valuation and shall not be deemed a guarantee for the realisable price of the subject of valuation;

(V) This asset valuation report shall not be put into use unless and until it has been signed by the asset appraiser conducting the valuation and affixed with the official seal of the valuer and it has been filed by regulatory authorities of state-owned assets or funding enterprises;

(VI) The valuation conclusion disclosed in this asset valuation report is only valid for the economic behaviour described in the asset valuation report, and the valuation conclusion shall be valid for one year from the date of valuation.

### **XIII. Date of Asset Valuation Report**

The date of the asset valuation report is 20 February 2024.

### **XIV. Signature of Valuer and Asset Appraiser**

Asset appraiser: Zhu Wei

Asset appraiser: Lu Boya

Beijing Guorongxinghua Assets Appraisal Co., Ltd.

20 February 2024