

9 June 2022

Board of Directors
China Aoyuan Group Limited
Units 1901-2, 19th Floor, One Peking
No.1 Peking Road
Tsim Sha Tsui, Kowloon
Hong Kong

Re: Valuation Summary Letter

Property: 34 Apartments – “Adela”, 1a Gloucester Avenue, Burwood, NSW, Australia

We refer to instructions issued by Aoyuan Property Group (International) Pty Ltd dated 5 May 2022 to provide a summary report of the valuation providing the Market Value “In One Line” of 34 Apartments – “Adela”, 1a Gloucester Avenue, Burwood, NSW, Australia. We have prepared a full and comprehensive Valuation Report for the property in accordance with our instructions from Aoyuan Property Group (International) Pty Ltd for internal reporting purposes dated 31 March 2022.

This valuation summary letter (“summary letter”) has been prepared for part of a submission to The Stock Exchange of Hong Kong Limited (in accordance with Chapter 5 of the Rules governing the listing of securities on The Stock Exchange of Hong Kong Limited) to be issued by China Aoyuan Group Limited as responsible entity for the sale of the property assessed.

Our full valuation report valuation report has been prepared in accordance with the Australian Property Institute’s Current Valuation Standard and Guidance Notes, RICS Valuation - Global Standards 2020 together with the Australian National Supplement effective August 2019 and International Valuation Standards (IVS).

This summary letter should be read in conjunction with the Valuation Report (prepared as at 31 March 2022) as we note this summary letter does not include all essential information and the assumptions which are detailed in our Valuation Report. The Valuation Report provides a detailed description of the property; its current configuration, location, assumptions impacting value and local market characteristics.

An extract from the valuation report comprising the Critical Assumptions is annexed to this summary letter.

We have assessed the valuation based on the Freehold Title of the property.

Market Value as defined by the International Valuation Standards Council (IVSC) and as adopted by the Australian Property Institute (API) is as follows:

“Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion.”

We have assessed the “In One Line” market value of the property in accordance with the Market Value definition referred to above. Furthermore, the Sale in One Line Definition is

‘Sale in one line’ is the value of the gross realisation of the individual completed lots sold in a single transaction less a discount that takes into consideration legal and selling costs, profit and risk, holding costs and acquisition costs.

In addition, we have been requested to assess an Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale.

We confirm that the valuer does not have a pecuniary interest that would conflict with a proper valuation of the interest in the property.

Savills Valuations Pty Ltd (“Savills”) charged a professional fee for producing the valuation report.

Material Assumptions

- The assessed “In One Line Value” via Residual Cash Flow analysis reflects a number of factors, including the interest (borrowing) rate, assessed value of the units, sale rate for apartment stock, and acceptable performance margins. The assessed value by this approach could be impacted by a change in any of the above circumstances.

Valuation Summary

Interest Valued	100% Freehold
Title Details	Various lots - SP103737
Registered Owner	Prime Burwood Pty Ltd.
Zoning	B4 Mixed Use under the Burwood Local Environmental Plan 2012.
Location	The subject property is located within Burwood Sydney’s Inner West, approximately 10 kilometres west of the Sydney Central Business District (CBD) and is within the Local Government Area administered by the Burwood Council. More particularly the subject property is located approximately 800 metres to the north west of the Burwood Train station and Central Business District. The development is bounded by Victoria Street to the north, Park Road to the west and Gloucester Avenue to the east. Surrounding development primarily low and medium residential dwellings, with retail properties including Westfield Burwood located to the east of the development. The site is in close proximity of Burwood Park. The development is well serviced by public transport with Burwood Train Station located to the west of the subject offering train and bus services.
Property Description	The parent development comprises the “Adela” project, a four building development with a total of 103 apartments, communal roof top areas and basement parking at Burwood completed in September 2021. The apartments subject to assessment comprise 34 vacant apartments configured as 3 x 1 bedroom apartments, 28 x 2 bedroom apartments and 3 x 3 bedroom apartments. The apartments are fitted to a good standard, with reconstituted stone bench tops in the kitchens, stainless steel appliances, ducted air conditioning, and security intercom access.
Encumbrances	The attached Title documents list the following notifications: <ul style="list-style-type: none"> ■ AR752180 Mortgage to Gresham Property Investments Pty Ltd.
Environmental Comment	The present use of the subject property as an apartment building is not classified as a “potentially contaminating activity, industry or land use” as defined under the API’s Australia Real Property Guidance Note 1 – Land Contamination Issues (Appendix 2) and is considered a low risk use in regard to potential for site contamination. The subject property is not contained within the EPA’s “List of Issued Certificates and Statements of Environmental Audit” based on our recent online search. We also note that the subject property and surrounding immediate development as at the date of valuation, is not subject to an “Environmental Audit Overlay” under the Burwood City Planning Scheme. A visual site inspection has not revealed any obvious pollution or contamination. Nevertheless, we wish to advise that we are not qualified to provide advice on the physical condition of the land and we are not

Environmental Comment (contd)	aware of any geotechnical and/or environmental defects with the land. Further, we have not sighted any environmental audits or geotechnical reports, which suggest site contamination or defects. This valuation has therefore been made on the assumption that there are no actual or potential contamination issues affecting:-	
	<ul style="list-style-type: none"> ■ The value or marketing of the property; or ■ The site. 	
Valuation Approach	Gross Realisation: Direct Comparison. In One Line Value: Hypothetical Sell Down.	
Date of Inspection	17 May 2022	
Date of Valuation	31 March 2022	
	Market Value – “As Is”	Subject to Market Constraint
Gross Realisation Incl. GST	\$39,104,000	\$35,187,000
Gross Realisation Excl. GST	\$36,545,794	\$32,885,047
“In One Line Assessment” Incl. GST	\$30,800,000	\$27,650,000
“In One Line Assessment” Excl. GST	\$28,700,000	\$25,800,000
Prepared By	Sandra Peachey FAPI Certified Practising Valuer Savills Valuations Pty Ltd	

Valuation Methodology

The valuation is determined on the basis that the property, the Title thereto and its use is not affected by any matter other than that mentioned in the full valuation report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market.

Given the nature of the subject property, we have primarily relied upon the Direct Comparison Approach to assess the value of the individual apartments and the Hypothetical Development Approach to assess the In One line Value.

This approach utilises our assessment of the estimated ‘total gross realisation’ value from which we have deducted selling costs and other costs including holding costs, finance costs and interest, and our adopted development (profit and risk) margin, to arrive at an estimate of the In One Line Value.

To ascertain the value of the individual apartments we have relied upon the below comparable sales:

Subject Complex

Sales	No	Min Area (m ²)	Max Area (m ²)	Min Price	Max Price	Avg Price	Min Rate	Max Rate	Avg Rate
1 Bed	19	50	57	\$735,000	\$895,000	\$800,444	\$13,482	\$15,982	\$14,811
2 Bed	35	74	89	\$915,000	\$1,342,600	\$1,171,782	\$11,731	\$16,575	\$14,963
3 Bed	18	91	130	\$1,330,000	\$1,850,000	\$1,549,250	\$13,776	\$16,490	\$15,368

Comparable Sales outside of Development:

"IQ Burwood" 15-19 Clarence Street, Burwood							
Number of Apartments	70						
Description	Medium density residential apartment development by ATLAS, designed by KANNFINCH architects. Intellectual building with Smart Living apartment inclusions including automated touch screen and voice command technology. Apartments are of high quality finishes and fitment.						
Presale Comment	Agent indicated that 16 of the 70 apartments are still available. Settlements are due in June.						
Overall Summary	Unit Type	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed	52	59	\$780,000	\$800,000	\$13,559	\$15,000
	2 Bed	80	90	\$1,130,000	\$1,300,000	\$14,125	\$14,444
	3 Bed	105	110	\$1,800,000	\$1,875,000	\$17,045	\$17,142
Comparative Analysis	Located on the Southern side of Railway Parade at a similar distance to train station however further removed from local amenities including Westfield and Burwood Park. Apartments are of superior quality with technology additions. Apartments are overall comparable, and we have adopted similar to slightly lower rates.						
68-72 Railway Parade, Burwood							
Number of Apartments	121						
Description	Mixed use development located in Burwood shopping district adjacent to railway line. Designed by architect Aleksander Design Group. Comprises an 8 storey mixed use building with 121 units (1, 2 and 3 bedroom) and 1 retail tenancy on the group floor. Includes basement car parking over 3 levels with parking for 163 vehicles. Apartments are of good quality finish and fitment with stone benchtops and stainless steel appliances to kitchen, frameless shower screen and fully tiled bathrooms. Completion was in early 2020.						
Overall Summary	Unit Type	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed	58	62	\$617,000	\$677,000	\$10,919	\$10,638
	2 Bed	78	86	\$800,000	\$880,000	\$9,412	\$11,090
	3 Bed	92	104	\$900,000	\$1,040,000	\$9,519	\$10,097
Comparative Analysis	Completed stock that sold off the plan, indicating sales are now dated. Development adjoins railway line meaning significant noise pollution. Overall, the subject apartments are superior and higher rates are appropriate.						
7 Deane Street, Burwood							
Number of Apartments	154						
Description	A mixed use development consisted of 154 apartments and 1,000m ² of commercial/retail floor space over 30 levels plus 4 levels of basement parking. Completed in 2021. Upper level apartments feature district and harbour views. Apartments are of good quality fitment with open plan kitchens featuring stone benchtops, stainless steel appliances, timber flooring, ducted air conditioning, floor to ceiling windows and doors.						
Overall Summary	Unit Type	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed	49	55	\$680,000	\$750,000	\$12,909	\$15,000
	2 Bed	74	85	\$955,000	\$1,290,000	\$12,402	\$16,506
Comparative Analysis	Completed stock that sold off the plan, indicating sales are now dated. Higher elevation achieving good views toward harbour from upper levels, similar to the subject apartments. Overall comparable and we have adopted the upper end of the rates given recent market improvements.						

Comparable Sales outside of Development:
1 Bedroom

Address	Sale Price	Analysed Rate	Sale Date	Internal Area (m ²)	Bed	Bath	Car
L2/7 Conder Street, Burwood	\$785,000	\$15,344	Mar-22	58	1	1	1
Description: Modern 1 bedroom apartment on the second floor of a new development. Features carpet flooring, floor to ceiling windows, ducted a/c, fully tiled bathroom with frameless shower screen. Kitchen features caesarstone benchtop, stainless steel European appliances.							
Comparison: Slightly superior quality apartment situated in similar sized development. A slightly lower average rate per sqm appropriate for the subject 1 bedroom units.							
3/9 Clarence Street, Burwood	\$700,000	\$14,000	Mar-22	50	1	1	1
Description: New 1 bedroom apartment on the ground floor. Features timber flooring, floor to ceiling windows, fully tiled bathroom with frameless shower screen. Kitchen features caesarstone benchtop, stainless steel appliances.							
Comparison: Slightly inferior quality apartment situated in smaller sized development. A slightly higher average rate per sqm appropriate for the subject 1 bedroom units.							
A501/31 Belmore Street, Burwood	\$725,000	\$11,507	Dec-21	63	1	1	1
Description: Circa 2016 1 bedroom apartment on the fifth floor with oversized terrace. Features carpet and tiled flooring, fully tiled bathroom with framed shower screen. Kitchen features caesarstone benchtop, stainless steel European appliances. Common facilities include playground.							
Comparison: Older apartment situated in similar sized development. A higher lower average rate per sqm appropriate for the subject 1 bedroom units given they are new							
902c/8 Wynne Avenue, Burwood	\$725,000	\$13,942	Feb-22	52	1	1	1
Description: Circa 2015 1 bedroom plus study apartment on the tenth floor with small balcony. Features carpet and tiled flooring, fully tiled bathroom with framed shower screen. Kitchen features caesarstone benchtop, stainless steel European appliances. Split system a/c.							
Comparison: Older apartment situated in similar sized development. A higher lower average rate per sqm appropriate for the subject 1 bedroom units given they are new							
1003/2a Elsie Street, Burwood	\$700,000	\$13,461	Jan-22	52	1	1	1
Description: Circa 2019 1 bedroom apartment on the tenth floor with small balcony. Features carpet and tiled flooring, fully tiled bathroom with framed shower screen. Kitchen features caesarstone benchtop, stainless steel European appliances. Floor to ceiling windows to living areas and bedroom.							
Comparison: Older apartment situated in similar sized development. A higher lower average rate per sqm appropriate for the subject 1 bedroom units given they are new							

2 Bedroom

Address	Sale Price	Analysed Rate	Sale Date	Internal Area (m ²)	Bed	Bath	Car
2003/29 George Street, Burwood	\$1,120,000	\$13,333	Jan-22	84	2	2	1
Description: 2018 built, 2 bedroom 2 bathroom apartment featuring open plan living and dining, stone kitchen with gas cooking, integrated dishwasher and stainless steel appliances. Timber floor to living areas.							
Comparison: Older apartment in good condition. Age of subject would indicate higher rates are appropriate for subject 2 bedroom units.							
1406/2a Elsie Street, Burwood	\$1,160,000	\$13,647	Mar -22	85	2	2	2
Description: Circa 2019 built, 2 bedroom 2 bathroom apartment on Level 14 featuring open plan living and dining, stone kitchen with gas cooking, integrated dishwasher and stainless steel appliances. Reverse cycle a/c. City views.							
Comparison: Slightly older apartment of good quality. Age of subject would indicate higher rates are appropriate.							
7b/88 Burwood Road, Burwood	\$1,275,000	\$14,655	Jan-22	87	2	2	2
6b/88 Burwood Road, Burwood	\$1,262,500	\$14,680	Jan-22	86	2	2	2
Description: New 2 bedroom 2 bathroom apartment on Level 7 featuring open plan living and dining, stone kitchen with gas cooking, integrated dishwasher and stainless steel appliances. Reverse cycle a/c. Herringbone timber floors.							
Comparison: Comparable quality apartment. Suggests similar rates for subject apartments.							

Address	Sale Price	Analysed Rate	Sale Date	Internal Area (m ²)	Bed	Bath	Car
707/9 Wilga Street Burwood	\$925,800	\$10,765	Mar-22	86	2	2	2
Description: Circa 2013 2 bedroom 2 bathroom apartment on Level 7. Stone kitchen with gas cooking, dishwasher and stainless steel appliances. Polished timber and carpeted floors, built in robes, basement parking.							
Comparison: Substantially older apartment which justifies higher rates for subject apartments.							
602c/1-17 Elsie Street, Burwood	\$1,142,000	\$12,977	Mar-22	88	2	2	1
Description: 2011 built, 2 bedroom 2 bathroom apartment featuring open plan living and dining, stone kitchen with gas cooking, integrated dishwasher and stainless steel appliances. Timber floor to living areas.							
Comparison: Substantially older apartment which justifies higher rates for subject apartments.							

The assessed apartment values are as follows:

Apt No.	Lot No	Bed	Internal sqm	External sqm	Total sqm	Car Spaces	Assessed Value	Analysed Rate	Market Constraint Value	Market Constraint Rate
A105	10	2	74	12	86	1	\$1,122,000	\$15,162	\$1,010,000.00	\$13,649
A201	11	3	91	12	103	2	\$1,323,000	\$14,538	\$1,191,000.00	\$13,088
A202	12	2	78	11	89	1	\$1,137,000	\$14,577	\$1,023,000.00	\$13,115
A206	16	2	74	12	86	1	\$1,132,000	\$15,297	\$1,019,000.00	\$13,770
B101	31	2	81	10	91	1	\$1,117,000	\$13,790	\$1,005,000.00	\$12,407
B201	37	2	81	10	91	1	\$1,132,000	\$13,975	\$1,019,000.00	\$12,580
B202	38	2	80	11	91	1	\$1,196,000	\$14,950	\$1,076,000.00	\$13,450
B204	40	3	94	13	107	2	\$1,421,000	\$15,117	\$1,279,000.00	\$13,606
B301	43	2	81	10	91	1	\$1,142,000	\$14,099	\$1,028,000.00	\$12,691
B401	49	2	81	10	91	1	\$1,156,000	\$14,272	\$1,040,000.00	\$12,840
B501	55	2	81	10	91	1	\$1,196,000	\$14,765	\$1,076,000.00	\$13,284
B601	60	2	81	22	103	1	\$1,201,000	\$14,827	\$1,081,000.00	\$13,346
B701	65	2	82	22	104	1	\$1,274,000	\$15,537	\$1,147,000.00	\$13,988
BG01	27	2	80	33	113	1	\$1,107,000	\$13,838	\$996,000.00	\$12,450
BG04	30	2	78	34	112	1	\$1,142,000	\$14,641	\$1,028,000.00	\$13,179
C103	75	2	82	11	93	1	\$1,132,000	\$13,805	\$1,019,000.00	\$12,427
C104	76	2	88	12	100	1	\$1,225,000	\$13,920	\$1,103,000.00	\$12,534
C203	79	2	82	11	93	1	\$1,142,000	\$13,927	\$1,028,000.00	\$12,537
C204	80	2	88	12	100	1	\$1,240,000	\$14,091	\$1,116,000.00	\$12,682
C302	82	1	52	8	60	1	\$769,000	\$14,788	\$692,000.00	\$13,308
C303	83	2	82	11	93	1	\$1,156,000	\$14,098	\$1,040,000.00	\$12,683
C304	84	2	88	12	100	1	\$1,274,000	\$14,477	\$1,147,000.00	\$13,034
C404	88	2	88	12	100	1	\$1,274,000	\$14,477	\$1,147,000.00	\$13,034
CG01	70	3	96	35	131	2	\$1,372,000	\$14,292	\$1,235,000.00	\$12,865
D101	93	2	80	11	91	1	\$1,117,000	\$13,963	\$1,005,000.00	\$12,563
D103	95	2	75	10	85	1	\$1,098,000	\$14,640	\$988,000.00	\$13,173
D104	96	2	77	11	88	1	\$1,152,000	\$14,961	\$1,037,000.00	\$13,468
D201	97	2	80	11	91	1	\$1,127,000	\$14,088	\$1,014,000.00	\$12,675
D202	98	1	50	7	57	1	\$764,000	\$15,280	\$688,000.00	\$13,760
D203	99	2	75	10	85	1	\$1,098,000	\$14,640	\$988,000.00	\$13,173
D204	100	2	77	11	88	1	\$1,171,000	\$15,208	\$1,054,000.00	\$13,688
D302	102	1	50	7	57	1	\$779,000	\$15,580	\$701,000.00	\$14,020
D304	104	2	77	11	88	1	\$1,186,000	\$15,403	\$1,067,000.00	\$13,857
AG01	1	2	78	29	107	1	\$1,230,000	\$15,769	\$1,100,000.00	\$14,103
Total							\$39,104,000		\$35,187,000.00	

Our assessment of In One Line Value is detailed below:

Market Value

Input	Amount / Comments.						
Gross Realisation	\$39,104,000 including GST.						
Rate of Sale	We have adopted a sale rate of 3.7 apartments per month for a period of 15 months.						
Selling Costs	2.2% of Gross Realisation based on existing average sales commission rate.						
Marketing Costs	\$2,500 per apartment.						
Legal Costs	\$1,000 per apartment.						
Site Acquisition Costs	6.9% of purchase price including legal fees.						
Construction/Development Cost	N/A – Development completed.						
Interest Rate	5.00% per annum (on the basis of 100% debt funding and including line fees).						
Construction Period	N/A – Development completed.						
Holding Costs	Approximately \$419,520 per annum (including Council Rates, Water Rates, Land Tax, Strata Levies).						
Developers Margin	<p>Profit and Risk expectations for a project of this nature would normally vary from 10% to 15%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors:</p> <ul style="list-style-type: none"> ➤ The sale rate considered achievable for the apartments moving forward. ➤ Current market conditions. ➤ The adopted pricing of the apartments. ➤ The quality of the apartments compared to the market. ➤ Buyer pool in this capital value bracket. ➤ New and modern apartment building. ➤ The size and related capital value of the development. ➤ Analysis of comparable developments. ➤ The Inner West location and current market conditions. <p>Having regard to the above, we have adopted a Profit and Risk Factor of 12.58%, being to the midpoint in the range assuming the new quality of apartments and the Inner West location.</p>						
GST Liability	<p>We have been advised of the eligibility to adopt the Margin Rule (7%) for valuation purposes. Our calculations on this basis are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential Realisation Including GST</td> <td style="text-align: right;"><u>\$39,104,000</u></td> </tr> <tr> <td>Less GST</td> <td style="text-align: right;"><u>\$2,558,206</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;"><u>\$36,545,794</u></td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	<u>\$39,104,000</u>	Less GST	<u>\$2,558,206</u>	Gross Realisation Excluding GST	<u>\$36,545,794</u>
Residential Realisation Including GST	<u>\$39,104,000</u>						
Less GST	<u>\$2,558,206</u>						
Gross Realisation Excluding GST	<u>\$36,545,794</u>						

Feasibility Conclusions

Our calculations result in an “In One Line” value of \$30,800,000 including GST and \$28,700,000 excluding GST (rounded). Our feasibility analysis reflects an Internal Rate of Return of 38.58% (including interest), and a net development profit of approximately \$4,369,385 all of which appear to be reasonable for a development of this nature.

In One Line Assessment – Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale

Input	Amount / Comments.						
Gross Realisation	\$35,187,000 including GST.						
Rate of Sale	We have adopted a sale rate of 3.7 apartments per month for a period of 9 months.						
Selling Costs	2.2% of Gross Realisation based on existing average sales commission rate.						
Marketing Costs	\$2,500 per apartment.						
Legal Costs	\$1,000 per apartment.						
Site Acquisition Costs	6.9% of purchase price including legal fees.						
Construction/Development Cost	N/A – Development completed.						
Interest Rate	5.00% per annum (on the basis of 100% debt funding and including line fees).						
Construction Period	N/A – Development completed.						
Holding Costs	Approximately \$419,520 per annum (including Council Rates, Water Rates, Land Tax, Strata Levies).						
Developers Margin	<p>Profit and Risk expectations for a project of this nature would normally vary from 10% to 15%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors:</p> <ul style="list-style-type: none"> ➢ The sale rate considered achievable for the apartments moving forward. ➢ Current market conditions. ➢ The adopted pricing of the apartments. ➢ The quality of the apartments compared to the market. ➢ Buyer pool in this capital value bracket. ➢ New and modern apartment building. ➢ The size and related capital value of the development. ➢ Analysis of comparable developments. ➢ The Inner West location and current market conditions. <p>Having regard to the above, we have adopted a Profit and Risk Factor of 13.21%, being to the midpoint in the range assuming the new quality of apartments and the Inner West location.</p>						
GST Liability	<p>We have been advised of the eligibility to adopt the Margin Rule (7%) for valuation purposes. Our calculations on this basis are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential Realisation Including GST</td> <td style="text-align: right;"><u>\$35,187,000</u></td> </tr> <tr> <td>Less GST</td> <td style="text-align: right;"><u>\$2,301,955</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;"><u>\$32,885,046</u></td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	<u>\$35,187,000</u>	Less GST	<u>\$2,301,955</u>	Gross Realisation Excluding GST	<u>\$32,885,046</u>
Residential Realisation Including GST	<u>\$35,187,000</u>						
Less GST	<u>\$2,301,955</u>						
Gross Realisation Excluding GST	<u>\$32,885,046</u>						

Feasibility Conclusions

Our calculations result in an “In One Line” value of \$27,650,000 including GST and \$25,800,000 excluding GST (rounded). Our feasibility analysis reflects an Internal Rate of Return of 58.69% (including interest), and a net development profit of approximately \$4,104,744 all of which appear to be reasonable for a development of this nature.

Reliance

The full valuation report is for the reliance of Aoyuan Property Group (International) Pty Ltd as the proprietor of the property.

The Valuation Summary Letter is for the purpose of inclusion in a submission to The Stock Exchange of Hong Kong Limited for disposal of the asset.

Liability Disclaimer

Savills Valuations Pty Ltd (Savills) has prepared this summary letter for Aoyuan Property Group (International) Pty Ltd to assist it in disposal of the assets and Savills specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in the submission, other than with respect to this summary letter.

This Summary Letter is to be read in conjunction with our full Valuation Report dated 31 March 2022 and is subject to the Assumptions, Limitations, Disclaimers and Qualifications contained therein. We refer the reader to Aoyuan Property Group (International) Pty Ltd to obtain a copy of the Full Valuation Report.

The Valuation Report and this Summary Letter are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in the any associated Document. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.

Savills has prepared the full Valuation Report and this Summary Letter relying on and referring to information provided by third parties including financial and market information ("Information"). Savills assumes that the Information is accurate, reliable and complete and it has not tested the Information in that respect.

References to the Property's value within this Summary Letter or any associated document have been extracted from Savills Valuation Report. The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Savills recommends that this Summary Letter must be read and considered together with the Valuation Report.

Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that the valuation report will be relied upon by third parties (other than in relation to the market valuation referred to in this summary letter). We invite other parties who may come into possession of the valuation report seek our written consent to them relying upon the valuation report and we reserve our rights to review the contents in the event that our consent is sought.

This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as a liability where the valuation is relied upon after the expiration of 90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Savills consents to the Valuation Report being made available for inspection at the registered address of Aoyuan Property Group (International) Pty Ltd.

Liability limited by a scheme approved under Professional Standards Legislation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Peachey', written in a cursive style.

Sandra Peachey FAPI
National Director
Valuation & Advisory

Critical Assumptions

Market Movement	<ul style="list-style-type: none"> ■ This valuation is current as at the date of valuation and may change as a result of either external or specific factors affecting the property. We do not accept liability for losses arising from such subsequent changes in value. We will not accept liability where this valuation is relied upon after the expiration of three months from the date of valuation, or earlier if there are significant alterations to conditions affecting the value of the property.
Physical	<ul style="list-style-type: none"> ■ The valuer does not hold itself out to be an expert in building materials and has been unable to identify from a visual inspection whether the 'cladding' was constructed using compliant or non-compliant building products (i.e., combustible polyethylene core aluminium composite panels). ■ This valuation report has been prepared: <ul style="list-style-type: none"> (a) on the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, regulatory requirements and codes. (b) without consideration to any diminution in value that may arise due to the identification of non-compliant building products within the property development. <p>Should this not be the case, we reserve the right to review our valuation.</p> <p>The valuer strongly advises the reader to investigate the nature of the building components and satisfy itself as to the potential risks and costs which could be incurred should the existing building components have to be remedied, replaced or adapted.</p>
In One Line Value	<ul style="list-style-type: none"> ■ The assessed "In One Line Value" via Residual Cash Flow analysis reflects a number of factors, including the interest (borrowing) rate, assessed value of the units, sale rate for apartment stock, and acceptable performance margins. The assessed value by this approach could be impacted by a change in any of the above circumstances.
GST	<ul style="list-style-type: none"> ■ That any reliant party has taken all appropriate measures to mitigate the risks associated with the GST remittance changes from 1 July 2018 i.e., the Federal Government's requirement that purchasers of new residential premises will remit the GST directly to the ATO as part of settlement. ■ We have been provided with written confirmation of the eligibility of using the Margin Scheme by Aoyuan Property Group (International) Limited. The Margin Value to be applied is proportionate to 7% of the Gross Realisable Value.
CGT	<ul style="list-style-type: none"> ■ That all appropriate measures to mitigate the risks associated with the foreign resident capital gains tax withholding scheme changes under the Federal Budget 2017, under which: Australian resident vendors of real property of \$750,000 or more must provide a Clearance Certificate issued by the ATO to a purchaser on settlement of the sale, to avoid the purchaser withholding 12.5% of the purchase price and remitting it as withholding tax to the ATO; and Foreign resident vendors will see 12.5% of the purchase price being withheld and remitted to the ATO, unless the ATO approves a Variation.
Gross Realisation	<ul style="list-style-type: none"> ■ The Gross Realisation assessment reflects an orderly sale of the apartments over time and is not reflective of an "In One Line Value" which has been separately assessed.
EPBC Act	<ul style="list-style-type: none"> ■ That the subject property is not impacted in any way by matters covered by the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), including, but not limited to, listed threatened species and ecological communities or migratory species protected under international agreements.
Occupation Certificate	<ul style="list-style-type: none"> ■ A part Occupation Certificate (OC20-047) was certified on 22 October 2021 by Metropolitan Building Approvals for the construction of residential flat building consisting of 4 towers and containing 103 units and two levels of basement car parking. The occupation certificate excluded all rooftop and barbeque areas. ■ We assume there are not outstanding works/defects that will affect the marketing of the apartments
Body Corporate	<ul style="list-style-type: none"> ■ We have not undertaken a search of the body corporate records and we assume that there is no current payment liability on the body corporate in relation to capital expenditure programs. ■ We also assume that there are no indications from the minutes of meetings held that there are any areas of structural (or other) concern that may give rise to a special levy to be borne by the owners. We recommend any reliant party verify the position of the Body Corporate and any areas of concern prior to advancing funds.
Inspection	<ul style="list-style-type: none"> ■ We note that we were not provided access to all individual units, however we did inspect each unit type. For the purpose of this valuation, we have assumed that these unseen units are of an identical nature in terms of finishes to the inspected apartments.
Contamination	<ul style="list-style-type: none"> ■ We assume that the subject property is free from elevated levels of contaminants.

Encumbrances, Restrictions, Caveats etc.	<ul style="list-style-type: none"> ■ Our valuation is on the basis that the property is free of encumbrances, restrictions, caveats, or other impediments of an onerous nature which could affect value. Our valuation has been undertaken on the basis the property is free of mortgages, charges and other financial liens.
Marketing Period	<ul style="list-style-type: none"> ■ We have assumed a standard marketing period for the subject apartments is likely to be 10 months given the market reluctance to purchase the remaining stock in the subject complex. ■ The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 7 months and assumes a higher marketing budget and a more conservative value/price to attract buyers within a shorter sale period.
General	<ul style="list-style-type: none"> ■ The sales information has been obtained from a number of sources including RP Data and registered government sales transfers. Whilst we understand the information to be reliable, we are unable to guarantee the accuracy. ■ Unless otherwise set out in the Proposal, Savills is not aware of any conflict of interest in accepting your instruction to value the Property and the valuer set out in the Proposal is in a position to provide an objective and unbiased valuation. ■ We confirm that the valuer undertaking this valuation is considered to have the appropriate level of skills and competence to complete the valuation to a professional standard, taking into account the property type. ■ We recommend that the reliant party undertake a search of the titles as Savills has only searched a sample lot to ensure there are no notations on title that may impact value. ■ That all apartments have unencumbered title and that any outstanding development contributions have been paid with nothing inhibiting the potential realisable sale of each unit individually or in aggregate.

Should any of the assumptions in our full valuation report be incorrect or inaccurate, then we reserve the right to amend the valuation, the report and this summary report.

9 June 2022

Board of Directors
China Aoyuan Group Limited
Units 1901-2, 19th Floor, One Peking
No.1 Peking Road
Tsim Sha Tsui, Kowloon
Hong Kong

Re: Valuation Summary Letter

Property: 15 Apartments – “Altessa”, 888 Pacific Highway, Gordon, NSW, Australia

We refer to instructions issued by Aoyuan Property Group (International) Pty Ltd dated 5 May 2022 to provide a summary report of the valuation providing the Market Value “In One Line” of 15 Apartments – “Altessa”, 888 Pacific Highway, Gordon, NSW, Australia. We have prepared a full and comprehensive Valuation Report for the property in accordance with our instructions from Aoyuan Property Group (International) Pty Ltd for internal reporting purposes dated 31 March 2022.

This valuation summary letter (“summary letter”) has been prepared for part of a submission to The Stock Exchange of Hong Kong Limited (in accordance with Chapter 5 of the Rules governing the listing of securities on The Stock Exchange of Hong Kong Limited) to be issued by China Aoyuan Group Limited as responsible entity for the sale of the property assessed.

Our full valuation report valuation report has been prepared in accordance with the Australian Property Institute’s Current Valuation Standard and Guidance Notes, RICS Valuation - Global Standards 2020 together with the Australian National Supplement effective August 2019 and International Valuation Standards (IVS).

This summary letter should be read in conjunction with the Valuation Report (prepared as at 31 March 2022) as we note this summary letter does not include all essential information and the assumptions which are detailed in our Valuation Report. The Valuation Report provides a detailed description of the property; its current configuration, location, assumptions impacting value and local market characteristics.

An extract from the valuation report comprising the Critical Assumptions is annexed to this summary letter.

We have assessed the valuation based on the Freehold Title of the property.

Market Value as defined by the International Valuation Standards Council (IVSC) and as adopted by the Australian Property Institute (API) is as follows:

“Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion.”

We have assessed the “In One Line” market value of the property in accordance with the Market Value definition referred to above. Furthermore, the Sale in One Line Definition is

‘Sale in one line’ is the value of the gross realisation of the individual completed lots sold in a single transaction less a discount that takes into consideration legal and selling costs, profit and risk, holding costs and acquisition costs.

In addition, we have been requested to assess an Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale.

We confirm that the valuer does not have a pecuniary interest that would conflict with a proper valuation of the interest in the property.

Savills Valuations Pty Ltd (“Savills”) charged a professional fee for producing the valuation report.

Material Assumptions

- The assessed “In One Line Value” via Residual Cash Flow analysis reflects a number of factors, including the interest (borrowing) rate, assessed value of the units, sale rate for apartment stock, and acceptable performance margins. The assessed value by this approach could be impacted by a change in any of the above circumstances.

Valuation Summary

Interest Valued	100% Freehold
Title Details	Various lots - SP101278
Registered Owner	Prime Gordon Pty Ltd.
Zoning	B4 Mixed Use under the Ku-ring-gai Local Environmental Plan 2015
Location	The subject property is located within Gordon on the Upper North Shore of Sydney, approximately 14 kilometres north west of the Sydney Central Business District (CBD) and is within the Local Government Area administered by the Ku-ring-gai Council. More particularly the subject property is located on the western side of Pacific Highway between Merriwa Street and Ryde Road. The development is bounded by the Pacific Highway to the east and Fitzsimons Lane to the west. Surrounding development comprises primarily medium density apartment and retail properties along the Pacific Highway and medium density residential properties to the west. Beyond this is mostly established residential dwellings. The development is well serviced by public transport with bus services available 300 metres to the south east of the development on the Pacific Highway and Gordon train station 1 kilometre to the south east.
Property Description	<p>The parent development comprises the “Altesa” project, which is a mixed-use development of three buildings with a total of 143 apartments, 6 strata retail suites on the ground floor with frontage to the Pacific Highway, communal roof top areas and basement parking. The development was completed in July 2020. The apartments subject to assessment comprise 2 x 1 bedroom apartments and 13 x 2 bedroom apartments. The 1 bedroom apartments range from 50m² to is 59m² with an external area from 12m² to 17m². The two bedroom apartments range in size from 73m² to 89m² internally and 13m² to 116m² of external space being a courtyard or balcony.</p> <p>The apartments are fitted to a good standard, with reconstituted stone bench tops in the kitchens, stainless steel appliances, ducted air conditioning, and security intercom access.</p> <p>We note the apartments subject to assessment comprise mostly (9) of one apartment type in Building A which look directly into an adjoining development and lack privacy.</p>
Encumbrances	<p>The sample Title document lists the following notifications:</p> <ul style="list-style-type: none"> ■ AR752180 Mortgage to Gresham Property Investments Pty Ltd.
Environmental Comment	The present use of the subject property as an apartment building is not classified as a “potentially contaminating activity, industry or land use” as defined under the API’s Australia Real Property Guidance Note 1 – Land Contamination Issues (Appendix 2) and is considered a low risk use in regard to potential for site contamination.

Environmental Comment (contd)	<p>The subject property is not contained within the EPA's "List of Issued Certificates and Statements of Environmental Audit" based on our recent online search. We also note that the subject property and surrounding immediate development as at the date of valuation, is not subject to an "Environmental Audit Overlay" under the Ku-Ring-Gai Planning Scheme.</p> <p>A visual site inspection has not revealed any obvious pollution or contamination. Nevertheless, we wish to advise that we are not qualified to provide advice on the physical condition of the land, and we are not aware of any geotechnical and/or environmental defects with the land. Further, we have not sighted any environmental audits or geotechnical reports, which suggest site contamination or defects. This valuation has therefore been made on the assumption that there are no actual or potential contamination issues affecting: -</p> <ul style="list-style-type: none"> ■ The value or marketing of the property; or ■ The site. 	
Valuation Approach	<p>Gross Realisation: Direct Comparison. In One Line Value: Hypothetical Sell Down.</p>	
Date of Inspection	17 May 2022	
Date of Valuation	31 March 2022	
	Market Value	Value Subject to Market Constraint
Gross Realisation Incl. GST	\$15,235,000	\$13,708,000
Gross Realisation Excl. GST	\$13,850,000	\$12,461,818
"In One Line Assessment" Incl. GST	\$12,000,000	\$10,850,000
"In One Line Assessment" Excl. GST	\$10,900,000	\$9,850,000
Prepared By	Sandra Peachey FAPI	
	Certified Practising Valuer	
	Savills Valuations Pty Ltd	

Valuation Methodology

We have assessed the valuation on the basis of Freehold Title.

The valuation is determined on the basis that the property, the Title thereto and its use is not affected by any matter other than that mentioned in the full valuation report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market. Given the nature of the subject property, we have primarily relied upon the Direct Comparison Approach to assess the value of the individual apartments and the Hypothetical Development Approach to assess the In One line Value.

This approach utilises our assessment of the estimated 'total gross realisation' value from which we have deducted selling costs and other costs including holding costs, finance costs and interest, and our adopted development (profit and risk) margin, to arrive at an estimate of the In One Line Value.

To ascertain the value of the individual apartments we have relied upon the below comparable sales:

Subject Complex -2020-2021

Pre-Sales	No	Min Area (m ²)	Max Area (m ²)	Min Price	Max Price	Avg Price	Min Rate	Max Rate	Avg Rate	Total Realisation
1 Bed	22	50	68	\$650,000	\$760,000	\$700,682	\$10,662	\$14,038	\$13,202	\$15,415,000
2 Bed	7	73	83	\$973,000	\$1,160,000	\$1,085,429	\$12,803	\$15,066	\$14,060	\$7,598,000

Comparable Sales outside of Development: 1 Bedroom

Address	Sale Price	Analysed Rate	Sale Date	Internal Area (m ²)	Bed	Bath	Car
210/17-23 Merriwa Street, Gordon	\$730,000	\$12,166	April 2022	60	1	2	1
206/17-23 Merriwa Street, Gordon	\$665,000	\$11,769	Mar-22	56.5	1	1	1
Description: Modern 1 bedroom apartments on the second floor of the "Gordon Grange" development. Features carpet flooring, floor to ceiling windows, fully tiled bathroom with frameless shower screen and second w.c to laundry. Kitchen features caesarstone benchtop, stainless steel appliances.							
Similar quality apartments situated in similar sized development. Slightly larger, however older. A higher rate per sqm appropriate for the subject 1 bedroom units given their smaller floor area.							
108/2-6 Pearson Ave, Gordon	\$720,000	\$12,631	Dec-21	57	1	1	1
Description: New 1 bedroom apartment on the ground floor of "The Pearson" development. Features timber flooring, floor to ceiling windows, fully tiled bathroom with frameless shower screen. Kitchen features caesarstone benchtop, stainless steel appliances. Common facilities including roof-top BBQ and pet-friendly areas.							
Similar quality apartment situated in smaller development. A higher rate per sqm appropriate for the subject 1 bedroom units given smaller floor area.							
308/71 Ridge Street, Gordon	\$645,000	\$10,789	Mar-22	57	1	1	1
Description: 2017 built 1 bedroom apartment featuring open plan living with balcony, modern kitchen with stone benchtop and gas cooking, ducted air-conditioning, internal laundry. Secure car space and storage included.							
Older apartment of inferior quality. Given superior quality and age of subject higher rates are appropriate.							
41/904 Pacific Highway, Gordon	\$622,500	\$11,116	Oct-21	56	1	1	1
Description: 2017 built 1 bedroom apartment situated in the "Vertice" complex. Featuring oak timber flooring, open plan living with balcony, modern kitchen with stone benchtop and gas cooking, ducted air-conditioning, internal laundry. Common rooftop area.							
Older apartment of similar quality. Given age of subject higher rates are appropriate.							
207/71 Ridge Street, Gordon	\$610,000	\$11,090	Mar-22	55	1	1	1
Description: 2017 built 1 bedroom apartment plus separate study. Featuring open plan living with balcony, modern kitchen with stone benchtop and gas cooking, ducted air-conditioning, internal laundry. Secure car space and storage included.							
Older, larger apartment of inferior quality. Given superior quality however smaller size of subject units a similar value is appropriate.							
209/5-7 Telegraph Road, Pymble	\$790,000	\$14,107	Dec-21	56	1	1	1
Description: 2018 built 1 bedroom apartment in "The Adeline" development with security car space and storage cage. Features modern kitchen with gas cooking, stone benchtops and dishwasher, separate study, covered balcony. Fully tiled bathroom with separate bath, internal laundry.							
Older apartment located in superior location in smaller development further removed from Pacific Hwy. A lower rate per sqm appropriate for the subject 1 bedroom unit given its inferior location.							

2 Bedroom

Address	Sale Price	Analysed Rate	Sale Date	Internal Area (m ²)	Bed	Bath	Car
703/904 Pacific Highway, Gordon	\$925,000	\$11,011	April-22	84	2	2	1
Description: 2018 built, 2 bedroom 2 bathroom apartment featuring open plan living and dining, stone kitchen with gas cooking, integrated dishwasher and stainless steel appliances. Timber floor to living areas.							
Older apartment in good condition. Age of subject would indicate higher rates are appropriate.							
732/3 McIntyre Street, Gordon	\$1,140,000	\$12,666	Dec-21	90	2	2	2
503/3 McIntyre Street, Gordon	\$1,040,000	\$12,235	Mar-22	85	2	2	2
Description: 2012 built, 2 bedroom 2 bathroom apartment featuring open plan living and dining, separate study, stone kitchen with gas cooking, integrated dishwasher and stainless steel appliances. Complex has gym and sauna.							
Older apartment in good condition. Age of subject would indicate higher rates are appropriate.							
106/71 Ridge Street, Gordon	\$921,000	\$11,370	Sep-21	81	2	2	1
Description: 2017 built 2 bedroom, 2 bathroom apartment with secure basement parking and storage cage. Apartment features open plan living and dining with study area, stainless steel appliances and gas cooking to kitchen, two fully tiled bathrooms, internal laundry, covered balcony.							
Older apartment in good condition. Age of subject would indicate higher rates are appropriate.							

Address	Sale Price	Analysed Rate	Sale Date	Internal Area (m ²)	Bed	Bath	Car
408/30-34 Henry Street, Gordon	\$1,050,000	\$12,804	Mar 22	82	2	2	1
Description: 2017 built 2 bedroom, 2 bathroom apartment with secure basement parking and storage cage. Apartment features open plan living and dining, stainless steel appliances and gas cooking to kitchen, two fully tiled bathrooms, internal laundry, covered balcony.							
Older apartment in good condition. Age of subject would indicate higher rates are appropriate.							
31/23-31 McIntyre Street, Gordon	\$1,032,000	\$12,000	Mar-22	86	2	2	1
Description: 2011 built 2 bedroom, 2 bathroom apartment with secure basement parking and storage cage. Apartment features open plan living and dining, carpeted throughout, stainless steel appliances and gas cooking to kitchen, two fully tiled bathrooms, internal laundry, balcony.							
Older apartment in good condition. Age of subject would indicate higher rates are appropriate.							
206/2 Bobbin Head Road, Pymble	\$860,000	\$11,944	Jan-22	72	2	1	1
Description: Description: 2015 built 2 bedroom, 1 bathroom apartment in "Pymble Grand" complex. Apartment features open plan living/dining, modern kitchen with stone benchtops, gas cooking and dishwasher. Both bedrooms have built in robes. Bathroom is fully tiled with separate laundry.							
Older apartment in good condition. Age of subject would indicate higher rates are appropriate.							
B708/1 Avon Road, Pymble	\$1,100,000	\$13,414	Dec-21	82	2	2	1
Description: 2018 built 2 bedroom, 2 bathroom apartment in gated community. Features modern kitchen with stone benchtops and breakfast bar, master bedroom with ensuite and WIR, timber oak floors, study. Building facilities include barbeque area, function centre, library, play area and gym.							
Older apartment in building with superior facilities. Higher rates are appropriate for smaller apartments, lower rates are appropriate for larger 2 bedders given inferior position and building.							

The assessed apartment values are as follows:

Apt No.	Lot No	BedS	Internal sqm	External sqm	Total sqm	Car Spaces	Storage	Assessed Value	Adopted Rate
B509	113	1 Bed	50	17	67	1	0	\$686,000	\$13,720
AG04	10	2 Bed	73	116	189	1	0	\$1,068,000	\$14,630
B311	93	2 Bed	76	22	98	1	0	\$1,088,000	\$14,316
A104	17	2 Bed	83	13	96	1	0	\$1,049,000	\$12,639
A105	18	2 Bed	83	13	96	1	0	\$1,049,000	\$12,639
A204	25	2 Bed	83	13	96	1	0	\$1,058,000	\$12,747
A205	26	2 Bed	83	13	96	1	0	\$1,058,000	\$12,747
A304	33	2 Bed	83	13	96	1	0	\$1,068,000	\$12,867
A305	34	2 Bed	83	13	96	1	0	\$1,068,000	\$12,867
A404	41	2 Bed	83	13	96	1	0	\$1,078,000	\$12,988
A405	42	2 Bed	83	13	96	1	0	\$1,078,000	\$12,988
A503	48	2 Bed	83	13	96	1	0	\$1,107,000	\$13,337
AL102	5	2 Bed	89	18	107	1	0	\$990,000	\$11,124
B110	70	1 Bed	59	12	71	1	0	\$690,000	\$11,695
B406	99	2 Bed	84	18	102	1	0	\$1,100,000	\$13,095
Total			1035					\$15,235,000	\$12,933

Our assessment of In One Line Value is detailed below:

Market Value

Input	Amount / Comments.						
Gross Realisation	\$15,235,000 including GST.						
Rate of Sale	We have adopted a sale rate of 1.66 apartments per month for a period of 9 months.						
Selling Costs	2.2% of Gross Realisation based on existing average sales commission rate.						
Marketing Costs	\$2,500 per apartment.						
Legal Costs	\$1,000 per apartment.						
Site Acquisition Costs	6.9% of purchase price including legal fees.						
Construction/Development Cost	N/A – Development completed.						
Interest Rate	5.00% per annum (on the basis of 100% debt funding and including line fees).						
Construction Period	N/A – Development completed.						
Holding Costs	Approximately \$186,900 per annum (including Council Rates, Water Rates, Land Tax, Strata Levies).						
Developers Margin	<p>Profit and Risk expectations for a project of this nature would normally vary from 10% to 15%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors:</p> <ul style="list-style-type: none"> ➢ The sale rate considered achievable for the apartments moving forward. ➢ Current market conditions. ➢ The adopted pricing of the apartments. ➢ The quality of the apartments compared to the market. ➢ Buyer pool in this capital value bracket. ➢ New and modern apartment building. ➢ The size and related capital value of the development. ➢ Analysis of comparable developments. ➢ The Upper North Shore location and current market conditions. <p>Having regard to the above, we have adopted a Profit and Risk Factor of 12.48%, being to the midpoint in the range assuming the new quality of apartments and the Gordon location.</p>						
GST Liability	<p>We have adopted the General Tax Rule Scheme for valuation purposes. Our calculations on this basis are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential Realisation Including GST</td> <td style="text-align: right;"><u>\$15,235,000</u></td> </tr> <tr> <td><u>Less GST</u></td> <td style="text-align: right;"><u>\$1,385,000</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;"><u>\$13,850,000</u></td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	<u>\$15,235,000</u>	<u>Less GST</u>	<u>\$1,385,000</u>	Gross Realisation Excluding GST	<u>\$13,850,000</u>
Residential Realisation Including GST	<u>\$15,235,000</u>						
<u>Less GST</u>	<u>\$1,385,000</u>						
Gross Realisation Excluding GST	<u>\$13,850,000</u>						

Feasibility Conclusions

Our calculations result in an “In One Line” value of \$12,000,000 including GST and \$10,900,000 (rounded) excluding GST. Our feasibility analysis reflects an Internal Rate of Return of 42.64% (including interest), and a net development profit of approximately \$1,690,774 all of which appear to be reasonable for a development of this nature.

In One Line Assessment – Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale

Input	Amount / Comments.						
Gross Realisation	\$13,708,000 including GST.						
Rate of Sale	We have adopted a sale rate of 3 apartments per month for a period of 5 months.						
Selling Costs	2.2% of Gross Realisation based on existing average sales commission rate.						
Marketing Costs	\$4,500 per apartment.						
Legal Costs	\$1,000 per apartment.						
Site Acquisition Costs	6.9% of purchase price including legal fees.						
Construction/Development Cost	N/A – Development completed.						
Interest Rate	5.00% per annum (on the basis of 100% debt funding and including line fees).						
Construction Period	N/A – Development completed.						
Holding Costs	Approximately \$186,900 per annum (including Council Rates, Water Rates, Land Tax, Strata Levies).						
Developers Margin	<p>Profit and Risk expectations for a project of this nature would normally vary from 10% to 15%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors:</p> <ul style="list-style-type: none"> ➤ A sale rate of 3 apartments per month. ➤ Current market conditions. ➤ The adopted pricing of the apartments. ➤ The quality of the apartments compared to the market. ➤ Buyer pool in this capital value bracket. ➤ New and modern apartment building. ➤ The size and related capital value of the development. ➤ Analysis of comparable developments. ➤ The Upper North Shore location and current market conditions. <p>Having regard to the above, we have adopted a Profit and Risk Factor of 12.95%, being to midpoint in the range assuming the new quality of apartments and the Gordon location.</p>						
GST Liability	<p>We have adopted the General Tax Rule Scheme for valuation purposes. Our calculations on this basis are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential Realisation Including GST</td> <td style="text-align: right;"><u>\$13,708,000</u></td> </tr> <tr> <td>Less GST</td> <td style="text-align: right;"><u>\$1,246,182</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;"><u>\$12,461,818</u></td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	<u>\$13,708,000</u>	Less GST	<u>\$1,246,182</u>	Gross Realisation Excluding GST	<u>\$12,461,818</u>
Residential Realisation Including GST	<u>\$13,708,000</u>						
Less GST	<u>\$1,246,182</u>						
Gross Realisation Excluding GST	<u>\$12,461,818</u>						

Feasibility Conclusions

Our calculations result in an “In One Line” value of \$10,850,000 including GST and \$9,850,000 (rounded) excluding GST. Our feasibility analysis reflects an Internal Rate of Return of 84.56% (excluding interest), and a net development profit of approximately \$1,560,236 all of which appear to be reasonable for a development of this nature.

Reliance

The full valuation report is for the reliance of Aoyuan Property Group (International) Pty Ltd as the proprietor of the property.

The Valuation Summary Letter is for the purpose of inclusion in a submission to The Stock Exchange of Hong Kong Limited for disposal of the asset.

Liability Disclaimer

Savills Valuations Pty Ltd (Savills) has prepared this summary letter for Aoyuan Property Group (International) Pty Ltd to assist it in disposal of the assets and Savills specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in the submission, other than with respect to this summary letter.

This Summary Letter is to be read in conjunction with our full Valuation Report dated 31 March 2022 and is subject to the Assumptions, Limitations, Disclaimers and Qualifications contained therein. We refer the reader to Aoyuan Property Group (International) Pty Ltd to obtain a copy of the Full Valuation Report.

The Valuation Report and this Summary Letter are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in any associated Document. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.

Savills has prepared the full Valuation Report and this Summary Letter relying on and referring to information provided by third parties including financial and market information ("Information"). Savills assumes that the Information is accurate, reliable and complete and it has not tested the Information in that respect.

References to the Property's value within this Summary Letter or any associated document have been extracted from Savills Valuation Report. The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Savills recommends that this Summary Letter must be read and considered together with the Valuation Report.

Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that the valuation report will be relied upon by third parties (other than in relation to the market valuation referred to in this summary letter). We invite other parties who may come into possession of the valuation report seek our written consent to them relying upon the valuation report and we reserve our rights to review the contents in the event that our consent is sought.

This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as a liability where the valuation is relied upon after the expiration of 90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Savills consents to the Valuation Report being made available for inspection at the registered address of Aoyuan Property Group (International) Pty Ltd.

Liability limited by a scheme approved under Professional Standards Legislation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Peachey', written in a cursive style.

Sandra Peachey FAPI
National Director
Valuation & Advisory

Critical Assumptions

Market Movement	<ul style="list-style-type: none"> This valuation is current as at the date of valuation and may change as a result of either external or specific factors affecting the property. We do not accept liability for losses arising from such subsequent changes in value. We will not accept liability where this valuation is relied upon after the expiration of three months from the date of valuation, or earlier if there are significant alterations to conditions affecting the value of the property.
Physical	<ul style="list-style-type: none"> The valuer does not hold itself out to be an expert in building materials and has been unable to identify from a visual inspection whether the 'cladding' was constructed using compliant or non-compliant building products (i.e., combustible polyethylene core aluminium composite panels). This valuation report has been prepared: <ol style="list-style-type: none"> on the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, regulatory requirements and codes. without consideration to any diminution in value that may arise due to the identification of non-compliant building products within the property development. <p>Should this not be the case, we reserve the right to review our valuation.</p> <p>The valuer strongly advises the reader to investigate the nature of the building components and satisfy itself as to the potential risks and costs which could be incurred should the existing building components have to be remedied, replaced or adapted.</p>
In One Line Value	<ul style="list-style-type: none"> The assessed "In One Line Value" via Residual Cash Flow analysis reflects a number of factors, including the interest (borrowing) rate, assessed value of the units, sale rate for apartment stock, and acceptable performance margins. The assessed value by this approach could be impacted by a change in any of the above circumstances.
GST	<ul style="list-style-type: none"> That any reliant party has taken all appropriate measures to mitigate the risks associated with the GST remittance changes from 1 July 2018 i.e., the Federal Government's requirement that purchasers of new residential premises will remit the GST directly to the ATO as part of settlement. We have not been provided with independent Accounting or Legal advice regarding the eligibility of using the margin scheme for this development. As this falls outside the scope of our investigations, we have applied the full GST impost in our feasibilities and to our 'as if complete' values on a GST exclusive basis.
CGT	<ul style="list-style-type: none"> That all appropriate measures to mitigate the risks associated with the foreign resident capital gains tax withholding scheme changes under the Federal Budget 2017, under which: Australian resident vendors of real property of \$750,000 or more must provide a Clearance Certificate issued by the ATO to a purchaser on settlement of the sale, to avoid the purchaser withholding 12.5% of the purchase price and remitting it as withholding tax to the ATO; and Foreign resident vendors will see 12.5% of the purchase price being withheld and remitted to the ATO, unless the ATO approves a Variation.
Gross Realisation	<ul style="list-style-type: none"> The Gross Realisation assessment reflects an orderly sale of the apartments over time and is not reflective of an "In One Line Value" which has been separately assessed.
EPBC Act	<ul style="list-style-type: none"> That the subject property is not impacted in any way by matters covered by the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), including, but not limited to, listed threatened species and ecological communities or migratory species protected under international agreements.
Occupation Certificate	<ul style="list-style-type: none"> A Final Occupation Certificate (No.9695-02-2020-FOC) was certified on 3 July 2020 by AE&D Pty Ltd for a (DA0180/14) mixed use development containing 3 buildings, 147 units, retail space, basement parking and landscaping work and modification MOD0006/19. We assume there are not outstanding works/defects that will affect the marketing of the apartments.
Body Corporate	<ul style="list-style-type: none"> We have not undertaken a search of the body corporate records and we assume that there is no current payment liability on the body corporate in relation to capital expenditure programs. We also assume that there are no indications from the minutes of meetings held that there are any areas of structural (or other) concern that may give rise to a special levy to be borne by the owners. We recommend any reliant party verify the position of the Body Corporate and any areas of concern prior to advancing funds.
Inspection	<ul style="list-style-type: none"> We note that we were not provided access to all individual units, however we did inspect each unit type. For the purpose of this valuation, we have assumed that these unseen units are of an identical nature in terms of finishes to the inspected apartments.
Contamination	<ul style="list-style-type: none"> We assume that the subject property is free from elevated levels of contaminants.

Encumbrances, Restrictions, Caveats etc.	<ul style="list-style-type: none"> ■ Our valuation is on the basis that the property is free of encumbrances, restrictions, caveats, or other impediments of an onerous nature which could affect value. Our valuation has been undertaken on the basis the property is free of mortgages, charges and other financial liens.
Marketing Period	<ul style="list-style-type: none"> ■ We have assumed a standard marketing period for the subject apartments is likely to be 12 months given the market reluctance to purchase the remaining stock in the subject complex. ■ The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 5 months and assumes a higher marketing budget and a more conservative value/price to attract buyers within a shorter sale period.
General	<ul style="list-style-type: none"> ■ The sales information has been obtained from a number of sources including RP Data and registered government sales transfers. Whilst we understand the information to be reliable, we are unable to guarantee the accuracy. ■ Unless otherwise set out in the Proposal, Savills is not aware of any conflict of interest in accepting your instruction to value the Property and the valuer set out in the Proposal is in a position to provide an objective and unbiased valuation. ■ We confirm that the valuer undertaking this valuation is considered to have the appropriate level of skills and competence to complete the valuation to a professional standard, taking into account the property type. ■ We recommend that the reliant party undertake a search of the titles as Savills has only searched a sample lot to ensure there are no notations on title that may impact value. ■ That all apartments have unencumbered title and that any outstanding development contributions have been paid with nothing inhibiting the potential realisable sale of each unit individually or in aggregate.

Should any of the assumptions in our full valuation report be incorrect or inaccurate, then we reserve the right to amend the valuation, the report and this summary report.

9 June 2022

Board of Directors
China Aoyuan Group Limited
Units 1901-2, 19th Floor, One Peking
No.1 Peking Road
Tsim Sha Tsui, Kowloon
Hong Kong

Re: Valuation Summary Letter

Property: "Ashbourne", 141 Yarrowa Road and 32 Lovelle Street, Moss Vale NSW, Australia

We refer to instructions issued by Aoyuan Property Group (International) Pty Ltd dated 5 May 2022 to provide a summary report of the valuation providing the Market Value of "Ashbourne", 141 Yarrowa Road and 32 Lovelle Street, Moss Vale NSW, Australia. We have prepared a full and comprehensive Valuation Report for the property in accordance with our instructions from Aoyuan Property Group (International) Pty Ltd for internal reporting purposes dated 31 March 2022.

This valuation summary letter ("summary letter") has been prepared for part of a submission to The Stock Exchange of Hong Kong Limited (in accordance with Chapter 5 of the Rules governing the listing of securities on The Stock Exchange of Hong Kong Limited) to be issued by China Aoyuan Group Limited as responsible entity for the sale of the property assessed.

Our full valuation report valuation report has been prepared in accordance with the Australian Property Institute's Current Valuation Standard and Guidance Notes, RICS Valuation - Global Standards 2020 together with the Australian National Supplement effective August 2019 and International Valuation Standards (IVS).

This summary letter should be read in conjunction with the Valuation Report (prepared as at 31 March 2022) as we note this summary letter does not include all essential information and the assumptions which are detailed in our Valuation Report. The Valuation Report provides a detailed description of the property; its current configuration, location, assumptions impacting value and local market characteristics.

An extract from the valuation report comprising the Critical Assumptions is annexed to this summary letter.

We have assessed the valuation based on the Freehold Title of the property.

Market Value as defined by the International Valuation Standards Council (IVSC) and as adopted by the Australian Property Institute (API) is as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion."

In addition, we have been requested to assess an Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale.

We confirm that the valuer does not have a pecuniary interest that would conflict with a proper valuation of the interest in the property.

Savills Valuations Pty Ltd (“Savills”) charges a professional fee for producing valuation reports, and the fee paid for the Valuation Report and this Summary Letter was \$20,500AUD exclusive of GST.

Material Assumptions

- The assessed land value via the Residual Cash Flow analysis reflects a number of factors, including the status of approvals, civil construction costs, associated development costs, interest (borrowing) rate, assessed value of the completed units, adopted pre-sales prior to construction, sale rate for completed stock, and acceptable performance margins. The assessed land value by this approach could be impacted by a change in any of the above circumstances.

Valuation Summary

Interest Valued	100% Freehold
Title Details	Lot 3 in Deposited Plan 706194 and Lot 12 in Deposited Plan 866036.
Registered Owner	Prime Moss Vale Pty Limited
Previous Sale Details	The subject parcel was purchased in May 2018 for \$95,000,000.
Zoning	R2 Low Density Residential, R5 Large Lot Residential, RE1 Public Recreation, B1 Neighbourhood Centre' under the Wingecarribee Local Environmental Plan 2010.
Location	The subject property is located to the south eastern fringe of the developed area of Moss Vale approximately 2 kilometres from the town centre and within the Local Government Area administered by the Wingecarribee Shire Council. Moss Vale is located in the area referred to as the Southern Highlands approximately 130 kilometres south west of Sydney and 160 kilometres north east of Canberra. More particularly the subject property is located to the south of the Moss Vale Golf Course, to the east of Yarrawong Road and to the south of Lovell Street. Surrounding development comprises predominately established residential dwellings to the north and rural acreage to the south and south east. The Moss Vale Golf Course adjoins to the north east. The Moss Vale train station is located in the town centres some 2 kilometres to the north west
Site Area	123.7 hectares approximately
Encumbrances	There are a number of nations on Title and if further information is required, the full valuation report should be viewed.
Property Description “As Is”	Two contiguous parcels of undulating land to the south eastern fringe of the developed area of Moss Vale approximately 2 kilometres from the town centre. Moss Vale is located in the area referred to as the Southern Highlands approximately 130 kilometres south west of Sydney and has a population of 9,000 people. The subject parcel has an area of 123.7 hectares with a developable area of some 110.1 hectares with Concept Plans to deliver 1,074 allotments and a small retail site.
Property Description “As If Complete”	The project known as “Ashbourne” is proposed to be developed according to the Masterplan in 6 main stages containing 176 lots (3 lots for retail), 294 lots, 301 lots, 66 lots, 154 lots and 83 lots consecutively. Stage 1 of the development comprising 174 lots ranging in area from 450m ² to 1,404m ² has been approved by Wingecarribee Council and is awaiting approval by the Southern Regional Planning Panel who is considering aspects of the Masterplan which will then lead to a Voluntary Planning Agreement (VPA). There are 126 pre-sale exchanges subject to formal approval in Stage 1 totalling \$61,592,140 all of which are subject to a \$25,000 rebate for construction commencement and landscaping in line with the Estate Design Guidelines.

Environmental Comment	<p>The present use of the subject property for agricultural purposes is classified as a “potentially contaminating activity, industry or land use” as defined under the API’s Australia Real Property Guidance Note 1 – Land Contamination Issues (Appendix 2) and is considered a medium risk use in regard to potential for site contamination.</p> <p>The subject property is not contained within the EPA’s “List of Issued Certificates and Statements of Environmental Audit” based on our recent online search. We also note that the subject property and surrounding immediate development as at the date of valuation, is not subject to an “Environmental Audit Overlay” under the Wingecarribee City Planning Scheme.</p> <p>A visual site inspection has not revealed any obvious pollution or contamination. Nevertheless, we wish to advise that we are not qualified to provide advice on the physical condition of the land, and we are not aware of any geotechnical and/or environmental defects with the land. Further, we have not sighted any environmental audits or geotechnical reports, which suggest site contamination or defects. This valuation has therefore been made on the assumption that there are no actual or potential contamination issues affecting: -</p> <ul style="list-style-type: none"> ■ The value or marketing of the property; or ■ The site. <p>Verification that the property is free from contamination and has not been affected by pollutants of any kind may be obtained from a suitably qualified environmental expert. Should we subsequently be advised of any contamination and/or defects we reserve the right to reassess our valuation.</p> <p>We do note we have been advised by the Instructing Party that the Environmental reports have been prepared which suggest that past grazing activities may have resulted in agrochemicals or heavy metal contamination, however the risk is low. We have not sighted these reports.</p>
Valuation Approach	Direct Comparison and Hypothetical Feasibility
Date of Inspection	21 May 2022
Date of Valuation	31 March 2022
“As Is” Market Value Excl. GST	\$93,000,000
Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale Excl. GST	\$86,700,000
Prepared By	Sandra Peachey FAPI
	Certified Practising Valuer
	Savills Valuations Pty Ltd

Valuation Methodology

We have assessed the valuation on the basis of Freehold Title.

The valuation is determined on the basis that the property, the Title thereto and its use is not affected by any matter other than that mentioned in the full valuation report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market. Given the nature of the subject property, we have primarily relied upon the Direct Comparison Approach to assess the value of the individual allotments and the Direct Comparison Approach and Hypothetical Development Approach to assess the current Market Value of the site.

The Hypothetical Development Approach utilises our assessment of the estimated ‘total gross realisation’ value from which we have deducted selling costs and other costs including holding costs, finance costs and interest, and our adopted development (profit and risk) margin, to arrive at an estimate of the Residual Land Value.

To ascertain the value of the individual allotments we have relied upon the below comparable sales:

Sales in the Subject Subdivision:

Lot Size (m2)	No of Lots Sold	Min Value	Max Value	Min Rate	Max Rate	Avg Rate	Total Sales
400-500	4	\$412,500	\$452,500	\$917	\$1,006	\$949	\$1,710,000
500-600	1	\$442,500	\$442,500	\$776	\$776	\$776	\$442,500
600-700	103	\$410,000	\$507,500	\$616	\$813	\$748	\$47,564,440
700-800	10	\$455,200	\$500,000	\$596	\$688	\$639	\$4,770,700
800-900	3	\$460,000	\$495,500	\$544	\$560	\$553	\$1,425,500
900-1000	3	\$515,000	\$546,500	\$536	\$590	\$551	\$1,561,500
1000+	2	\$447,500	\$520,000	\$318	\$389	\$354	\$967,500
Total	126						\$58,442,140

Comparable Sales outside of Development:

42 Banksia Drive, Colo Vale	
Sale Price	\$515,000
Sale Date	21/6/21
Site Area	765m ²
\$Rate/m²	\$673
Description	Regular shaped, fully cleared inside parcel which is relatively level located in the small town of Colo Vale approximately 20 kilometres north of Moss Vale
Comments	Regular shaped parcel in a slightly superior location with inferior surrounding development. Similar rates per square metre of land area applies to the proposed lots.
2 Orchid Street, Colo Vale	
Sale Price	\$575,000
Sale Date	11/11/21
Site Area	1,001m ²
\$Rate/m²	\$574
Description	Regular shaped, fully cleared inside parcel which is relatively level located in the small town of Colo Vale approximately 20 kilometres north of Moss Vale
Comments	Regular shaped parcel in a slightly superior location with inferior surrounding development. Higher rates per square metre of land area applies to the proposed lots given generally they are smaller.
75 Bowral Road, Mittagong	
Sale Price	\$576,000
Sale Date	19/6/21
Site Area	763m ²
\$Rate/m²	\$754
Description	Irregular shaped parcel with derelict improvements of no value. Parcel is positioned on the southern alignment of Bowral Road which carries a moderate to heavy traffic flow.
Comments	Regular shaped parcel in a slightly superior location however inferior position with inferior surrounding development. Similar rates per square metre of land area applies to the proposed lots.

13 Green Street, Renwick	
Sale Price	\$571,000
Sale Date	8/5/21
Site Area	752m ²
\$Rate/m²	\$759
Description	Level corner allotment in the Renwick Estate located approximately 13 kilometres to the north and close to Mittagong. Surrounded by new housing
Comments	Regular shaped corner parcel in a slightly superior location Lower rates per square metre of land area applies to the proposed lots.
18 Green Street, Renwick	
Sale Price	\$630,000
Sale Date	14/7/21
Site Area	608m ²
\$Rate/m²	\$1,036
Description	Level inside allotment in the Renwick Estate located approximately 13 kilometres to the north and close to Mittagong. Surrounded by new housing
Comments	Regular shaped inside parcel in a slightly superior location. Suggests lower values for subject lots.
45 Darraby Drive, Moss Vale	
Sale Price	\$490,000
Sale Date	2/3/22
Site Area	804m ²
\$Rate/m²	\$609
Description	Level battle-axe allotment in the Darraby Estate at Moss Vale.
Comments	Inferior battle-axe shaped lot. Suggests higher values for subject lots.
39 Darraby Drive, Moss Vale	
Sale Price	\$510,000
Sale Date	16/11/21
Site Area	505m ²
\$Rate/m²	\$1,010
Description	Sloping inside allotment in the "Darraby Estate" at Moss Vale. Established estate that is now fully sold.
Comments	Irregular shaped corner parcel in a slightly superior location being in an established estate. Suggests slightly lower rates per square metre of land area for the proposed lots.
53 Darraby Drive, Moss Vale	
Sale Price	\$420,000
Sale Date	6/8/21
Site Area	752m ²
\$Rate/m²	\$559
Description	Level inside allotment in the "Darraby Estate" at Moss vale. Established estate that is now fully sold.
Comments	Irregular shaped corner parcel in a slightly superior location being in an established estate. Suggests similar rates per square metre of land area for the proposed lots.
16 Eliza Street, Moss Vale	
Sale Price	\$571,000
Sale Date	30/12/21
Site Area	829m ²
\$Rate/m²	\$688
Description	Level inside allotment in the "Darraby Estate" at Moss Vale. Established estate that is now fully sold.
Comments	Regular shaped corner parcel in a slightly superior location however inferior position with inferior surrounding development. Similar rates per square metre of land area applies to the proposed lots.

22 Tyndall Street, Mittagong	
Sale Price	\$685,000
Sale Date	30/4/22
Site Area	711m²
\$Rate/m²	\$963
Description	Level inside allotment in the established township of Mittagong.
Comments	Regular shaped corner parcel in a superior location Lower rates per square metre of land area apply to the proposed lots.

The assessed allotment values are as follows:

Stage	Allotments	Average Lot Value	Total Realisation inc GST
1	173	\$461,110	\$79,772,140
2	294	\$460,000	\$135,240,000
3	301	\$460,000	\$138,460,000
4	66	\$460,000	\$30,360,000
5	154	\$460,000	\$70,840,000
6	83	\$460,000	\$38,180,000
Total Residential Realisation			\$492,852,140

Comparable sales to assess the value of the retail site within the development are as follows:

Address	Sale Price	Sale Date	Site Area	Zoning	Overall Site Area Rate
Lots 3 & 4 Digitaria Drive, Gregory Hills, NSW	\$9,008,800	Sep-20	11,261m²	B5 Business Development	\$800/m²
Vacant land parcel located in the Gregory Hills business precinct and within a developing residential region. Zoning provides for a range of land uses including light industries, bulky goods, retail, education and leisure. Site was sold without DA approval. Site is located directly opposite an approved private hospital precinct.					
Lots 1101 & 1102 Northbourne Drive, Marsden Park, NSW	\$8,850,000	Jun-20	25,272m²	B2 Local Centre	\$350/m²
A vacant parcel of land that is situated within a master planned residential estate. The site enjoys street frontage to Elara Boulevard (to the North), Parish Street (to the East), Harvest Street (to the South) and Northbourne Drive (to the West). The land is generally level throughout and predominantly cleared. The property is located in the suburb of Marsden Park which is situated approximately 52 kilometres North-West of the Sydney Central Business District.					
81-91 Railway Terrace, Schofields	\$5,100,000	Apr-20	8,226 m²	B1 Neighbourhood Centre & E2	\$620/m²
Recently purchased by a private developer for development into numerous fast food pad sites. A smaller site overall in a superior location to the subject. We comment the E2 zoned land portion of the site would equate to approximately 30% of the site.					
77-83 Maitland Road, Mayfield, NSW	\$8,900,000	Sep-19	13,990m²	B2 Local Centre	\$636/m²
The site includes multiple, irregular shaped adjoining allotments with a combined wide frontage to Maitland Road in the Newcastle inner city suburb of Mayfield. Woolworths is located approximately 150 metres north west on the opposite side of the road.					
326 Annangrove Road, Rouse Hill, NSW	\$10,200,000	Mar-19	16,035m²	B6 Enterprise Corridor	\$636/m²
Located in a developing, semi-rural area at the north western fringe of the Rouse Hill residential region in Sydney's north-west growth corridor. Level, rectangular shaped site which was proposed for a mixed use service station and multi-level commercial development.					
1079 – 1087 Great Western Highway, Minchinbury, NSW	\$15,028,200	Apr-17	45,500m²	B5 Business Development	\$330/m²
The property consists of two rectangular shaped allotments being generally level throughout and at road height. Sold by a private investor to Leda Holdings. The B5 zonings provides for a number of uses including Large Format Retail.					
1-5 Main Street, Mount Annan, NSW	\$15,000,000	Nov-16	54,900m²	B2 Local Centre	\$273/m²
The site comprises an irregular shaped allotment which is generally level throughout and presented at road height. Immediately surrounding development includes Mount Annan Shopping Centre. The B2 zoning provides for a range of retail uses.					
Address	Sale Price	Sale Date	Site Area	Zoning	Overall Site Area Rate
90-98 Glenmore Ridge Drive, Glenmore Park, NSW	\$7,220,000	Jun-16	21,110m²	B2 Local Centre	\$342/m²
A benched and levelled island site bounded by Darug Avenue, Glenmore Ridge Drive, Glenholme Drive and Deerubbin Drive. The site is located within a master planned community known as Glenmore Ridge. The purchaser is required to deliver a neighbourhood shopping centre (STCA) in line with the B2 Local Centre zoning.					

On the basis that the site is not approved we have adopted the approximate midpoint in the range of \$500 per square metre of site area.

Out total project realisation is therefore:

Stage	Allotments	Average Lot Value	Total Realisation inc GST
1	173	\$461,110	\$79,772,140
2	294	\$460,000	\$135,240,000
3	301	\$460,000	\$138,460,000
4	66	\$460,000	\$30,360,000
5	154	\$460,000	\$70,840,000
6	83	\$460,000	\$38,180,000
Total Residential Realisation			\$492,852,140
Retail Lots			\$904,500
Total Project Realisation			\$493,756,640

The comparable sales to estimate the current site value are detailed below:

Retford Road, Bowral NSW	
Sale Price	\$3,750,000
Sale Date	June 2016
Vendor	Department of Education and Communities
Purchaser	Paloma Blanca Pastoral Pty Ltd & Willow Properties Pty Ltd
Site Area	3 ha
Minimum Lot Size	700 m ²
Potential Lots	32
Zoning	R2 – Low Density Residential
\$/ha Site Area	\$1,250,000
\$/potential lots	\$117,187
Comment	A large almost rectangular shaped parcel zoned R2 Low Density Residential. The site features vegetation with minimal cleared vacant land. The parcel has three street frontages and a minimal lot size of 700sqm.
Comparison	Dated sale of a much smaller site in the superior township of Bowral. Given the much larger scale of the subject development a lower rate per lot is appropriate.
21 Ferguson Crescent, Mittagong NSW	
Sale Price	\$3,700,000
Sale Date	Sep 2016
Vendor	Unknown
Purchaser	Walters
Site Area	2.60 ha
Minimum Lot Size	700 m ²
Potential Lots	33
Zoning	R2 – Low Density Residential
\$/ha Site Area	\$1,423,076
\$/potential lots	\$112,121
Comment	A large triangular shaped parcel zoned R2 Low Density Residential. The site has an indicative scheme for 33 lots. It features a relatively flat parcel with existing improvements including a nursery and a number of ancillary sheds.
Comparison	Dated sale of a much smaller site in the superior township of Bowral. Given the much larger scale of the subject development a lower rate per lot is appropriate.
“The Gables” (Undeveloped Portion), Box Hill	
Sale Price	\$415,000,000
Sale Date	March 2020
Vendor	Celestino
Purchaser	Stockland
Site Area	293 hectares
Minimum Lot Size	R2 Low Density Residential
Potential Lots	1,913
Zoning	\$193,413
\$/ha Site Area	\$1,262,798 (analysed)
Comment	The masterplan for The Gables includes 75 hectares of green space, a 4 hectare lake, a K-12 Catholic School, and a variety of land lots ranging from townhouse lots of circa 240 sqm through to large homesites of circa 2,000sqm. Stockland plan to deliver approximately 1,913 lots over the life of the project. Payment terms included a \$40.2 million upfront payment and annual payments over a 6 year period. Based on Present Value Calculations we have assessed this to equate to circa \$370,000,000.
Comparison	Much larger sized parcel in a superior location. Suggests a lower rate per hectare for the subject land given its much lower end price for the allotments.

Lot 111 DP 1200781 Macdonald Road, Bardia	
Sale Price	\$148,244,850
Sale Date	March 2017
Site Area	51.77 ha
Zoning	R1 General Residential
\$/ha Site Area	\$2,863,528
Comment	Irregular shaped parcel that is mostly cleared. Located close to the end of the M5 Freeway and zoned for immediate development. Infill site with mostly newly developed lands surrounding. No mixed use zoning and minimum lots size as low as 125 sqm
Comparison	Dated sale in a superior location, to the southwest of Sydney. Higher density allowed given smaller minimum lot size. Smaller site. A lower rate per hectare is appropriate for the subject land.
Bingara Gorge, Wilton	
Sale Price	\$220,000,000
Sale Date	July 2021
Vendor	Lendlease
Purchaser	Metro Property Development
Site Area	112ha
Potential Lots	832
Zoning	R1 General Residential & RE1 Public Recreation
\$/ha Site Area	\$1,964,285
Comment	A collective of parcels zoned and approved for the development of 751 lots and an additional 81 lots under consideration. VPA's in place for contributions. 904 lots already delivered in the estate. Average lot size is 665sqm.
Comparison	A similar sized parcel to the north of the subject and closer to Sydney that sold with full approvals in place with part of the project completed and infrastructure in place. We believe a lower rate range per hectare is appropriate for the subject site.
"Clydesdale", 1270 Richmond Road, Marsden Park	
Sale Price	\$138,800,000
Sale Date	December 2016
Vendor	Vaughan Constructions
Purchaser	Boyuan
Site Area	215.1 ha
Potential Lots	650 lots + 300 units
Zoning	E2, E3, R2, R3, RE1, RE2 & SP2
\$/ha Site Area	\$2,759,443
Comment	Irregular shaped parcel known as "Clydesdale" positioned within the Marsden Park Growth Centre. Improved with state significant heritage items including an 1840s homestead, Aboriginal relics and two cemeteries which provided the burial place for early pioneers of the property and the wider district. Positioned along the western alignment of Richmond Road with a private road traversing through the middle of the parcel. The gross developable land, being that zoned R2 Medium Density Residential and R3 Low Density Residential is located in the southwest portion of the site and is approximately 50 ha in size. The site was sold with a Concept Masterplan in place for 650 land lots and 320 apartments and a Development Application (DA 2016SYW208) for Stage One subdivision comprising 275 lots, four residue lots and two drainage lots.
Comparison	A much larger parcel, however less usable area in the Northwest that sold with full approvals in place. Given the larger size of the subject and its inferior location, we believe a lower rate range is appropriate.

SE Wilton Precinct, Picton Road, Wilton	
Sale Price	\$193,500,000
Sale Date	September 2019
Vendor	Walker
Purchaser	Risland
Site Area	433.11ha
Potential Lots	3,500
Zoning	Urban Development, Environmental Conservation
\$/ha Site Area	\$730,229
Comment	Irregular shaped parcel known as the South East Wilton Precinct and home of the "Wilton Greens" estate a Masterplanned Estate that will be delivered over 20-30 years and accommodating circa 3,500 lots, schools, retail centres and large areas of open space.
Comparison	A much larger parcel, however less usable area in a comparable to slightly superior location. We believe a higher rate per hectare is appropriate for the subject site given its smaller scale.
421 The Northern Road, Cobbitty	
Sale Price	\$335,000,000
Sale Date	July 2021
Vendor	Robert Jones
Purchaser	Mirvac
Site Area	79.77
Potential Lots	950
Zoning	R2 Residential, E2 Environmental Living
\$/ha Site Area	\$4,199,573
Comment	Referred to as The Mews estate, a large englobo parcel in Cobbitty purchase by Mirvac with potential for circa 950 lots. A playing field, town centre and community facility will also form part of the site master plan, while a riparian zone will be restored and preserved as parkland.
Comparison	A smaller parcel, however less usable area in a superior location. We believe a much lower rate per hectare is appropriate for the subject site given its smaller scale.
Menangle Road, Menangle Park (Referred to as Menangle North)	
Sale Price	\$65,000,000
Sale Date	July 2016
Vendor	Campbelltown City Council
Purchaser	Dahua
Site Area	134.24ha
Potential Lots	65ha
Zoning	Non Urban - Deferred Matter
\$/ha Site Area	\$1,000,000
Comment	Four lots offered to the market. Comprised a Deferred Matter as at the time of sale with potential for approximately 780 residential lots. Within South west Growth Corridor. Dahua acquired a second nearby parcel from Urban Growth. A mostly cleared site with undulating areas. Land to be dedicated to Council for park at no cost.
Comparison	Located closer to the Sydney CBD, with superior planning status at the time of sale. Dated sale transacting in 2016. Market improvement post sale. Given inferior location of subject a slightly lower rate is considered appropriate.

Our assessment of site value on a Direct Comparison basis is as follows:

Subject	Site Area (Useable ha)	Land Rate	Value
Site Area	110.1ha	\$750,000	\$82,575,000
Site Area	110.1ha	\$800,000	\$88,080,000
Midpoint	110.1ha	\$850,000	\$93,585,000
Adopt			\$93,500,000
<hr/>			
Subject	No. of Allotments	Unit Rate	Value
Approved Allotments	1,074	\$85,000	\$91,290,000
Approved Allotments	1,074	\$90,000	\$107,400,000
Midpoint	1,074	\$87,500	\$93,975,000
Adopt			\$94,000,000
<hr/>			
Site Area	\$93,500,000		
Approved Allotment Rate	\$94,000,000		
<hr/>			
Adopted As Is Market Value	\$93,000,000		

Our Hypothetical Development Assessment is detailed below:

Input	Amount / Comments										
Gross Realisation	\$493,756,640 including GST										
Rate of Sale	We have allowed for an annual uptake of allotment of 8 per month for the duration of the project.										
Selling Costs	2.2% of Gross Realisation										
Marketing Costs	\$4,000 per lot										
Legal Costs	\$7500 per lot										
Site Acquisition Costs	7.1% of purchase price										
Legal Fees on Acquisition	\$200,000										
Construction/Development Cost	\$211,362,651 excluding GST (as per Section 9 of this Report)										
Interest Rate	5.0% per annum (on the basis of 100% debt funding and including line fees)										
Application Fee	\$750,000										
Construction Period	103 months with 9 months lead time to secure approvals.										
Holding Costs	Approximately \$1,580,000 per annum (including Council rates and Land Tax)										
Developers Margin	<p>Profit and Risk expectations for a project of this nature would normally vary from 20% to 30%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors:</p> <ul style="list-style-type: none"> > Sales in Stage 1 indicate market acceptance of pricing. > A third party Civil Contract has not been executed > Costs have been verified by a QS > The size and related capital value of the development > Analysis of comparable developments > The regional location <p>Having regard to the above, we have adopted a Profit and Risk Factor of 25.85%, being the approximate mid-point of the adopted range.</p>										
GST Liability	<p>We have adopted the General Tax Rule Scheme for valuation purposes. Our calculations on this basis are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential Realisation Including GST</td> <td style="text-align: right;">\$492,852,140</td> </tr> <tr> <td><u>Less GST</u></td> <td style="text-align: right;"><u>\$44,804,740</u></td> </tr> <tr> <td>Residential Realisation Excluding GST</td> <td style="text-align: right;">\$448,047,400</td> </tr> <tr> <td>Plus Retail</td> <td style="text-align: right;"><u>\$904,500</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;"><u>\$448,951,900</u></td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	\$492,852,140	<u>Less GST</u>	<u>\$44,804,740</u>	Residential Realisation Excluding GST	\$448,047,400	Plus Retail	<u>\$904,500</u>	Gross Realisation Excluding GST	<u>\$448,951,900</u>
Residential Realisation Including GST	\$492,852,140										
<u>Less GST</u>	<u>\$44,804,740</u>										
Residential Realisation Excluding GST	\$448,047,400										
Plus Retail	<u>\$904,500</u>										
Gross Realisation Excluding GST	<u>\$448,951,900</u>										

Feasibility Conclusions

Our calculations result in a residual value of \$93,193,750 excluding GST, which we have rounded to \$93,000,000 excluding GST for practical valuation purposes. Our feasibility analysis reflects an Internal Rate of Return of 9.22% including interest, and a net development profit of approximately \$92,228,532 all of which appear to be reasonable for a development of this nature.

We have assumed the standard marketing period for a development of this scale with a project duration of circa 10 years is 3-6 months to allow a prospective purchaser to undertake the required due diligence to inform purchase decisions.

The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 1.5-3 months and assumes full due diligence would not be able to be undertaken which would be reflected in a more conservative value.

For the purposes of an assessment based on these adopted assumptions we have increased the Profit and Risk allowance in our residual land value analysis to 29% which indicated a residual land value of \$86,700,000 which has been adopted under this valuation scenario

Reliance

The full valuation report is for the reliance of Aoyuan Property Group (International) Pty Ltd as the proprietor of the property.

The Valuation Summary Letter is for the purpose of inclusion in a submission to The Stock Exchange of Hong Kong Limited for disposal of the asset.

Liability Disclaimer

Savills Valuations Pty Ltd (Savills) has prepared this summary letter for Aoyuan Property Group (International) Pty Ltd to assist it in disposal of the assets and Savills specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in the submission, other than with respect to this summary letter.

This Summary Letter is to be read in conjunction with our full Valuation Report dated 31 March 2022 and is subject to the Assumptions, Limitations, Disclaimers and Qualifications contained therein. We refer the reader to Aoyuan Property Group (International) Pty Ltd to obtain a copy of the Full Valuation Report.

The Valuation Report and this Summary Letter are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in any associated Document. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.

Savills has prepared the full Valuation Report and this Summary Letter relying on and referring to information provided by third parties including financial and market information ("Information"). Savills assumes that the Information is accurate, reliable and complete and it has not tested the Information in that respect.

References to the Property's value within this Summary Letter or any associated document have been extracted from Savills Valuation Report. The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Savills recommends that this Summary Letter must be read and considered together with the Valuation Report.

Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that the valuation report will be relied upon by third parties (other than in relation to the market valuation referred to in this summary letter). We invite other parties who may come into possession of the valuation report seek our written consent to them relying upon the valuation report and we reserve our rights to review the contents in the event that our consent is sought.

This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as a liability where the valuation is relied upon after the expiration of 90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Savills consents to the Valuation Report being made available for inspection at the registered address of Aoyuan Property Group (International) Pty Ltd.

Liability limited by a scheme approved under Professional Standards Legislation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Peachey', written in a cursive style.

Sandra Peachey FAPI
National Director
Valuation & Advisory

Critical Assumptions

<p>Market Movement</p>	<ul style="list-style-type: none"> ■ This valuation is current as at the date of valuation and may change as a result of either external or specific factors affecting the property. We do not accept liability for losses arising from such subsequent changes in value. We will not accept liability where this valuation is relied upon after the expiration of three months from the date of valuation, or earlier if there are significant alterations to conditions affecting the value of the property. ■ This valuation is conditional upon development being undertaken in the immediate future and that the site will not be “landbanked”. The “As Is” value is current as at the date of valuation only. It is not suitable for long term passive lending. If the site needs to be retained “As Is” for an extended period of time, it is likely that a lower site value may apply, or it may result after accounting for holding costs and changes in market environment in addition to any variation to construction costs.
<p>Physical</p>	<ul style="list-style-type: none"> ■ The valuer does not hold itself out to be an expert in building materials and has been unable to identify from a visual inspection of the property whether the ‘cladding’ constructed on the Sales Office or contained within any existing improvements has used compliant or non-compliant building products (i.e., combustible polyethylene core aluminium composite panels). A Certificate of Compliance and/or Certification of building materials for the property has not been sighted nor confirmed by the valuer. <p>This valuation report has been prepared:</p> <ol style="list-style-type: none"> (a) on the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, regulatory requirements and codes. (b) without consideration to any diminution in value that may arise due to the identification of non-compliant building products within the property/development. <p>Should this not be the case, we reserve the right to review our valuation.</p> <p>The valuer strongly advises the reader to investigate the nature of the existing building components and satisfy itself as to the potential risks and costs which could be incurred should the existing/new/future/currently proposed building component have to be remedied, replaced or adapted.</p>
<p>Construction Costs</p>	<ul style="list-style-type: none"> ■ The civil construction estimate provided by Rider Levett Bucknell including VPA works and main roadworks (excluding GST and Contingency) of \$146,052,240 equates to \$135,989 per proposed residential allotment, which is considered to be within acceptable market parameters and has been adopted in our valuation. ■ Additional allowances have been made for Design Fees, Council Contributions, Contingency and Development Management. ■ We note some minor adjustments to lot numbers per stage have been provided by Aoyuan as well as updated Professional Fees. ■ Construction and development of the project can be undertaken for the amount described above, in accordance with the documents provided by Rider Levett Bucknell and Aoyuan. We have adopted the construction and development costs provided as part of our instruction. Should the supplied costs be proven to be inadequate to deliver the project, Savills reserves the right to review this valuation accordingly. ■ We are not Quantity Surveyors nor are we Consulting Engineers. We have relied upon cost estimates provided and on the basis that the cost provided and adopted are accurate. We recommend the engagement of an independent Quantity Surveyor to confirm same. Should the cost estimate differ to that adopted within, then this report should be referred back to the Valuer for comment and accordingly we reserve the right to amend the assessment within
<p>Land Value</p>	<ul style="list-style-type: none"> ■ The assessed land value via the Residual Cash Flow analysis reflects a number of factors, including the status of approvals, civil construction costs, associated development costs, interest (borrowing) rate, assessed value of the completed units, adopted pre-sales prior to construction, sale rate for completed stock, and acceptable performance margins. The assessed land value by this approach could be impacted by a change in any of the above circumstances.
<p>GST</p>	<ul style="list-style-type: none"> ■ We have not been provided with independent Accounting or Legal advice regarding the eligibility of using the margin scheme for this development. As this falls outside the scope of our investigations, we have applied the full GST impost in our feasibilities and to our ‘as if complete’ values on a GST exclusive basis. As a result, GST on the development costs will be assessed at 10% to be remitted two months later, while GST on gross realisations will be assessed at 1/11th. All costs within our cash flow model are quoted, where applicable, excluding GST. ■ That all appropriate measures to mitigate the risks associated with the GST remittance changes from 1 July 2018 i.e., the Federal Government’s requirement that purchasers of new residential premises will remit the GST directly to the ATO as part of settlement.

CGT	<ul style="list-style-type: none"> That all appropriate measures to mitigate the risks associated with the foreign resident capital gains tax withholding scheme changes under the Federal Budget 2017, under which: Australian resident vendors of real property of \$750,000 or more must provide a Clearance Certificate issued by the ATO to a purchaser on settlement of the sale, to avoid the purchaser withholding 12.5% of the purchase price and remitting it as withholding tax to the ATO; and Foreign resident vendors will see 12.5% of the purchase price being withheld and remitted to the ATO, unless the ATO approves a Variation.
Construction Timeframe	<ul style="list-style-type: none"> We have adopted a construction period for the project of circa 104 months, based on the advice provided by Aoyuan and our assumed take up of lots. We have assumed this to be an accurate forecast and have adopted this within our Residual Cash Flow analysis.
“As If Complete” Assessment	<ul style="list-style-type: none"> The “As If Complete” assessment is the estimated market value of the proposed development as detailed in this report on the assumption that all construction has been satisfactorily completed in all respects at the date of this report. Because of time lag and unknown future market conditions the valuation reflects the valuer’s view of the market conditions existing at the date of valuation and does not purport to predict future market conditions and the value at the actual completion date.
Construction Quality & Compliance	<ul style="list-style-type: none"> The “As If Complete” assessment is provided on the basis that the proposed improvements will be constructed in a tradesman like manner using new, quality materials and having regard to modern building techniques. Our valuation assumes that: <ul style="list-style-type: none"> A detailed report of the structure and service installations of the building once completed would not reveal any defects requiring significant expenditure. The building will comply with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations, and will be built in accordance with the provisions of the Building Code of Australia.
EPBC Act	<ul style="list-style-type: none"> That the subject property is not impacted in any way by matters covered by the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), including, but not limited to, listed threatened species and ecological communities or migratory species protected under international agreements.
Development Approvals (Including Plans & Specifications)	<ul style="list-style-type: none"> The site does not hold any formal Development Approval; however, we have been provided with concept plans and drawings which have been relied upon when undertaking our Hypothetical Development exercise. Should there be any subsequent changes to the concept plans or onerous condition implied by the subsequent Development Approval, this valuation must not be relied upon before first consulting Savills to reassess any effect on the valuation. We note the Masterplan has been approved by Wingecarribee Council and is awaiting approval by the Southern Regional Planning Panel who is considering aspects of the Masterplan which will then lead to a Voluntary Planning Agreement (VPA).
Contamination	<ul style="list-style-type: none"> We assume that the subject property is free from elevated levels of contaminants and have therefore made no allowance in our valuation for site remediation.
Encumbrances, Restrictions, Caveats etc.	<ul style="list-style-type: none"> Our valuation is on the basis that the property is free of encumbrances, restrictions, caveats, or other impediments of an onerous nature which could affect value. Our valuation has been undertaken on the basis the property is free of mortgages, charges and other financial liens.
Marketing Period	<ul style="list-style-type: none"> We have assumed the standard marketing period for a development of this scale with a project duration of circa 10 years is 3-6 months to allow a prospective purchaser to undertake the required due diligence to inform purchase decisions. The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 1.5-3 months and assumes full due diligence would not be able to be undertaken which would be reflected in a more conservative value.
General	<ul style="list-style-type: none"> The sales information has been obtained from a number of sources including RP Data and registered government sales transfers. Whilst we understand the information to be reliable, we are unable to guarantee the accuracy. Unless otherwise set out in the Proposal, Savills is not aware of any conflict of interest in accepting your instruction to value the Property and the valuer set out in the Proposal is in a position to provide an objective and unbiased valuation. We confirm that the valuer undertaking this valuation is considered to have the appropriate level of skills and competence to complete the valuation to a professional standard, taking into account the property type.

Should any of the assumptions in our full valuation report be incorrect or inaccurate, then we reserve the right to amend the valuation, the report and this summary report.

9 June 2022

Board of Directors
China Aoyuan Group Limited
Units 1901-2, 19th Floor, One Peking
No.1 Peking Road
Tsim Sha Tsui, Kowloon
Hong Kong

Re: Valuation Summary Letter

Property: "Mesa", 61-75 Forest Road and 126 Durham Street, Hurstville NSW, Australia

We refer to instructions issued by Aoyuan Property Group (International) Pty Ltd dated 5 May 2022 to provide a summary report of the valuation providing the Market Value of "Mesa", 61-75 Forest Road and 126 Durham Street, Hurstville NSW, Australia. We have prepared a full and comprehensive Valuation Report for the property in accordance with our instructions from Aoyuan Property Group (International) Pty Ltd for internal reporting purposes dated 31 March 2022.

This valuation summary letter ("summary letter") has been prepared for part of a submission to The Stock Exchange of Hong Kong Limited (in accordance with Chapter 5 of the Rules governing the listing of securities on The Stock Exchange of Hong Kong Limited) to be issued by China Aoyuan Group Limited as responsible entity for the sale of the property assessed.

Our full valuation report valuation report has been prepared in accordance with the Australian Property Institute's Current Valuation Standard and Guidance Notes, RICS Valuation - Global Standards 2020 together with the Australian National Supplement effective August 2019 and International Valuation Standards (IVS).

This summary letter should be read in conjunction with the Valuation Report (prepared as at 31 March 2022) as we note this summary letter does not include all essential information and the assumptions which are detailed in our Valuation Report. The Valuation Report provides a detailed description of the property; its current configuration, location, assumptions impacting value and local market characteristics.

An extract from the valuation report comprising the Critical Assumptions is annexed to this summary letter.

We have assessed the valuation based on the Freehold Title of the property.

Market Value as defined by the International Valuation Standards Council (IVSC) and as adopted by the Australian Property Institute (API) is as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion."

In addition, we have been requested to assess an Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale.

We confirm that the valuer does not have a pecuniary interest that would conflict with a proper valuation of the interest in the property.

Savills Valuations Pty Ltd (“Savills”) charged a professional fee for producing the valuation report..

Material Assumptions

- The assessed land value via the Residual Cash Flow analysis reflects a number of factors, including the status of approvals, civil construction costs, associated development costs, interest (borrowing) rate, assessed value of the completed units, adopted pre-sales prior to construction, sale rate for completed stock, and acceptable performance margins. The assessed land value by this approach could be impacted by a change in any of the above circumstances.

Valuation Summary

Interest Valued	100% Freehold
Title Details	Lot 1 in Deposited Plan 225302, Lot 101 in Deposited Plan 776275, Lot 100 in Deposited Plan 776275, Lot 10 in Deposited Plan 621395, Lot 1-4 in Deposited Plan 12517.
Registered Owner	Prime Hurstville Pty Ltd
Recent Sale Details	Purchased for \$50,000,000 in 2017 which is considered above market levels.
Zoning	'B4 Mixed Use' under the Georges River Local Environmental Plan 2021.
Site Area	8,551m ² approximately
Location	The subject property is located within Hurstville and is within the Local Government Area administered by the Georges River Council approximately 16 kilometres south west of the Sydney CBD by road. More particularly the subject property is located to the north eastern corner of Forest Road and Durham Street at Hurstville. Surrounding development comprises a mixture of older style properties of a commercial nature, light industrial uses, car yards, and further afield older style residential apartment buildings. A new mixed use development known as “Beyond” is under construction opposite the subject site to the south. Hurstville Westfield, a regional sized shopping centre is located approximately 900 metres to the west of the site. Hurstville Railway Station is located approximately 800 metres to the west, Allawah Station is located 450 metres to the south east and government buses service the property frontage.
Property Description “As Is”	<p>Eight contiguous parcels forming the land holding on the north eastern corner of Forest Road and Durham Street at Hurstville. The site slopes from the north moderately to the south. The site is currently improved with various commercial buildings which we understand will be demolished to make way for the development.</p> <p>The site holds Deferred Development Approval for the construction of a mixed use building accommodating residential apartments, retail and hotel uses.</p>
Property Description “As If Complete”	<p>DA 2020/0352 Deferred Development Consent for demolition works, remediation and construction of a mixed use development comprising four (4) buildings being from three (3) to twenty (20) storeys in elevation containing commercial floor space, a 76 room hotel and 260 apartments above four (4) levels of basement containing 476 car spaces, landscaping, site works and stratum subdivision. The development has a Gross Floor Area (GFA) of 33,118m².</p> <p>A Voluntary Planning Agreement (VPA) has been negotiated with Georges River Council which stipulates additional contributions are payable.</p> <p>The retail, hotel and residential components will be stratum subdivided into 3 components.</p> <p>The apartments are configured in 4 buildings referred to as Buildings A-D, and are configured as 47 x 1 bedroom, 23 x 1 bedroom + study, 87 x 2 bedroom, 49 x 2 bedroom + study, 36 x 3 bedroom, 16 x 3 bedroom plus study and 2 x 4 bedroom apartments.</p> <p>There are 20 apartment pre-sales in the development totalling \$15,941,000.</p> <p>The hotel component comprises 42 serviced apartments (76 keys) in Building D.</p> <p>The retail component is over 3 levels occupying part Basement Level 1, part Lower Ground Floor and part Upper Ground Floor. There are no lease commitments in place and the tenancy mix proposes a supermarket, liquor store and 23 specialty stores.</p>
Encumbrances	There are numerous notations on Title and if additional information is required the full valuation report should be viewed.

Environmental Comment.	<p>Given the age of the property, asbestos risk is present. Accordingly, we recommend that this risk be investigated and reviewed prior to reliance on this report.</p> <p>The present and past use of the subject property for automotive type uses is classified as a “potentially contaminating activity, industry or land use” as defined under the API’s Australia Real Property Guidance Note 1 – Land Contamination Issues (Appendix 2) and is considered a high risk use in regard to potential for site contamination.</p> <p>The subject property is not contained within the EPA’s “List of Issued Certificates and Statements of Environmental Audit” based on our recent online search. We also note that the subject property and surrounding immediate development as at the date of valuation, is not subject to an “Environmental Audit Overlay” under the George River City Planning Scheme.</p> <p>We have been provided with a Remediation Action Plan prepared by ERM dated August 2020. The report notes the presence of petroleum hydrocarbons, naphthalene, volatile organic compounds and heavy metals as well as underground storage tanks.</p> <p>We have assumed, as instructed that the costs provided allow for remediation of the site.</p> <p>Savills does not have expertise in environmental or contamination risk. Given the risks of contamination from both the current and past uses of the site, it is recommended that any reliant party satisfy itself as to the risks and potential liabilities it is exposed to in relation to contamination of the site, and potential offsite migration of contaminants.</p>		
Valuation Approach	Direct Comparison and Hypothetical Feasibility		
Date of Inspection	23 May 2022		
Date of Valuation	31 March 2022		
“As Is” Market Value Excl. GST	\$43,000,000		
Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale Excl. GST	\$38,500,000		
Prepared By	Sandra Peachey FAPI	Chris Paul AAPI	James Cassidy AAPI
	Certified Practising Valuer	Certified Practising Valuer	Certified Practising Valuer
	Savills Valuations Pty Ltd	Savills Valuations Pty Ltd	Savills Valuations Pty Ltd

Valuation Methodology

We have assessed the valuation on the basis of Freehold Title.

The valuation is determined on the basis that the property, the Title thereto and its use is not affected by any matter other than that mentioned in the full valuation report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market.

Given the nature of the subject property, we have relied upon the Direct Comparison Approach to assess the value of the individual apartments and the Capitalisation and Discounted Cash Flow methods to ascertain the value of the retail and hotel components.

The Direct Comparison Approach and Hypothetical Development Approach have been utilised to assess the current Market Value of the site.

The Hypothetical Development Approach utilises our assessment of the estimated ‘total gross realisation’ value from which we have deducted selling costs and other costs including holding costs, finance costs and interest, and our adopted development (profit and risk) margin, to arrive at an estimate of the Residual Land Value.

To ascertain the value of the individual apartments we have relied upon the below comparable sales:

Sales in the Subject Development:

Block	Level	Apartment No.	Type	Beds	Bath	Internal m2	External m2	Car	Exchange Date	Contract Price	Analysed Rate
B	Level 01	B.106	2 Bed	2	2	75	20	1	20/07/2021	\$788,000	\$10,507
B	Level 02	B.206	2 Bed	2	2	75	20	1	16/07/2021	\$798,000	\$10,640
B	Level 02	B.208	1 Bed + Study	1	1	55	9	1	16/07/2021	\$680,000	\$12,364
B	Level 03	B.303	2 Bed	2	2	75	29	1	19/07/2021	\$800,000	\$10,667
B	Level 03	B.306	2 Bed	2	2	75	44	1	22/07/2021	\$800,000	\$10,667
B	Level 03	B.307	3 Bed + Study	3	2	108	151	2	26/07/2021	\$1,150,000	\$10,648
B	Level 05	B.505	2 Bed	2	2	75.15	9	1	21/07/2021	\$810,000	\$10,778
B	Level 05	B.506	2 Bed	2	2	75	9	1	28/07/2021	\$820,000	\$10,933
B	Level 05	B.507	3 Bed + Study	3	2	108	12	2	11/08/2021	\$1,130,000	\$10,463
B	Level 06	B.602	2 Bed	2	2	76	10	1	16/07/2021	\$900,000	\$11,842
B	Level 06	B.605	2 Bed	2	2	75.15	9	1	30/07/2021	\$820,000	\$10,912
B	Level 07	B.701	2 Bed	2	2	76	10	1	03/08/2021	\$925,000	\$12,171
B	Level 07	B.705	2 Bed	2	2	75.15	9	1	16/07/2021	\$820,000	\$10,912
B	Level 07	B.706	2 Bed	2	2	75	9	1	19/07/2021	\$835,000	\$11,133
C	Level 05	C.502	1 Bed	1	1	55	8	1	16/08/2021	\$599,000	\$10,891
C	Level 05	C.505	1 Bed	1	1	54	8	1	21/07/2021	\$588,000	\$10,889
c	Level 05	C.506	1 Bed + Utility	1	1	54	8	1	20/12/21	\$650,000	\$12,037
C	Level 07	C.703	1 Bed	1	1	57	9	1	12/08/2021	\$640,000	\$11,228
C	Level 07	C.705	1 Bed	1	1	54	8	1	29/07/2021	\$600,000	\$11,111
D	Level 07	D.702	2 Bed	2	2	75	11	1	23/07/2021	\$788,000	\$10,507
Total										\$15,941,000	\$11,013

Comparable Sales outside of Development:

"Beyond" 93 Forest Road, Hurstville

Launch Date	October 2019							
Number of Apartments	556							
Description	<p>A large development by Fridcorp on the southern side of Forest Road, opposite the subject development comprising a mixed use development of 556 apartments, 4,345m2 of retail space including a Woolworths supermarket in 2 buildings. The apartments are configured as 202 x 1 bedroom, 48 x 1 bedroom plus study, 264 x 2 bedroom and 42 x 3 bedroom.</p> <p>Apartments feature floor to ceiling glass in living areas, built in robes to bedrooms, stainless steel appliances and stone benchtops to kitchen, semi-frameless glass screens to bathroom showers and full wall height tiling, internal laundry with dryer, timber, carpet and tile floor coverings. The development shares rooftop areas and gym.</p>							
Pre-Sale Comment	396 apartment have sold to date							
Overall Summary	Unit Type	QTY	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed & 1 bed + S	250	50	60	\$585,000	\$800,000	\$11,700	\$13,417
	2 Bed	264	76	92	\$805,000	\$1,025,000	\$10,000	\$11,413
	3 Bed	42	94	103	\$1,270,000	\$1,300,000	\$12,740	\$13,830
Comparative Analysis	Considered to be a similar superior quality development in a comparable location. Overall, similar rates are considered appropriate for the subject apartments.							

"Treacys Place" 33-35 Treacy Street, Hurstville

Launch Date	March 2021							
Number of Apartments	37							
Description	<p>Construction of a 13 storey mixed use development with 2 retail units (82m² & 128m²) at ground floor level & 37 apartments to comprise 6 x 1 bedroom, 17 x 2 bedroom, 10 x 3 bedroom & 4 x 4 bedrooms.</p> <p>Apartments feature floor to ceiling glass in living areas, built in robes to bedrooms, European appliances and stone benchtops to kitchen, frameless glass screens to bathroom showers and full wall height tiling, internal laundry with dryer, timber, air conditioning, carpet and tile floor coverings. Upper level units have good views.</p> <p>Due for completion October 2022.</p>							
Pre-Sale Comment	18 apartment have sold to date							
Overall Summary	Unit Type	QTY	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed & 1 bed + S	6	52	60	\$595,000	\$685,000	\$11,417	\$11,442
	2 Bed	17	77	90	\$749,000	\$910,000	\$10,000	\$10,111
	3 Bed	10	112	112	\$1,150,000	\$1,175,000	\$12,740	\$10,491
	4 Bed	4						
Comparative Analysis	Smaller development offering similar quality apartments. Overall, similar rates are considered appropriate for the subject apartments.							

"Lotus Residence" 105 Forest Road, Hurstville

Launch Date	February 2020							
Number of Apartments	116							
Description	<p>Construction of a 3-13 storey mixed use development containing 917sqm of gross leasable retail/commercial floor space (10 commercial units) on the ground floor & 116 residential units above, configured as 16 x 1 bedroom, 61 x 2 bedroom, 23 x 3 bedroom & 16 x 1 bedroom adaptable units. The 13 storey component of the development is located on the corner and the building then steps down to 7 and 4 storeys along the Forest Rd frontage.</p> <p>Apartments feature floor to ceiling glass in living areas with city views from upper levels, built in robes to bedrooms, European appliances and marble benchtops to kitchen, semi-frameless glass screens to bathroom showers and full wall height tiling, carpet, timber and tile floor coverings. The development shares rooftop areas and pet playground.</p>							
Pre-Sale Comment	72 apartment have sold to date							
Overall Summary	Unit Type	QTY	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed & 1 bed + S	32	50	58	\$518,000	\$780,000	\$11,453	\$13,423
	2 Bed	61	76	90	\$810,000	\$1,010,000	\$9,998	\$11,289
	3 Bed	23	92	112	\$1,125,000	\$1,235,000	\$12,324	\$13,150
Comparative Analysis	Considered to be a superior quality development in a comparable location. Overall, slightly lower rates are considered appropriate for the subject apartments.							

“Grand H” 12 Woniora Road, Hurstville

Number of Apartments	383					
Description	Completed in 2019 this development comprises a mixed use development of 4 buildings A, B, C & D of 12, 18 & 21 storeys comprising a community space, 2 commercial tenancies of 165m ² & 383 residential apartments configured as 120 x 1 bedroom, 259 x 2 bedroom & 4 x 3 bedroom. Apartment's feature built in robes to bedrooms, stainless steel appliances and stone benchtops to kitchen, frameless glass screens to bathroom showers and full wall height tiling, carpet and tile floor coverings. The development shares rooftop areas.					
Overall Summary	Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m2)	Rate Internal (\$/m²)
	703	1 Bed, 1 Bath	14/10/21	\$620,000	60	\$10,333
	102	1 Bed, 1 Bath	14/12/21	\$650,000	60	\$10,833
	506	1 Bed, 1 Bath	14/9/21	\$626,000	57	\$10,928
	608	2 Bed, 2 Bath	1/10/21	\$800,000	80	\$10,000
	703	1 Bed, 1 Bath	7/10/21	\$620,000	56	\$11,071
	925	1 Bed, 1 Bath	8/11/21	\$660,000	60	\$11,000
Comparative Analysis	An older development that indicates higher prices are appropriate for the subject development.					

“The Forest” 456 Forest Road, Hurstville

Number of Apartments	57					
Description	Completed in 2020 this development comprises 5 storey mixed use development comprising 57 units with a mix of studio, 1 & 2 bedrooms, 5 of which are adaptable, 1 x retail premises on ground floor & 1 commercial premises on first floor. Apartment's feature built in robes to bedrooms, stainless steel appliances and stone benchtops to kitchen, semi frameless glass screens to showers, bath and full wall height tiling to bathrooms, carpet and tile floor coverings. The development shares rooftop areas.					
Overall Summary	Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m2)	Rate Internal (\$/m²)
	10	1 Bed, 1 Bath	15/6/21	\$745,000	58	\$12,844
	49	1 Bed, 1 Bath	15/7/21	\$599,800	50	\$11,996
	103	2 Bed, 1 Bath	12/7/21	\$739,000	65	\$11,369
Comparative Analysis	An older development that indicates higher prices re appropriate for the subject development.					

The assessed apartments values are as follows:

Apartment Type	No	Min Area (m ²)	Max Area (m ²)	Avg Area (m ²)	Min Price (\$)	Max Price (\$)	Avg Price (\$)	Min Rate \$/m ²	Max Rate \$/m ²	Avg Rate \$/m ²	Total Realisation
1 Bed	47	54	61	55.6	\$588,000	\$730,000	\$652,064	\$10,526	\$13,273	\$11,730	\$30,647,000
1 Bed + Study	16	53	61	58.8	\$630,000	\$730,000	\$693,125	\$11,475	\$12,364	\$11,778	\$11,090,000
1 Bed + Utility	7	54	54	54	\$620,000	\$670,000	\$645,714	\$11,481	\$12,407	\$11,958	\$4,540,000
2 Bed	87	75	89	80.01	\$780,000	\$1,130,000	\$916,598	\$10,246	\$12,763	\$11,442	\$79,744,000
2 Bed + Study	45	90	96	85.3	\$860,000	\$1,130,000	\$989,778	\$10,361	\$12,500	\$11,598	\$44,540,000
2 Bed + Utility	4	87	89	88	\$890,000	\$920,000	\$902,500	\$10,227	\$10,337	\$10,255	\$3,610,000
3 Bed	36	94	109	102.1	\$1,040,000	\$1,370,000	\$1,243,611	\$9,720	\$13,505	\$12,199	\$44,770,000
3 Bed + Study	14	108	143	114.3	\$1,130,000	\$1,620,000	\$1,364,286	\$10,000	\$13,889	\$11,957	\$19,100,000
3 Bed + Utility	2	113	113	113	\$1,490,000	\$1,525,000	\$1,505,000	\$13,186	\$13,451	\$13,319	\$3,010,000
4 Bed	2	120	120	120	\$1,630,000	\$1,660,000	\$1,645,000	\$13,583	\$13,833	\$13,708	\$3,290,000
Total	260									\$11,730	\$244,341,000

Comparable sales to assess the value of the retail component within the development are as follows:

Centre Name	State	GLA (m ²)	Sale Date	Sale Price	EMY	IRR	Rate \$/m ²	WALE
Beyond Hurstville	NSW	4,242	Dec-21	\$41,500,000	4.72%	4.84%	\$9,783	13.28
Cherrybrook Village	NSW	9,382	Aug-21	\$132,800,000	4.74%	5.79%	\$14,154	3.03
Oatley Village Square	NSW	3,523	Aug-21	\$21,750,000	4.99%	4.50%	\$6,175	5.03
Coles Greenacre	NSW	4,739	Jul-21	\$40,500,000	4.00%	5.48%	\$8,546	7.83
Marketown East & West SC	NSW	26,376	Jun-21	\$150,500,000	5.52%	6.06%	\$5,706	5.53
Kiama Village	NSW	5,156	Jun-21	\$49,000,000	5.40%	6.00%	\$9,503	8.47
Lederer Cessnock	NSW	5,633	Jun-21	\$45,000,000	5.53%	6.47%	\$7,988	6.50
Lederer Corrimal	NSW	9,759	Jun-21	\$88,000,000	5.90%	6.21%	\$9,018	5.46
The Imperial Centre, Gosford	NSW	16,706	Jun-21	\$57,500,000	6.14%	6.56%	\$3,442	3.67
Goulburn Marketplace	NSW	7,584	Jun-21	\$48,000,000	5.70%	6.41%	\$6,329	7.16
Lederer Miranda	NSW	4,603	Jun-21	\$37,500,000	4.56%	5.75%	\$8,146	2.65
Richmond Mall	NSW	5,153	Jun-21	\$24,000,000	5.34%	6.15%	\$4,657	2.12
Woolworths Bulli	NSW	3,949	Jun-21	\$36,000,000	3.97%	4.14%	\$9,114	8.97
Swan Hill Square	VIC	3,452	May-21	\$20,100,000	4.97%	5.89%	\$5,823	5.25
Ropes Crossing Village	NSW	5,807	Jan-21	\$42,000,000	5.47%	6.66%	\$7,235	8.87
Caddens Corner	NSW	9,544	Nov-21	\$66,000,000 ^a	5.24%	6.02%	\$6,915	9.66
Auburn Central	NSW	13,590	Nov-20	\$129,500,000	5.93%	6.75%	\$9,529	6.62

The assessed value of the retail component is as follows:

Valuation Reconciliation	Value
Capitalisation Result @ 6.00%	\$46,500,000
10 Year NPV @ 7.00%	\$46,500,000
ADOPTED VALUE	\$46,500,000
10 Year IRR	6.98%
Passing Initial Yield	6.26%
Equated Market Yield	6.00%
\$Value/m ²	\$10,393

Comparable sales to assess the value of the hotel component within the development are as follows:

Date	Hotel	Sale Price	Rooms	Price Per Room	Passing Yield	Market Yield	Terminal Cap Rate	Discount Rate	5 Yr IRR	10 Yr IRR
Oct-21	1 Hosking Place, Sydney	\$26,500,000	49	\$540,816	4.55%	0.18%	5.00%	6.50%	6.84%	6.61%
Jan-21	Radisson Hotel & Suites	\$38,080,000	76	\$501,053	-	-	-	-	-	-
Feb-20	CitadelX, Pyrmont	\$28,700,000	60	\$478,333	5.02%	5.02%	5.00%	6.50%	-	6.58%
Dec-19	Quest Macquarie Park	\$46,000,000	111	\$414,414	5.52%	5.52%	5.75%	7.50%	-	7.60%
Dec-19	Adina Apartment Hotel Mascot	\$53,000,000	123	\$430,894	4.76%	4.93%	5.00%	6.50%	-	6.97%
Aug-19	Veriu Sydney Central	\$58,888,000	112	\$450,000	4.92%	5.55%	5.75%	7.50%	-	7.19%
Aug-19	Quest Mounts Bay Road Perth WA	\$22,425,000	71	\$315,845	-	6.89%	7.00%	8.50%	-	8.33%
Jun-18	Quest Springfield QLD	\$24,350,000	82	\$296,646	7.28%	7.28%	7.50%	9.00%	-	8.67%
Jul-17	Quest Penrith NSW	\$30,320,000	115	\$263,652	7.03%	6.91%	7.25%	8.75%	-	8.76%
Subject Valuation	Proposed Quest Hurstville	\$22,000,000	76	\$289,474	6.22%	6.01%	6.50%	7.50%	-	7.93%
	<i>Low</i>	\$22,425,000	49	\$263,652	4.55%	0.18%	5.00%	6.50%	6.84%	6.58%
	<i>Median of Sales</i>	\$30,320,000	82	\$430,894	5.02%	5.54%	5.75%	7.50%	6.84%	7.40%
	<i>High</i>	\$58,888,000	123	\$540,816	7.28%	7.28%	7.50%	9.00%	6.84%	8.76%

We have produced a value of \$22,000,000 under the capitalisation approach, \$22,700,000 under the DCF approach and a value range of \$21,280,000 to \$22,800,000 under the direct comparison approach.

Based upon the above results we have adopted an As If Complete Market value subject to the Proposed Lease of \$22,000,000 which reflects an initial yield of 6.22%, an equated market yield of 6.01%, an IRR of 7.93% and a capital rate of \$289,474/key, all of which appear reasonable having regards to the comments contained within our full valuation report.

Out total project realisation is therefore:

Component	Realisation inc GST
Residential	\$244,341,000
Retail	\$46,500,000
Hotel	\$22,000,000
Total Realisation	\$312,841,000

The comparable sales to estimate the current site value are detailed below:

Address	Sale Date	Sale Price	Site Area (m ²)	Equivalent Unit Yield	GFA	\$/Site Area (m ²)	\$/Unit	\$/GFA (m ²)	DA Approved	Comparison
224-240 Pitt Street, Merrylands	Dec-21	\$75,000,000	15842	1012	83787	\$4,734	\$74,111	\$895	Yes	Inferior
2-5 Halifax St, Macquarie Park	Aug-21	\$137,000,000	18463	950	82212	\$7,420	\$144,211	\$1,666	No	Superior
37-41 Oxford St, Epping	Jun-21	\$55,000,000	4969	-	22361	\$11,069	-	\$2,460	No	Superior
12 Hassall Street, Parramatta	Aug-21	\$68,000,000	2055	365	32840	\$33,090	\$186,301	\$2,071	Subject to Approval	Superior
850-858 King George Road, South Hurstville	Aug-21	\$12,000,000	2024	60	5060	\$5,927	\$200,000	\$2,372	Yes	Superior
247-273 and 277-281 Pennant Hills Road Carlingford	Dec-20	\$68,500,000	27973	729	64339	\$2,449	\$93,278	\$1,065	Yes	Larger hence lower rates apply
28 Elizabeth St, Liverpool	Jun-21	\$28,000,000	3600	399	36000	\$7,778	\$70,175	\$778	Yes	Inferior
71-97 Regent St, Kogarah	Oct-17	\$37,000,000	4730	273	18920	\$7,822	\$135,531	\$1,956	No	Superior

Our assessment of site value on a Direct Comparison basis is as follows:

Subject	Site Area	Land Rate	Value
Site Area	8,551m ²	\$4,750	\$40,617,250
Site Area	8,551m ²	\$5,250	\$44,892,750
Midpoint	8,551m ²	\$5,000	\$42,755,000
Adopt			\$42,700,000

Subject	No. of Units*	Unit Rate	Value
Approved Units	314	\$135,000	\$42,390,000
Approved Units	314	\$140,000	\$43,960,000
Midpoint	314	\$137,500	\$43,175,000
Adopt			\$43,100,000

Subject	GFA	Rate	Value
GFA	33,118m ²	\$1,250	\$41,397,500
GFA	33,118m ²	\$1,350	\$44,709,300
Midpoint	33,118m ²	\$1,300	\$43,053,400
Adopt			\$43,000,000

Site Area	\$42,700,000
Approved Unit Rate	\$43,100,000
GFA	\$43,000,000
Adopted As Is Market Value	\$43,000,000

*Equated units

Our Hypothetical Development Assessment is detailed below:

Input	Amount / Comments												
Gross Realisation	Residential - \$244,341,000 including GST Retail - \$46,500,000 excluding GST Hotel - \$22,000,000 excluding GST												
Rate of Sale	Having regard to the existing presales we have assumed that the remaining unsold apartments will be sold 'off the plan' during the construction period and within 18 months post construction. We have assumed the hotel and retail components will transact on practical completion.												
Selling Costs	Residential – 2.2% Retail – 1.5% Hotel – 1.5%												
Marketing Costs	Residential – \$2,500 per apartment Retail – \$30,000 Hotel – \$30,000												
Legal Costs	Residential – \$750 per apartment Retail – \$25,000 Hotel – \$25,000												
Site Acquisition Costs	7.2% of purchase price												
Legal Fees on Acquisition	\$150,000												
Construction/Development Cost	\$137,864,337 excluding GST (as per Section 9 of this Report)												
Interest Rate	5.00% per annum (on the basis of 100% debt funding and including line fees)												
Application Fee	\$400,000												
Construction Period	22 months												
Holding Costs	Approximately \$380,000 per annum (including Council rates and Land Tax)												
Developers Margin	Profit and Risk expectations for a project of this nature would normally vary from 20% to 25%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors: <ul style="list-style-type: none"> > Limited pre-sales to date. > No pre-commitment for the retail or hotel space. > A third party Building Contract has not been executed > The Contract sum has not been verified by a QS > The cost and revenue parameters of the project are largely known > The size and related capital value of the development > Analysis of comparable developments > The southern Sydney location <p>Having regard to the above, we have adopted a Profit and Risk Factor of 22.49%, being the approximate mid-point of the adopted range.</p>												
GST Liability	We have adopted the General Tax Rule Scheme for valuation purposes. Our calculations on this basis are as follows: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential Realisation Including GST</td> <td style="text-align: right;">\$244,341,000</td> </tr> <tr> <td><u>Less GST</u></td> <td style="text-align: right;"><u>\$22,212,818</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;">\$222,128,182</td> </tr> <tr> <td>Plus: Hotel</td> <td style="text-align: right;">\$22,000,000</td> </tr> <tr> <td>Plus: Retail</td> <td style="text-align: right;"><u>\$46,500,000</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;">\$290,628,182</td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	\$244,341,000	<u>Less GST</u>	<u>\$22,212,818</u>	Gross Realisation Excluding GST	\$222,128,182	Plus: Hotel	\$22,000,000	Plus: Retail	<u>\$46,500,000</u>	Gross Realisation Excluding GST	\$290,628,182
Residential Realisation Including GST	\$244,341,000												
<u>Less GST</u>	<u>\$22,212,818</u>												
Gross Realisation Excluding GST	\$222,128,182												
Plus: Hotel	\$22,000,000												
Plus: Retail	<u>\$46,500,000</u>												
Gross Realisation Excluding GST	\$290,628,182												

Feasibility Conclusions

Our calculations result in a residual value of \$42,984,912 excluding GST, which we have rounded to \$43,000,000 excluding GST for practical valuation purposes. Our feasibility analysis reflects an Internal Rate of Return of 10.48% (including interest), and a net development profit of approximately \$53,355,221, all of which appear to be reasonable for a development of this nature.

We have assumed the standard marketing period for a development of this scale with a mixed use profile incorporating retail, hotel and residential with limited pre-commitments, however advanced planning is 3-

6 months to allow a prospective purchaser to undertake the required due diligence to inform purchase decisions.

The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 1.5-3 months and assumes full due diligence would not be able to be undertaken which would be reflected in a more conservative value.

Practically, this scenario therefore assumes that a prospective buyer would look to increase the risk allowances to cover less than full diligence.

For the purposes of an assessment based on these adopted assumptions we have increased the Profit and Risk allowance in our residual land value analysis by 3 basis points to 25.5% which indicates a residual land value of \$38,500,000 which has been adopted under this valuation scenario.

Whilst our analysis could alter other inputs in the feasibility such as apartment price and Hotel and Retail component values, and sale rate and cost, realistically the sale rate of the apartments/components, the value of the completed apartments/components and the cost of producing the development does not change. The risk essentially lies with the acquisition of a project with a long development life without exploring all aspects of the project to ascertain an educated and informed acquisition.

Feasibility Conclusions

Our calculations result in a residual value of \$38,585,459 excluding GST, which we have rounded to \$38,500,000 excluding GST for practical valuation purposes. Our feasibility analysis reflects an Internal Rate of Return of 11.94% including interest, and a net development profit of approximately \$59,168,606 all of which appear to be reasonable for a development of this nature.

Reliance

The full valuation report is for the reliance of Aoyuan Property Group (International) Pty Ltd as the proprietor of the property.

The Valuation Summary Letter is for the purpose of inclusion in a submission to The Stock Exchange of Hong Kong Limited for disposal of the asset.

Liability Disclaimer

Savills Valuations Pty Ltd (Savills) has prepared this summary letter for Aoyuan Property Group (International) Pty Ltd to assist it in disposal of the assets and Savills specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in the submission, other than with respect to this summary letter.

This Summary Letter is to be read in conjunction with our full Valuation Report dated 31 March 2022 and is subject to the Assumptions, Limitations, Disclaimers and Qualifications contained therein. We refer the reader to Aoyuan Property Group (International) Pty Ltd to obtain a copy of the Full Valuation Report.

The Valuation Report and this Summary Letter are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in any associated Document. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.

Savills has prepared the full Valuation Report and this Summary Letter relying on and referring to information provided by third parties including financial and market information ("Information"). Savills assumes that the Information is accurate, reliable and complete and it has not tested the Information in that respect.

References to the Property's value within this Summary Letter or any associated document have been extracted from Savills Valuation Report. The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Savills recommends that this Summary Letter must be read and considered together with the Valuation Report.

Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that the valuation report will be relied upon by third parties (other than in relation to the market valuation referred to in this summary letter). We invite other parties who may come into possession of the valuation report seek our written consent to them relying upon the valuation report and we reserve our rights to review the contents in the event that our consent is sought.

This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as a liability where the valuation is relied upon after the expiration of 90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Savills consents to the Valuation Report being made available for inspection at the registered address of Aoyuan Property Group (International) Pty Ltd.

Liability limited by a scheme approved under Professional Standards Legislation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Peachey', written in a cursive style.

Sandra Peachey FAPI
National Director
Valuation & Advisory

Critical Assumptions

Market Movement	<ul style="list-style-type: none"> ■ This valuation is current as at the date of valuation and may change as a result of either external or specific factors affecting the property. We do not accept liability for losses arising from such subsequent changes in value. We will not accept liability where this valuation is relied upon after the expiration of three months from the date of valuation, or earlier if there are significant alterations to conditions affecting the value of the property. ■ This valuation is conditional upon development being undertaken in the immediate future and that the site will not be "landbanked". The "As Is" value is current as at the date of valuation only. It is not suitable for long term passive lending. If the site needs to be retained "As Is" for an extended period of time, it is likely that a lower site value may apply, or it may result after accounting for holding costs and changes in market environment in addition to any variation to construction costs.
Physical	<ul style="list-style-type: none"> ■ The valuer does not hold itself out to be an expert in building materials and has been unable to identify from a visual inspection of the proposed plans whether the 'cladding' to be constructed will use compliant or non-compliant building products (i.e., combustible polyethylene core aluminium composite panels). A Certificate of Compliance and/or Certification of building materials for the development has not been sighted nor confirmed by the valuer. This valuation report has been prepared: <ul style="list-style-type: none"> (a) on the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, regulatory requirements and codes. (b) without consideration to any diminution in value that may arise due to the identification of non-compliant building products within the development. Should this not be the case, we reserve the right to review our valuation. The valuer strongly advises the reader to investigate the nature of the currently proposed building components and satisfy itself as to the potential risks and costs which could be incurred should the currently proposed building component have to be remedied, replaced or adapted.
Construction Costs	<ul style="list-style-type: none"> ■ The civil construction estimate provided by the instructing party (excluding GST and Contingency) of \$137,864,337 equates to \$4,162 per square metre of GFA, which is considered to be within acceptable market parameters and has been adopted in our valuation. ■ Construction and development of the project can be undertaken for the amount described above, in accordance with the documents provided by the instructing party. We have adopted the construction and development costs provided as part of our instruction. Should the supplied costs be proven to be inadequate to deliver the project, Savills reserves the right to review this valuation accordingly. ■ We are not Quantity Surveyors nor are we Consulting Engineers. We have relied upon cost estimates provided and on the basis that the cost provided and adopted are accurate. We recommend the engagement of an independent Quantity Surveyor to confirm same. Should the cost estimate differ to that adopted within, then this report should be referred back to the Valuer for comment and accordingly we reserve the right to amend the assessment within
Land Value	<ul style="list-style-type: none"> ■ The assessed land value via the Residual Cash Flow analysis reflects a number of factors, including the status of approvals, civil construction costs, associated development costs, interest (borrowing) rate, assessed value of the completed units, adopted pre-sales prior to construction, sale rate for completed stock, and acceptable performance margins. The assessed land value by this approach could be impacted by a change in any of the above circumstances.
GST	<ul style="list-style-type: none"> ■ We have not been provided with independent Accounting or Legal advice regarding the eligibility of using the margin scheme for this development. As this falls outside the scope of our investigations, we have applied the full GST impost in our feasibilities and to our 'as if complete' values on a GST exclusive basis. As a result, GST on the development costs will be assessed at 10% to be remitted two months later, while GST on gross realisations will be assessed at 1/11th. All costs within our cash flow model are quoted, where applicable, excluding GST. ■ That all appropriate measures to mitigate the risks associated with the GST remittance changes from 1 July 2018 i.e., the Federal Government's requirement that purchasers of new residential premises will remit the GST directly to the ATO as part of settlement.
CGT	<ul style="list-style-type: none"> ■ That all appropriate measures to mitigate the risks associated with the foreign resident capital gains tax withholding scheme changes under the Federal Budget 2017, under which: Australian resident vendors of real property of \$750,000 or more must provide a Clearance Certificate issued by the ATO to a purchaser on settlement of the sale, to avoid the purchaser withholding 12.5% of the purchase price and remitting it as withholding tax to the ATO; and Foreign resident vendors will see 12.5% of the purchase price being withheld and remitted to the ATO, unless the ATO approves a Variation.
Construction Timeframe	<ul style="list-style-type: none"> ■ We have adopted a construction period for the project of 26 months with a 12 month lead time, based on the advice provided by the instructing party. We have assumed this to be an accurate forecast and have adopted this within our Residual Cash Flow analysis.
"As If Complete" Assessment	<ul style="list-style-type: none"> ■ The "As If Complete" assessment is the estimated market value of the proposed development as detailed in this report on the assumption that all construction has been satisfactorily completed in all respects at the date of this report. Because of time lag and unknown future market conditions the valuation reflects the valuer's view of the market conditions existing at the date of valuation and does not purport to predict future market conditions and the value at the actual completion date.

Construction Quality & Compliance	<ul style="list-style-type: none"> ■ The “As If Complete” assessment is provided on the basis that the proposed improvements will be constructed in a tradesman like manner using new, quality materials and having regard to modern building techniques. Our valuation assumes that: <ul style="list-style-type: none"> – A detailed report of the structure and service installations of the building once completed would not reveal any defects requiring significant expenditure. – The building will comply with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations, and will be built in accordance with the provisions of the Building Code of Australia.
EPBC Act	<ul style="list-style-type: none"> ■ That the subject property is not impacted in any way by matters covered by the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), including, but not limited to, listed threatened species and ecological communities or migratory species protected under international agreements.
Development Approvals (Including Plans & Specifications)	<ul style="list-style-type: none"> ■ We have been provided with a copy of the Development Approval for the subject development including approved plans. We assume that the development will be completed in full accordance with the noted Development Approval and any conditions contained within the approval. Should there be any subsequent changes to the Development Approval or the Approved development plans, this valuation must not be relied upon before first consulting Savills to reassess any effect on the valuation.
Contamination	<ul style="list-style-type: none"> ■ We have been provided with a Remediation Action Plan prepared by ERM dated August 2020. The report notes the presence of petroleum hydrocarbons, naphthalene, volatile organic compounds and heavy metals as well as underground storage tanks. ■ We have assumed, as instructed that the costs provided allow for remediation of the site.
Encumbrances, Restrictions, Caveats etc.	<ul style="list-style-type: none"> ■ Our valuation is on the basis that the property is free of encumbrances, restrictions, caveats, or other impediments of an onerous nature which could affect value. Our valuation has been undertaken on the basis the property is free of mortgages, charges and other financial liens.
Marketing Period	<ul style="list-style-type: none"> ■ We have assumed the standard marketing period for a development of this scale with advanced planning status, minor pre-sales and without any pre-commitment for the hotel and retail areas is 3-6 months to allow a prospective purchaser to undertake the required due diligence to inform purchase decisions. ■ The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 1.5-3 months and assumes full due diligence would not be able to be undertaken which would be reflected in a more conservative value.
General	<ul style="list-style-type: none"> ■ The rental and sales information has been obtained from a number of sources including RP Data and registered government sales transfers. Whilst we understand the information to be reliable, we are unable to guarantee the accuracy. ■ Unless otherwise set out in the Proposal, Savills is not aware of any conflict of interest in accepting your instruction to value the Property and the valuer set out in the Proposal is in a position to provide an objective and unbiased valuation. ■ We confirm that the valuer undertaking this valuation is considered to have the appropriate level of skills and competence to complete the valuation to a professional standard, taking into account the property type.
Serviced Apartment Hotel	<ul style="list-style-type: none"> ■ That the proposed apartment hotel will be completed to a standard commensurate with existing industry standards for an upscale (4 to 4.5 star standard) serviced apartment hotel and as outlined within the valuation. ■ The value of the serviced apartment hotel subject to the proposed lease is reliant on the ability of the Leasehold business owner to maintain sufficient revenue and profit levels in order to meet its rental obligations. Should the business deteriorate and the Lessee struggle to meet rental obligations, the value of the property may be negatively impacted. ■ That the proposed serviced apartment hotel will be managed by Quest Apartment Hotels (or nominated franchisee) under the proposed terms of the Non-Binding Offer to Lease. Should the terms of the lease vary to those adopted herein and outlined within the Non-Binding Offer to Lease, then we reserve the right to amend the valuation. ■ That the FF&E and plant and equipment will be owned by the property owner and that an asset register or asset depreciation schedule is available on sale of the property. That the FF&E will be transferred to a purchaser on sale. ■ The trading forecast including within the valuation have been undertaken solely for the purposes of assessing an appropriate market rent. Furthermore, the projections of Fair Maintainable Trade (FMT) are based on a reasonably efficient operator. ■ The DCF exercise appended hereto has been undertaken for the sole purpose of assisting in the determination of the market value of the property and we make no guarantees or warranty as to the accuracy of the future rental income stream projections in so far as they relate to market rental movements. ■ We have not been provided with legal advice but based on our experience, if the subject property was sold as a going concern, it would be GST-free (provided that certain GST requirements are met) and have based our analysis upon this advice; any user of this valuation should make appropriate enquiries in this respect. If any of the above assumptions prove to be incorrect, we reserve the right to revise our valuations as provided herein, should we deem it to be necessary. ■ That all licences and approvals required to operate the hotel and remain open for full trading will be granted to the applicant on completion and will continue without restriction.

Should any of the assumptions in our full valuation report be incorrect or inaccurate, then we reserve the right to amend the valuation, the report and this summary report.

9 June 2022

Board of Directors
China Aoyuan Group Limited
Units 1901-2, 19th Floor, One Peking
No.1 Peking Road
Tsim Sha Tsui, Kowloon
Hong Kong

Re: Valuation Summary Letter

Property: 253 Apartments – “The Lennox”, 12-14 Phillip Street & 331a-339 Church Street, Parramatta, NSW, Australia

We refer to instructions issued by Aoyuan Property Group (International) Pty Ltd dated 5 May 2022 to provide a summary report of the valuation providing the Market Value “In One Line” of 253 Apartments – “The Lennox”, 12-14 Phillip Street & 331a-339 Church Street, Parramatta, NSW, Australia. We have prepared a full and comprehensive Valuation Report for the property in accordance with our instructions from Aoyuan Property Group (International) Pty Ltd for internal reporting purposes dated 31 March 2022.

This valuation summary letter (“summary letter”) has been prepared for part of a submission to The Stock Exchange of Hong Kong Limited (in accordance with Chapter 5 of the Rules governing the listing of securities on The Stock Exchange of Hong Kong Limited) to be issued by China Aoyuan Group Limited as responsible entity for the sale of the property assessed.

Our full valuation report valuation report has been prepared in accordance with the Australian Property Institute’s Current Valuation Standard and Guidance Notes, RICS Valuation - Global Standards 2020 together with the Australian National Supplement effective August 2019 and International Valuation Standards (IVS).

This summary letter should be read in conjunction with the Valuation Report (prepared as at 31 March 2022) as we note this summary letter does not include all essential information and the assumptions which are detailed in our Valuation Report. The Valuation Report provides a detailed description of the property; its current configuration, location, assumptions impacting value and local market characteristics.

An extract from the valuation report comprising the Critical Assumptions is annexed to this summary letter.

We have assessed the valuation on Freehold Title of the property.

Market Value as defined by the International Valuation Standards Council (IVSC) and as adopted by the Australian Property Institute (API) is as follows:

“Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion.”

We have assessed the In One Line market value of the property in accordance with the Market Value definition referred to above. Furthermore, the Sale in One Line Definition is

‘Sale in one line’ is the value of the gross realisation of the individual completed lots sold in a single transaction less a discount that takes into consideration legal and selling costs, profit and risk, holding costs and acquisition costs.

In addition, we have been requested to assess an Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale.

We confirm that the valuer does not have a pecuniary interest that would conflict with a proper valuation of the interest in the property.

Savills Valuations Pty Ltd (“Savills”) charged a professional fee for producing valuation report.

Material Assumptions

- The assessed “In One Line Value” via Residual Cash Flow analysis reflects a number of factors, including the interest (borrowing) rate, assessed value of the units, sale rate for apartment stock, and acceptable performance margins. The assessed value by this approach could be impacted by a change in any of the above circumstances.

Valuation Summary

Interest Valued	100% Freehold
Title Details	Various lots - SP102896
Registered Owner	PCC Devco 1 Pty Limited.
Zoning	B4 Mixed Use, RE2 Private Recreation and RE1 Public Recreation under the Parramatta Local Environmental Plan 2011.
Location	The subject property is located within Parramatta in Central Western Sydney, approximately 23 kilometres west of the Sydney Central Business District (CBD) and is within the Local Government Area administered by the City of Parramatta Council. More particularly the subject property is located approximately 800 metres to the north of the Parramatta train station and future Parramatta Square re-development on the South Bank of the Parramatta River. The site is bounded by Church Street to the east and Phillip Street to the south. Surrounding development comprises a mix of uses and development types including residential, commercial, retail and entertainment uses. Open space and parklands are located along the foreshore area to the north of the site. The Riverside Theatre and Prince Alfred Park are located to the north of the site on the North Bank of the Parramatta River. The site is well serviced by public transport with bus routes operating regularly along Church Street and bus stops on Market and Church Streets. The site is also in walking proximity to the Parramatta train station, bus and ferry terminals.
Property Description	The subject apartments comprise 253 apartments within “The Lennox” project. The apartments were completed in December 2021 and comprise of 21 x studios, 41 x 1 bedroom apartments, 137 x 2 bedroom apartments, 47 x 3 bedroom apartments, 6 x 4 bedroom apartments and 1 x 5 bedroom apartment. Common amenities are located on level 3 including a 20 metre covered swimming pool, rooftop terrace, gym, and shared entertaining space. Three levels of basement parking are accessed via a ramp at the front of the building offering conventional and automatic parking. We note the project has been marketing since May 2017 and 161 apartments are noted as settled (2.6 apartments per month average).
Encumbrances	The sample Titles search listed numerous encumbrances and should full details be required, the full valuation report should be viewed.
Environmental Comment	The present use of the subject property as an apartment building is not classified as a “potentially contaminating activity, industry or land use” as defined under the API’s Australia Real Property Guidance Note 1 – Land Contamination Issues (Appendix 2) and is considered a low risk use in regard to potential for site contamination.

Environmental Comment (contd)	<p>The subject property is not contained within the EPA's "List of Issued Certificates and Statements of Environmental Audit" based on our recent online search. We also note that the subject property and surrounding immediate development as at the date of valuation, is not subject to an "Environmental Audit Overlay" under the Burwood City Planning Scheme.</p> <p>A visual site inspection has not revealed any obvious pollution or contamination. Nevertheless, we wish to advise that we are not qualified to provide advice on the physical condition of the land and we are not aware of any geotechnical and/or environmental defects with the land. Further, we have not sighted any environmental audits or geotechnical reports, which suggest site contamination or defects. This valuation has therefore been made on the assumption that there are no actual or potential contamination issues affecting: -</p> <ul style="list-style-type: none"> ■ The value or marketing of the property; or ■ The site. 	
Valuation Approach	Gross Realisation: Direct Comparison	
Date of Inspection	12 May 2022	
Date of Valuation	31 March 2022	
Gross Realisation Incl. GST	Market Value – "As Is"	Subject to Market Constraint
Gross Realisation Excl. GST	\$211,687,000	\$190,538,000
"In One Line Assessment" Incl. GST	\$192,442,727	\$173,216,364
"In One Line Assessment" Excl. GST	\$149,000,000	\$133,500,000
Prepared By	\$135,450,000	\$121,350,000
	Sandra Peachey FAPI	
	Certified Practising Valuer	
	Savills Valuations Pty Ltd	

Valuation Methodology

We have assessed the valuation on the basis of Freehold Title.

The valuation is determined on the basis that the property, the Title thereto and its use is not affected by any matter other than that mentioned in the full valuation report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market.

Given the nature of the subject property, we have primarily relied upon the Direct Comparison Approach to assess the value of the individual apartments and the Hypothetical Development Approach to assess the In One line Value.

This approach utilises our assessment of the estimated 'total gross realisation' value from which we have deducted selling costs and other costs including holding costs, finance costs and interest, and our adopted development (profit and risk) margin, to arrive at an estimate of the In One Line Value.

To ascertain the value of the individual apartments we have relied upon the below comparable sales:

Subject Complex

We note the following details in regard to sale prices for the subject development since launch (noting this includes 52 apartments which are now for re-sale):

Pre-Sales	No	Min Area (m ²)	Max Area (m ²)	Min Price	Max Price	Avg Price	Min Rate	Max Rate	Avg Rate
Studio	23	40	40	\$435,000	\$545,000	\$490,000	\$10,875	\$13,625	\$12,250
1 Bed	66	50	53	\$525,000	\$720,000	\$604,242	\$10,500	\$13,585	\$11,824
2 Bed	123	72	95	\$670,000	\$1,055,000	\$949,899	\$9,306	\$12,991	\$10,974
3 Bed	14	94	149	\$960,000	\$1,825,000	\$1,355,000	\$9,397	\$12,248	\$11,135
4 Bed	1	192		\$2,400,000			\$12,500		
Average						\$778,487			\$11,267
Total	227								

Comparable Sales outside of Development:

"South Quarter – Stage 1", 53-87 Church Street, Parramatta									
Launch Date	March 2017								
Number of Units	413								
Description	<p>Site 1 Construction of a 12 storey non-residential building (with an in principal approval sought for a hotel containing 270 rooms and associated activities) fronting Church Street, two residential towers (21 storey and 39 storey) containing a total of 524 apartments over 3 levels of a retail/commercial podium at the rear of the site, with associated landscaping and plaza works.</p> <p>Site 2 Construction of a 10 storey non-residential building fronting Church Street, and a mixed use tower containing 9 levels of non-residential floor space and 22 storeys comprising 235 apartments at the rear of the site, with associated landscaping and plaza works.</p>								
Pre-sale Summary	Unit Type	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)	Av Rate Internal (\$/m²)	
	Studio	34	38	\$404,500	\$510,000	\$11,897	\$14,286	\$13,201	
	1 Bed	50.00	53.00	\$530,500	\$745,000	\$10,490	\$12,400	\$11,155	
	2 Bed	69	79	\$652,800	\$957,460	\$9,461	\$12,598	\$10,959	
Comparative Analysis	Considered a comparable to inferior position. Prices achieved 2020-2021 considered to be comparable to the subject development.								

“The Galleria”, 23 Hassall Street, Parramatta

Launch Date	March 2018							
Number of Units	140							
Description	<p>A development of 140 apartments in a 20 storey mixed use development incorporating retention of heritage dwellings and refurbishment of an existing office building. The apartments are configured as 32 x studio/1 bedroom, 103 x 2 bedroom and 5 x 3 bedroom units.</p> <p>Construction is now complete.</p> <p>The apartments feature timber and stone kitchens with European stainless steel appliances, carpeted bedrooms with built ins, fully tiled bathrooms, full height glass doors to balconies, ducted a/c, building security entry, common skygarden. Views east available to the CBD.</p>							
Overall Summary	Unit Type	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)	Av Rate Internal (\$/m²)
	1 Bed	50	55	\$589,000	\$679,000	\$11,780	\$12,345	\$12,042
	2 Bed	72	85	\$688,000	\$865,000	\$9,555	\$10,321	\$9,978
	3 Bed	95	105	\$950,000	\$1,025,000	\$9,761	\$10,000	\$9,972
Comparative Analysis	Located slightly closer to the train station. Lower elevation, which implies a higher average value should be achieved by the subject development.							

“PS I Love You”, 8 Phillip Street, Parramatta

Launch Date	December 2016							
Number of Units	314							
Description	<p>A 55 storey mixed-use apartment building located in the centre of Parramatta CBD, comprising of 35 levels of residential apartments, and 14 levels of 5-star designer QT Hotel accommodation.</p> <p>The apartments include a mix of studio, 1, 2 and 3 bedroom residences. The development is designed by Woods Bagot and includes outdoor entertainment areas, marble finishes and Miele appliances. Additionally, amenities such as the open-air pool, a spa, restaurants, and rooftop bar Studio 54 can be accessed via lifts within the building. Immediate surroundings to the development comprise of older commercial/office buildings, café and restaurants, and retail. The site is in walking distance to Parramatta River, Parramatta Park, and Westfield Parramatta (approximately 650m).</p> <p>Parramatta Train Station is approximately a 10 minute walk from the subject site. Additionally, various bus services are available throughout the Parramatta CBD.</p>							
Overall Summary	Unit Type	Qty	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	Studio	1	40	40	\$508,000	\$508,000	\$12,700	\$12,700
	1 Bed + Media	20	55	57	\$630,000	\$748,000	\$11,455	\$13,123
	1 Bed + Study	13	50	54	\$610,000	\$628,000	\$11,630	\$12,200
	2 Bed + Media	8	75	76	\$906,000	\$987,000	\$12,080	\$12,987
	2 Bed + Study	30	75	77	\$885,000	\$1,055,000	\$11,800	\$13,701
	3 Bed + Study	3	100	102	\$1,350,000	\$1,460,000	\$13,500	\$14,314
	Sub P/H Bed	1	96	96	\$1,365,000	\$1,365,000	\$14,219	\$14,219
	Sub P/H 3 Bed + Study	1	92	92	\$1,555,000	\$1,555,000	\$16,902	\$16,902
	P/H 3 Bed + Study	5	158	170	\$3,002,000	\$3,400,000	\$19,000	\$20,000
Comparative Analysis	Superior project located next to subject development, selling off the plan with superior quality finishes. Pre-sales were secured in a stronger market and would indicate lower average rates are appropriate.							

“Charles and George” – 180 George Street, Parramatta

Launch Date	August 2019						
Number of Units	753						
Description	<p>Construction of 58 and 66 storey mixed used buildings over a podium on the corner of George Street & Charles Street, comprising 2 new ground floor retail units, 5 levels of basement car parking for 640 vehicles, a child care centre, a commercial gym, 271 serviced apartments and 753 residential units. Amenities include a 1,000 sqm major supermarket, indoor pool, spa, sauna & gym and 1,200sqm podium garden with BBQ area.</p> <p>The apartments achieve high quality views across the metropolitan area and feature Bosch appliances, stone kitchen benchtops, frameless glass shower screens, floor to ceiling glass to living areas and high quality bathroom fittings.</p>						
Overall Summary	Unit Type	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed	50	62	\$531,000	\$731,000	\$10,620	\$11,790
	1 Bed + Study	51	78	\$606,000	\$785,000	\$10,064	\$10,647
	2 Bed	71	90	\$688,000	\$1,193,000	\$9,690	\$13,255
	3 Bed	102	132	\$1,310,000	\$1,578,000	\$11,954	\$12,843
Comparative Analysis	High rise building considered a comparable location and quality of apartment. Similar rates are appropriate for the subject apartments.						

“Riva”, 30 Charles Street, Parramatta

Launch Date	March 2017							
Number of Units	146							
Description	<p>A medium rise development by Meriton positioned with frontage to Charles Street and adjoining the 180 George Street development under construction.</p> <p>The apartments feature a range of 1 bed, 2 bed, dual key and 3 bed configurations, some over two levels. Generic fitment including stone kitchens with Bosch appliances, carpeted living area, built in robes, frameless glass showers, ducted a/c.</p>							
Pre-Sale Comment	The development is now complete and the below represents sale to date averages. RP data records 87 sales.							
Overall Summary	Unit Type	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)	Av Rate Internal (\$/m²)
	Studio	35	42	\$430,000	\$440,000	\$10,476	\$12,285	\$11,921
	1 Bed No Car	50	66	\$475,000	\$655,000	\$9,500	\$12,211	\$11,966
	2 Bed Dual Key	95	102	\$855,000	\$880,000	\$8,627	\$9,095	\$8,856
	2 Bed 2 Bath	74	83	\$780,000	\$982,000	\$9,945	\$10,986	\$10,211
	2 Bed P/H	95	105	\$980,000	\$1,070,000	\$9,761	\$10,000	\$9,972
	3 Bed	103	125	\$1,100,000	\$1,235,000	\$9,880	\$10,679	\$10,326
Comparative Analysis	Inferior elevation. Comparable to superior position. Overall inferior and considering recent market movements we have adopted higher rates.							

"V By Crown" 45 Macquarie Street, Parramatta

Constructed	April 2017								
Number of Units	514								
Description	<p>Located on Macquarie Street in the heart of the Parramatta CBD within close proximity of Parramatta Park. The subject will comprise a mixed use development providing 4 residential apartment towers (Buildings 1, 2, 3 & 4) ranging from 19 to 29 storeys situated above a 3 storey retail podium. Overall configuration provides 514 residential apartments, 72 serviced apartments, 2,952m² of commercial office space, 1,240m² of commercial retail space, a 448m² Archaeological Interpretation Centre, 665m² conference centre and 6 level basement car park.</p> <p>Designed by Allen Jack+Cottier, the apartments are finished to a high level including stone tiled floors, stone and stainless steel kitchens with European appliances and high quality cabinetry. Bedrooms will include built-in robes and built in cabinetry, ducted air conditioning and video intercom. Common facilities include a 25 metre lap pool, sauna, gymnasium, theatre, library, wine room and conference facilities.</p>								
Unit	Level	Type	Int Area (m²)	Ext Area (m²)	Car Spaces	Contract Price	Resale Date	Resale Price	\$/m²
2.18	2	1 Bed	52.6	8.2	1		28/1/22	\$565,000	\$10,741
3.13	3	1 Bed	58	4	0	\$480,500	19/3/21	\$565,000	\$9,741
6.01	6	1 Bed + Study	58	22	1	\$467,950-	25/7/21	\$580,000	\$10,000
8.10	8	2 Bed	82	6	1	\$595,000	22/9/21	\$740,000	\$9,024
9.14	9	1 Bed	50	3	1	\$567,000	30/1/21	\$580,000	\$11,600
14.06	14	2 Bed	90	8	1	\$710,000	20/7/21	\$890,880	\$9,898
15.09	15	2 Bed	84	0	1	\$564,000	17/12/21	\$730,000	\$8,690
15.10	15	2 Bed	82	6	1	\$617,000	24/6/21	\$740,000	\$9,024
19.13	19	1 Bed + Study	58	5	1		1/11/21	\$622,000	\$10,724
20.17	20	2 Bed	90	4	1	\$640,000	17/5/21	\$680,000	\$7,555
21.06	21	3 Bed	102	11	2	\$800,000	13/4/21	\$985,000	\$9,656
22.06	22	3 Bed	110	12	1	\$800,000	6/3/21	\$960,000	\$8,727
24.09	24	2 Bed	82	6	1	\$675,000	18/6/21	\$730,000	\$8,902
Comparative Analysis	Good quality apartments with modern inclusions and similar elevation in a superior location. Slightly higher average rate appropriate for subject apartments given new condition.								

"River Vistas" – 1A Morton Street, Parramatta

Constructed	2016								
Number of Units	355								
Description	<p>Positioned on the northern banks of the Parramatta River along the western alignment of Morton Street, 2 kilometres north-east of the Parramatta CBD. The site was historically a council depot.</p> <p>The development comprises six residential apartment buildings (Blocks A-F) that range between 4-11 stories, containing 355 apartments with two levels of basement car parking accommodating 471 vehicles. The units are configured as a mix of 1 bedroom, 1 bedroom + studio, 2 bedroom, 2 bedroom + studio, 3 bedroom, and 3 bedroom + studio units.</p> <p>Blocks A, B & C will be positioned along the northern portion of the site and with Blocks D, E & F positioned across the southern section of the development overlooking Parramatta River.</p>								
Re-Sale Comment	The average rate of the resales analyses equates to \$8,272/m ² .								
Resales	Level	Type	Int Area (m²)	Ext Area (m²)	Car Spaces	Resale Date	Resale Price	\$/m²	
33.02	3	3 Bed	99	35	2	4/6/21	\$860,000	\$8,678	
68.11	6	1 Bed	56	11	1	16/4/21	\$515,000	\$9,196	
76.01	4	3 Bed	118	106	2	23/6/21	\$910,000	\$7,711	
Comparative Analysis	Inferior location on the northern side of Parramatta River. Lower building heights between 4-11 stories and older stock. The inferior location and lower elevation indicate that higher rates are appropriate for the subject apartments.								

Our assessment of In One Line Value is detailed below:

Market Value

Input	Amount / Comments.						
Gross Realisation	\$211,687,000 including GST.						
Rate of Sale	We have adopted a sale rate of 5 apartments per month for a period of 50 months.						
Selling Costs	2.2% of Gross Realisation based on existing average sales commission rate.						
Marketing Costs	\$2,500 per apartment.						
Legal Costs	\$1,000 per apartment.						
Site Acquisition Costs	6.9% of purchase price including legal fees.						
Construction/Development Cost	N/A – Development completed.						
Interest Rate	5.00% per annum (on the basis of 100% debt funding and including line fees).						
Construction Period	N/A – Development completed.						
Holding Costs	Approximately \$2,843,809 per annum (including Council Rates, Water Rates, Land Tax, Strata Levies).						
Developers Margin	<p>Profit and Risk expectations for a project of this nature would normally vary from 10% to 15%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors:</p> <ul style="list-style-type: none"> ➤ The sale rate considered achievable for the apartments moving forward. ➤ Current market conditions. ➤ The adopted pricing of the apartments. ➤ The quality of the apartments compared to the market. ➤ Buyer pool in this capital value bracket. ➤ New and modern apartment building. ➤ The size and related capital value of the development. ➤ Analysis of comparable developments. ➤ The Parramatta location and current market conditions. <p>Having regard to the above, we have adopted a Profit and Risk Factor of 12.57%, being to the midpoint in the range assuming the new quality of apartments and the Parramatta location.</p>						
GST Liability	<p>We have adopted the General Tax Rule Scheme for valuation purposes. Our calculations on this basis are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Residential Realisation Including GST</td> <td style="text-align: right;"><u>\$211,687,000</u></td> </tr> <tr> <td>Less GST</td> <td style="text-align: right;"><u>\$19,244,273</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;"><u>\$192,442,727</u></td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	<u>\$211,687,000</u>	Less GST	<u>\$19,244,273</u>	Gross Realisation Excluding GST	<u>\$192,442,727</u>
Residential Realisation Including GST	<u>\$211,687,000</u>						
Less GST	<u>\$19,244,273</u>						
Gross Realisation Excluding GST	<u>\$192,442,727</u>						

Feasibility Conclusions

Our calculations result in an “In One Line” value of \$149,000,000 including GST and \$135,450,000 excluding GST (rounded). Our feasibility analysis reflects an Internal Rate of Return of 10.93% (including interest), and a net development profit of approximately \$23,633,181 all of which appear to be reasonable for a development of this nature.

In One Line Assessment – Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale

Input	Amount / Comments.						
Gross Realisation	\$190,538,000 including GST.						
Rate of Sale	We have adopted a sale rate of 6 apartments per month for a period of 42 months.						
Selling Costs	2.2% of Gross Realisation based on existing average sales commission rate.						
Marketing Costs	\$5,000 per apartment.						
Legal Costs	\$1,000 per apartment.						
Site Acquisition Costs	6.9% of purchase price including legal fees.						
Construction/Development Cost	N/A – Development completed.						
Interest Rate	5.00% per annum (on the basis of 100% debt funding and including line fees).						
Construction Period	N/A – Development completed.						
Holding Costs	Approximately \$2,146,514 per annum (including Council Rates, Water Rates, Land Tax, Strata Levies).						
Developers Margin	<p>Profit and Risk expectations for a project of this nature would normally vary from 10% to 15%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors:</p> <ul style="list-style-type: none"> ➢ The sale rate considered achievable for the apartments moving forward. ➢ Current market conditions. ➢ The adopted pricing of the apartments. ➢ The quality of the apartments compared to the market. ➢ Buyer pool in this capital value bracket. ➢ New and modern apartment building. ➢ The size and related capital value of the development. ➢ Analysis of comparable developments. ➢ The Parramatta location and current market conditions. <p>Having regard to the above, we have adopted a Profit and Risk Factor of 14.42%, being to the higher point in the range given the volume of apartments and shorter marketing period adopted.</p>						
GST Liability	<p>We have adopted the General Tax Rule Scheme for valuation purposes. Our calculations on this basis are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential Realisation Including GST</td> <td style="text-align: right;"><u>\$190,538,000</u></td> </tr> <tr> <td>Less GST</td> <td style="text-align: right;"><u>\$17,321,636</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;"><u>\$173,216,364</u></td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	<u>\$190,538,000</u>	Less GST	<u>\$17,321,636</u>	Gross Realisation Excluding GST	<u>\$173,216,364</u>
Residential Realisation Including GST	<u>\$190,538,000</u>						
Less GST	<u>\$17,321,636</u>						
Gross Realisation Excluding GST	<u>\$173,216,364</u>						

Feasibility Conclusions

Our calculations result in an “In One Line” value of \$133,500,000 including GST and \$121,350,000 excluding GST (rounded). Our feasibility analysis reflects an Internal Rate of Return of 13.22% (including interest), and a net development profit of approximately \$24,019,251 all of which appear to be reasonable for a development of this nature.

Reliance

The full valuation report is for the reliance of Aoyuan Property Group (International) Pty Ltd as the proprietor of the property.

The Valuation Summary Letter is for the purpose of inclusion in a submission to The Stock Exchange of Hong Kong Limited for disposal of the asset.

Liability Disclaimer

Savills Valuations Pty Ltd (Savills) has prepared this summary letter for Aoyuan Property Group (International) Pty Ltd to assist it in disposal of the assets and Savills specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in the submission, other than with respect to this summary letter.

This Summary Letter is to be read in conjunction with our full Valuation Report dated 31 March 2022 and is subject to the Assumptions, Limitations, Disclaimers and Qualifications contained therein. We refer the reader to Aoyuan Property Group (International) Pty Ltd to obtain a copy of the Full Valuation Report.

The Valuation Report and this Summary Letter are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in the any associated Document. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.

Savills has prepared the full Valuation Report and this Summary Letter relying on and referring to information provided by third parties including financial and market information (“Information”). Savills assumes that the Information is accurate, reliable and complete and it has not tested the Information in that respect.

References to the Property’s value within this Summary Letter or any associated document have been extracted from Savills Valuation Report. The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Savills recommends that this Summary Letter must be read and considered together with the Valuation Report.

Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that the valuation report will be relied upon by third parties (other than in relation to the market valuation referred to in this summary letter). We invite other parties who may come into possession of the valuation report seek our written consent to them relying upon the valuation report and we reserve our rights to review the contents in the event that our consent is sought.

This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as a liability where the valuation is relied upon after the expiration of 90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Savills consents to the Valuation Report being made available for inspection at the registered address of Aoyuan Property Group (International) Pty Ltd.

Liability limited by a scheme approved under Professional Standards Legislation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Peachey', written in a cursive style.

Sandra Peachey FAPI
National Director
Valuation & Advisory

Critical Assumptions

Market Movement	<ul style="list-style-type: none"> This valuation is current as at the date of valuation and may change as a result of either external or specific factors affecting the property. We do not accept liability for losses arising from such subsequent changes in value. We will not accept liability where this valuation is relied upon after the expiration of three months from the date of valuation, or earlier if there are significant alterations to conditions affecting the value of the property.
Physical	<ul style="list-style-type: none"> The valuer does not hold itself out to be an expert in building materials and has been unable to identify from a visual inspection whether the 'cladding' was constructed using compliant or non-compliant building products (i.e., combustible polyethylene core aluminium composite panels). This valuation report has been prepared: <ul style="list-style-type: none"> (a) on the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, regulatory requirements and codes. (b) without consideration to any diminution in value that may arise due to the identification of non-compliant building products within the property development. <p>Should this not be the case, we reserve the right to review our valuation.</p> <p>The valuer strongly advises the reader to investigate the nature of the building components and satisfy itself as to the potential risks and costs which could be incurred should the existing building components have to be remedied, replaced or adapted.</p>
In One Line Value	<ul style="list-style-type: none"> The assessed "In One Line Value" via Residual Cash Flow analysis reflects a number of factors, including the interest (borrowing) rate, assessed value of the units, sale rate for apartment stock, and acceptable performance margins. The assessed value by this approach could be impacted by a change in any of the above circumstances.
GST	<ul style="list-style-type: none"> That any reliant party has taken all appropriate measures to mitigate the risks associated with the GST remittance changes from 1 July 2018 i.e., the Federal Government's requirement that purchasers of new residential premises will remit the GST directly to the ATO as part of settlement. We have not been provided with independent Accounting or Legal advice regarding the eligibility of using the margin scheme for this development. As this falls outside the scope of our investigations, we have applied the full GST impost in our feasibilities and to our 'as if complete' values on a GST exclusive basis.
CGT	<ul style="list-style-type: none"> That all appropriate measures to mitigate the risks associated with the foreign resident capital gains tax withholding scheme changes under the Federal Budget 2017, under which: Australian resident vendors of real property of \$750,000 or more must provide a Clearance Certificate issued by the ATO to a purchaser on settlement of the sale, to avoid the purchaser withholding 12.5% of the purchase price and remitting it as withholding tax to the ATO; and Foreign resident vendors will see 12.5% of the purchase price being withheld and remitted to the ATO, unless the ATO approves a Variation.
Gross Realisation	<ul style="list-style-type: none"> The Gross Realisation assessment reflects an orderly sale of the apartments over time and is not reflective of an "In One Line Value" which has been separately assessed and illustrates a discount to the Gross Realisation assessed.
EPBC Act	<ul style="list-style-type: none"> That the subject property is not impacted in any way by matters covered by the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), including, but not limited to, listed threatened species and ecological communities or migratory species protected under international agreements.
Occupation Certificate	<ul style="list-style-type: none"> A Final Occupation Certificate (No.9695-02-2020-FOC) was certified on 3 July 2020 by AE&D Pty Ltd for a (DA0180/14) mixed use development containing 3 buildings, 147 units, retail space, basement parking and landscaping work and modification MOD0006/19. We assume there are not outstanding works/defects that will affect the marketing of the apartments.
Body Corporate	<ul style="list-style-type: none"> We have not undertaken a search of the body corporate records and we assume that there is no current payment liability on the body corporate in relation to capital expenditure programs. We also assume that there are no indications from the minutes of meetings held that there are any areas of structural (or other) concern that may give rise to a special levy to be borne by the owners. We recommend any reliant party verify the position of the Body Corporate and any areas of concern prior to advancing funds.
Inspection	<ul style="list-style-type: none"> We note that we were not provided access to all individual units, however we did inspect each unit type. For the purpose of this valuation, we have assumed that these unseen units are of an identical nature in terms of finishes to the inspected apartments.
Contamination	<ul style="list-style-type: none"> We assume that the subject property is free from elevated levels of contaminants.

Encumbrances, Restrictions, Caveats etc.	<ul style="list-style-type: none"> ■ Our valuation is on the basis that the property is free of encumbrances, restrictions, caveats, or other impediments of an onerous nature which could affect value. Our valuation has been undertaken on the basis the property is free of mortgages, charges and other financial liens.
Marketing Period	<ul style="list-style-type: none"> ■ We have assumed a standard marketing period for the subject apartments in a sell down scenario is likely to be 50 months or 5 apartments per month. ■ The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 42 months or 6 apartments per month and assumes a more conservative value/price to attract buyers within a shorter sale period as well as additional funds allocated to marketing.
General	<ul style="list-style-type: none"> ■ The sales information has been obtained from a number of sources including RP Data and registered government sales transfers. Whilst we understand the information to be reliable, we are unable to guarantee the accuracy. ■ Unless otherwise set out in the Proposal, Savills is not aware of any conflict of interest in accepting your instruction to value the Property and the valuer set out in the Proposal is in a position to provide an objective and unbiased valuation. ■ We confirm that the valuer undertaking this valuation is considered to have the appropriate level of skills and competence to complete the valuation to a professional standard, taking into account the property type. ■ We recommend that the reliant party undertake a search of the titles as Savills has only searched a sample lot to ensure there are no notations on title that may impact value. ■ That all apartments have unencumbered title and that any outstanding development contributions have been paid with nothing inhibiting the potential realisable sale of each unit individually or in aggregate.

Should any of the assumptions in our full valuation report be incorrect or inaccurate, then we reserve the right to amend the valuation, the report and this summary report.



Savills Valuations Pty Ltd
ABN 73 151 048 056
E speechey@savills.com.au
DL +61 (0) 2 8215 8853
F +61 (0) 2 8215 8859

Level 25
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 02 8215 8888
savills.com.au

9 June 2022

Board of Directors
China Aoyuan Group Limited
Units 1901-2, 19th Floor, One Peking
No.1 Peking Road
Tsim Sha Tsui, Kowloon
Hong Kong

Re: Valuation Summary Letter

Property: Stage 4 - "Woollooware Town Centre", 461 Captain Cook Drive, Woollooware NSW, Australia

We refer to instructions issued by Aoyuan Property Group (International) Pty Ltd dated 5 May 2022 to provide a summary report of the valuation providing the Market Value including the Value of Works to Date of Stage 4 - "Woollooware Town Centre", 461 Captain Cook Drive, Woollooware NSW, Australia. We have prepared a full and comprehensive Valuation Report for the property in accordance with our instructions from Aoyuan Property Group (International) Pty Ltd for internal reporting purposes dated 31 March 2022.

This valuation summary letter ("summary letter") has been prepared for part of a submission to The Stock Exchange of Hong Kong Limited (in accordance with Chapter 5 of the Rules governing the listing of securities on The Stock Exchange of Hong Kong Limited) to be issued by China Aoyuan Group Limited as responsible entity for the sale of the property assessed.

Our full valuation report valuation report has been prepared in accordance with the Australian Property Institute's Current Valuation Standard and Guidance Notes, RICS Valuation - Global Standards 2020 together with the Australian National Supplement effective August 2019 and International Valuation Standards (IVS).

This summary letter should be read in conjunction with the Valuation Report (prepared as at 31 March 2022) as we note this summary letter does not include all essential information and the assumptions which are detailed in our Valuation Report. The Valuation Report provides a detailed description of the property; its current configuration, location, assumptions impacting value and local market characteristics.

An extract from the valuation report comprising the Critical Assumptions is annexed to this summary letter.

We have assessed the valuation based on the Freehold Title of the property.

Market Value as defined by the International Valuation Standards Council (IVSC) and as adopted by the Australian Property Institute (API) is as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion."

In addition, we have been requested to assess an Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale.

We confirm that the valuer does not have a pecuniary interest that would conflict with a proper valuation of the interest in the property.

Savills Valuations Pty Ltd (“Savills”) charges a professional fee for producing valuation reports, and the fee paid for the Valuation Report and this Summary Letter was \$20,500AUD exclusive of GST.

Material Assumptions

- The assessed land value via the Residual Cash Flow analysis reflects a number of factors, including the status of approvals, civil construction costs, associated development costs, interest (borrowing) rate, assessed value of the completed units, adopted pre-sales prior to construction, sale rate for completed stock, and acceptable performance margins. The assessed land value by this approach could be impacted by a change in any of the above circumstances.

Valuation Summary

Interest Valued	100% Freehold
Title Details	Stratum Lots 313 and 315 within Deposited Plan 1232026 and Lot 3120 in Deposited Plan 1265238
Registered Owner	Lot 3120 - Prime Woollooware 4 Pty Ltd Lot 313 - Sharks Retail Pty Limited & Cronulla -Sutherland Leagues Club Limited Lot 315 - Prime Woollooware 4 Pty Ltd
Recent Sale Details	According to RP Data records part of the site (Lot 2 DP 1180482) was purchased for \$41,500,000 in 2017. Lot 1 in Deposited Plan 1180482 and Lot 314 in Stratum Plan 1232026 was purchased in 2014 for \$5,000,000. These two sales are related sales. We have been informed Aoyuan International have entered into an equity agreement for the redevelopment of Stage 4 with the total consideration being \$50,100,000.
Zoning	'B2 Local Centre' under the Sutherland Council Local Environmental Plan 2015.
Encumbrances	There are numerous notations on Title and should further information be required, the full valuation report should be viewed.
Location	The subject property is located within Woollooware and is within the Local Government Area administered by the Sutherland Council approximately 29 kilometres by road south of the Sydney CBD. More particularly the subject property is located to the northern side of Captain Cook Drive and comprises part of what used to be the Cronulla Sharks Leagues Club. Surrounding development comprises Woollooware Bay to the north, Woollooware Golf Club to the south, a Caltex service station to the east and Shark Park, a playing field to the west. The Caringbah local retail strip is located 1.7 kilometres to the south west and Miranda Westfield, a regional sized shopping centre is located 3.5 kilometres to the west of the site. Woollooware train station is located approximately 900 metres to the south east west, and government buses service the property frontage providing a link to the train station.
Site Area	2.783 hectares approximately
Property Description “As Is”	The subject property comprises a development site with construction works commenced. As at the date of assessment and according to Progress payment No. 10 prepared by Coutts Consulting dated 21 April 2022 and estimating costs to 31 March 2022, works are approximately 30% complete.
Property Description “As If Complete”	DA18/1448 approved 25 August 2012 for construction of Stage 1 of Woollooware Bay Town Centre comprising of: Partial demolition of existing Leagues Club and other structures; Construction of a new retail centre; Fitout of Levels 3 and 4 for the Leagues Club; Public Domain works; Infrastructure works; Construction and use of hotel accommodation; Construction of 4 residential apartment buildings containing 255 dwellings; Construction and use of office tenancies; Construction of a child care centre and above ground carpark; 4 lot strata subdivision and Staged Construction and Occupation Certificates. The final design subject to the original approval comprises 24,892 m ² of residential GFA (255 apartments), 29,019m ² of retail/club/office/childcare GFA, (anchor tenants including Woolworths, Aldi, Dan Murphy's and 4 large format tenancies to the retail plus 12 commercial suites), 5,132m ² of hotel

	<p>GFA (71 keys) and a 1,764m² club deck area. The development will comprise 5 buildings and will provide 1,127 carspaces allocated across the development.</p> <p>A Voluntary Planning Agreement (VPA) has been negotiated with Sutherland Council which stipulates additional contributions for new bicycle links, allocation of 5% of the Residential GFA to Affordable Housing and offered to market at 20% below market rental rates, allocation of 12 units to First Home Buyers.</p> <p>There are 222 apartment pre-sales in the development totalling \$236,173,864 and all of the 13 commercial lots have also been pre-sold.</p>		
Encumbrances	<p>There are numerous notations on Title and should further information be required, the full valuation report should be viewed.</p>		
Environmental Comment	<p>The subject property is not contained within the EPA's "List of Issued Certificates and Statements of Environmental Audit" based on our recent online search. We also note that the subject property and surrounding immediate development as at the date of valuation, is not subject to an "Environmental Audit Overlay" under the Sutherland Planning Scheme.</p> <p>The present and past use of the subject property for landfill uses is classified as a "potentially contaminating activity, industry or land use" as defined under the API's Australia Real Property Guidance Note 1 – Land Contamination Issues (Appendix 2) and is considered a high risk use in regard to potential for site contamination</p> <p>We have been informed the site was found to contain high levels of asbestos, methane gas, and contaminated fill in the soil prior to construction commencement, as the site was formerly used as a landfill by Sutherland Council. The site in its original state was found to be unsuitable for the proposed redevelopment.</p> <p>The method to remediate the site was the Cap and Contain method whereby a high visibility non-woven geotextile layer was placed over the surface to cover all contaminated material and extending 3 metres beyond the property perimeter. Above this an impervious additional layer was installed.</p> <p>Given these works a Long-term Environmental Plan will be required to be prepared and continually monitored.</p> <p>We have assumed, as instructed that the costs provided have allowed for the appropriate remediation of the site.</p>		
Valuation Approach	Direct Comparison and Hypothetical Feasibility		
Date of Inspection	18 May 2022		
Date of Valuation	31 March 2021		
"As Is" Market Value Excl. GST	\$120,400,000		
Estimated Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale Excl. GST	\$110,600,000		
Prepared By	Sandra Peachey FAPI Certified Practising Valuer Savills Valuations Pty Ltd	Chris Paul AAPI Certified Practising Valuer Savills Valuations Pty Ltd	James Cassidy AAPI Certified Practising Valuer Savills Valuations Pty Ltd

Valuation Methodology

We have assessed the valuation on the basis of Freehold Title.

The valuation is determined on the basis that the property, the Title thereto and its use is not affected by any matter other than that mentioned in the full valuation report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market.

Given the nature of the subject property, we have relied upon the Direct Comparison Approach to assess the value of the individual apartments and commercial suites and the Capitalisation and Discounted Cash Flow methods to ascertain the value of the retail and hotel components As if Complete.

The Direct Comparison Approach and Hypothetical Development Approach have been utilised to assess the current Market Value of the site.

The Hypothetical Development Approach utilises our assessment of the estimated 'total gross realisation' value from which we have deducted selling costs and other costs including holding costs, finance costs and interest, and our adopted development (profit and risk) margin, to arrive at an estimate of the Residual Land Value.

To ascertain the value of the individual apartments we have relied upon the below comparable sales:

Sales in the Subject Development:

Type	No	Min Area (m ²)	Max Area (m ²)	Avg Area (m ²)	Min Price	Max Price	Avg Price	Min Rate (\$/m ²)	Max Rate (\$/m ²)	Avg Rate (\$/m ²)	Total Realisation
1 Bed	34	53	60.9	57.2	\$565,580	\$720,300	\$673,512	\$10,413	\$13,313	\$11,790	\$22,899,414
1 Bed + M	15	53	60	55.5	\$635,000	\$725,000	\$675,329	\$10,677	\$13,220	\$12,182	\$10,128,590
1 Bed + U	39	53	67	58	\$623,040	\$735,000	\$683,923	\$9,873	\$13,473	\$11,854	\$26,672,990
2 Bed	34	77	110	90	\$799,999	\$1,135,000	\$905,497	\$8,247	\$12,682	\$10,684	\$30,786,899
2 Bed + M	11	78	90.5	84.6	\$907,200	\$1,134,000	\$948,472	\$10,064	\$12,530	\$11,191	\$10,433,200
2 Bed + U	42	81	102	89.7	\$874,000	\$1,220,000	\$977,829	\$9,175	\$13,480	\$10,914	\$41,068,850
3 Bed	6	119	211.5	138.4	\$1,570,000	\$2,774,500	\$1,920,500	\$11,056	\$15,390	\$14,062	\$11,523,000
3 Bed + M	8	110	116.2	113.2	\$1,610,000	\$1,850,000	\$1,745,714	\$14,636	\$15,920	\$15,409	\$12,220,000
3 Bed + U	26	91.6	173	124.6	\$1,635,000	\$3,059,799	\$1,927,035	\$13,159	\$24,419	\$15,570	\$50,102,922
3 Bed P/H	6	125.6	238	159.2	\$2,254,000	\$3,619,999	\$2,647,333	\$15,210	\$19,904	\$16,875	\$15,883,999
4 Bed + U	2	188	188	188	\$2,200,000	\$2,254,000	\$2,227,000	\$11,702	\$1,989	\$11,845	\$4,454,000
Total	222									\$12,545	\$236,173,864

Comparable Sales outside of Development:

Stage 3, "Woolooware Bay" – Subject Development						
Number of Apartments	238					
Description	<p>Comprises 4 separate building envelopes accommodating 238 apartments, rooftop Infinity pool, community rooms, BBQ and outdoor fitness station. The apartments are configured as 92 x 1 bedroom, 118 x 2 bedroom and 28 x 3 bedroom. Completed in 2020.</p> <p>Apartments feature built in robes to bedrooms, stainless steel appliances and stone benchtops to kitchen, semi-frameless glass screens to bathroom showers and full wall height tiling, internal laundry with dryer, carpet and tile floor coverings and ducted a/c.</p>					
Recent Sales	Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m2)	Rate Internal (\$/m²)
	303	2 Bed, 2 Bath	28/8/21	\$940,500	84	\$11,196
	410	2 Bed, 2Bath	20/10/21	\$1,000,000	81	\$12,345
	806	2 Bed, 2 Bath	22/12/21	\$1,050,000	82	\$12,804
	714	3 Bed, 2 Bath	9/9/21	\$3,400,000	152	\$22,368
Comparative Analysis	Earlier stage of the subject development offering similar quality apartments. Higher levels have been achieved in Stage 4 which allows for market movement, and which can be justified.					
Stage 1-2, "Woolooware Bay" – Subject Development						
Number of Apartments	221					
Description	<p>A Joint Venture development of the Sharks leagues Club site comprising 6 buildings ranging in height from 8 to 18 stories. Includes 2 swimming pools, conference and meeting areas and BBQ areas. Completed in 2018.</p> <p>Apartments feature built in robes to bedrooms, stainless steel appliances and stone benchtops to kitchen, semi-frameless glass screens to bathroom showers and full wall height tiling, internal laundry with dryer, carpet and tile floor coverings and ducted a/c.</p>					
Recent Sales	Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m2)	Rate Internal (\$/m²)
	101	2 Bed, 2 Bath	20/10/21	\$841,000	73	\$11,520
	102	3 Bed, 2 Bath	17/8/21	\$1,515,000	111	\$13,648
	302	1 Bed, 1 Bath	22/12/21	\$670,000	57	\$11,754
	403	1 Bed, 1 Bath	27/9/21	\$685,000	53	\$12,924
	402	2 Bed, 2 Bath	16/8/21	\$845,000	85	\$9,941
	309	2 Bed, 2 Bath	21/8/21	\$1,015,000	88	\$11,534
	103	2 Bed, 2 Bath	15/12/21	\$910,000	80	\$11,375
	204	2 Bed, 2 Bath	24/1/22	\$940,000	82	\$11,463
	1005	2 Bed, 2 Bath	1/12/21	\$1,000,000	82	\$12,195
	1105	2 Bed, 2 Bath	3/9/21	\$1,000,000	84	\$11,904
Comparative Analysis	An earlier stage of the subject development. Apartments now almost 4 years old which suggests higher values for the subject apartments.					

"Acqua" 5-7 Burke Road, Cronulla

Number of Apartments	17																																																																																				
Description	<p>Completed in 2021 this development comprises a 5 storey residential building with 17 apartments configured as 2 x 1 bedroom, 14 x 2 bedroom & 1 x 3 bedroom apartments.</p> <p>Apartments feature floor to ceiling glass in living areas, built in robes to bedrooms, stainless steel appliances and quartz stone benchtops to kitchen, frameless glass screens to bathroom showers and full wall height tiling, internal laundry with dryer, engineered timber, carpet and tile floor coverings and ducted a/c. Penthouse features Gaggenou appliances and has ocean and city views.</p>																																																																																				
Sales 2021	<table border="1"><thead><tr><th>Unit No</th><th>Unit Type</th><th>Sale Date</th><th>Sale Price</th><th>Internal Area (m2)</th><th>Rate Internal (\$/m²)</th></tr></thead><tbody><tr><td>Lot 2</td><td>2 Bed, 2 Bath</td><td>28/5/21</td><td>\$1,950,000</td><td>89</td><td>\$21,910</td></tr><tr><td>Lot 5</td><td>2 Bed, 2 Bath</td><td>24/4/21</td><td>\$1,450,000</td><td>89</td><td>\$16,292</td></tr><tr><td>Lot 6</td><td>2 Bed, 2 Bath</td><td>12/3/21</td><td>\$1,450,000</td><td>88</td><td>\$16,477</td></tr><tr><td>Lot 8</td><td>2 Bed, 2 Bath</td><td>9/4/21</td><td>\$1,450,000</td><td>87</td><td>\$16,666</td></tr><tr><td>Lot 9</td><td>2 Bed, 2 Bath</td><td>11/5/21</td><td>\$1,630,000</td><td>85</td><td>\$19,176</td></tr><tr><td>Lot 10</td><td>2 Bed, 2 Bath</td><td>6/5/21</td><td>\$1,650,000</td><td>87</td><td>\$18,966</td></tr><tr><td>Lot 11</td><td>2 Bed, 2 Bath</td><td>23/6/21</td><td>\$1,650,000</td><td>88</td><td>\$18,750</td></tr><tr><td>Lot 12</td><td>2 Bed, 2 Bath</td><td>30/9/21</td><td>\$1,650,000</td><td>87</td><td>\$18,966</td></tr><tr><td>Lot 13</td><td>2 Bed, 2 Bath</td><td>5/10/21</td><td>\$1,850,000</td><td>88</td><td>\$21,023</td></tr><tr><td>Lot 14</td><td>2 Bed, 2 Bath</td><td>2/9/21</td><td>\$1,850,000</td><td>88</td><td>\$21,023</td></tr><tr><td>Lot 15</td><td>2 Bed, 2 Bath</td><td>3/9/21</td><td>\$1,850,000</td><td>86</td><td>\$21,512</td></tr><tr><td>Lot 16</td><td>2 Bed, 2 Bath</td><td>13/7/21</td><td>\$1,850,000</td><td>88</td><td>\$21,023</td></tr><tr><td>Lot 17</td><td>3 Bed, 3 Bath</td><td>18/6/21</td><td>\$3,500,000</td><td>139</td><td>\$25,179</td></tr></tbody></table>	Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m2)	Rate Internal (\$/m ²)	Lot 2	2 Bed, 2 Bath	28/5/21	\$1,950,000	89	\$21,910	Lot 5	2 Bed, 2 Bath	24/4/21	\$1,450,000	89	\$16,292	Lot 6	2 Bed, 2 Bath	12/3/21	\$1,450,000	88	\$16,477	Lot 8	2 Bed, 2 Bath	9/4/21	\$1,450,000	87	\$16,666	Lot 9	2 Bed, 2 Bath	11/5/21	\$1,630,000	85	\$19,176	Lot 10	2 Bed, 2 Bath	6/5/21	\$1,650,000	87	\$18,966	Lot 11	2 Bed, 2 Bath	23/6/21	\$1,650,000	88	\$18,750	Lot 12	2 Bed, 2 Bath	30/9/21	\$1,650,000	87	\$18,966	Lot 13	2 Bed, 2 Bath	5/10/21	\$1,850,000	88	\$21,023	Lot 14	2 Bed, 2 Bath	2/9/21	\$1,850,000	88	\$21,023	Lot 15	2 Bed, 2 Bath	3/9/21	\$1,850,000	86	\$21,512	Lot 16	2 Bed, 2 Bath	13/7/21	\$1,850,000	88	\$21,023	Lot 17	3 Bed, 3 Bath	18/6/21	\$3,500,000	139	\$25,179
Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m2)	Rate Internal (\$/m ²)																																																																																
Lot 2	2 Bed, 2 Bath	28/5/21	\$1,950,000	89	\$21,910																																																																																
Lot 5	2 Bed, 2 Bath	24/4/21	\$1,450,000	89	\$16,292																																																																																
Lot 6	2 Bed, 2 Bath	12/3/21	\$1,450,000	88	\$16,477																																																																																
Lot 8	2 Bed, 2 Bath	9/4/21	\$1,450,000	87	\$16,666																																																																																
Lot 9	2 Bed, 2 Bath	11/5/21	\$1,630,000	85	\$19,176																																																																																
Lot 10	2 Bed, 2 Bath	6/5/21	\$1,650,000	87	\$18,966																																																																																
Lot 11	2 Bed, 2 Bath	23/6/21	\$1,650,000	88	\$18,750																																																																																
Lot 12	2 Bed, 2 Bath	30/9/21	\$1,650,000	87	\$18,966																																																																																
Lot 13	2 Bed, 2 Bath	5/10/21	\$1,850,000	88	\$21,023																																																																																
Lot 14	2 Bed, 2 Bath	2/9/21	\$1,850,000	88	\$21,023																																																																																
Lot 15	2 Bed, 2 Bath	3/9/21	\$1,850,000	86	\$21,512																																																																																
Lot 16	2 Bed, 2 Bath	13/7/21	\$1,850,000	88	\$21,023																																																																																
Lot 17	3 Bed, 3 Bath	18/6/21	\$3,500,000	139	\$25,179																																																																																
Comparative Analysis	A smaller sized development of superior quality to the subject. Overall suggest lower rates for the subject development.																																																																																				

"Tara Maree" 6 Gerrale Street, Cronulla

Number of Apartments	17												
Description	<p>Completed in 2018 this development comprises of a 7 storey residential flat building containing 12 units configured as 1 x 1 bedroom, 6 x 2 bedroom & 5 x 3 bedroom apartments.</p> <p>Apartment's feature built in robes to bedrooms, stainless steel Miele appliances and stone benchtops to kitchen, frameless glass screens to bathroom showers and full wall height tiling plus freestanding bath, internal laundry with dryer, carpet and tile floor coverings and ducted a/c. Ocean views from all apartments</p>												
Sales 2021	<table border="1"><thead><tr><th>Unit No</th><th>Unit Type</th><th>Sale Date</th><th>Sale Price</th><th>Internal Area (m2)</th><th>Rate Internal (\$/m²)</th></tr></thead><tbody><tr><td>201</td><td>2 Bed, 2 Bath</td><td>18/2/21</td><td>\$1,500,000</td><td>81</td><td>\$18,518</td></tr></tbody></table>	Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m2)	Rate Internal (\$/m ²)	201	2 Bed, 2 Bath	18/2/21	\$1,500,000	81	\$18,518
Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m2)	Rate Internal (\$/m ²)								
201	2 Bed, 2 Bath	18/2/21	\$1,500,000	81	\$18,518								
Comparative Analysis	A smaller sized development of superior quality to the subject in a superior location. Overall suggest lower rates for the subject development.												

“Wavelength” 49-57 Gerrale Street, Cronulla

Completion Date	April 2018							
Number of Apartments	67							
Description	<p>Construction of a mixed use development containing 6 ground floor commercial units & 67 residential units with 4 rooftop swimming pools & a podium level pool. The apartments are configured as 14 x 1 bedroom, 28 x 2 bedroom & 25 x 3 bedroom units.</p> <p>Apartments feature floor to ceiling glass in living areas, built in robes to bedrooms, European stainless steel appliances and quartz stone benchtops to kitchen, freestanding bath, frameless glass screens to bathroom showers and full wall height tiling, internal laundry with dryer, engineered timber, carpet and tile floor coverings and ducted a/c. The apartments have extensive ocean views.</p>							
Overall Summary	Unit Type	QTY	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed	14	52	60	\$882,000	\$1,000,000	\$16,667	\$16,962
	2 Bed	28	96	104	\$1,720,000	\$2,300,000	\$17,719	\$22,005
	3 Bed	22	154	156	\$3,800,000	\$4,300,000	\$24,675	\$30,759
	Penthouse	3	197	219	\$6,000,000	\$6,200,000	\$28,311	\$30,457
Comparative Analysis	Considered to be a superior quality development in a superior near beach position. Overall, lower rates are considered appropriate for the subject apartments.							

“Ivori” 10 Clyde Avenue, Cronulla

Number of Apartments	32					
Description	<p>Completed in 2021 this development comprises of a 5 storey residential building with 32 apartments configured as 10 x 1 bedroom, 11 x 2 bedroom & 11 x 3 bedroom apartments.</p> <p>Apartment's feature built in and walk-in robes to bedrooms, stainless steel Miele appliances and stone benchtops to kitchen, frameless glass screens to bathroom showers and full wall height tiling, internal laundry with dryer, parquetry timber, carpet and tile floor coverings and ducted a/c. Ocean views from all apartments.</p>					
Sales 2021	Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m²)	Rate Internal (\$/m²)
	Lot 1	3 Bed, 2 Bath	6/5/21	\$2,200,000	135	\$16,296
	Lot 2	2 Bed, 2 Bath	1/3/21	\$1,735,000	107	\$16,215
	Lot 5	3 Bed, 2 Bath	23/4/21	\$2,110,000	135	\$15,630
	Lot 6	2 Bed, 2 Bath	6/7/21	\$1,700,000	105	\$16,190
	Lot 11	2 Bed, 2 Bath	10/5/21	\$1,620,000	90	\$18,000
	Lot 12	3 Bed, 2 Bath	16/7/21	\$2,050,000	125	\$16,400
	Lot 14	2 Bed, 2 Bath	21/9/21	\$1,642,000	90	\$18,244
	Lot 15	3 Bed, 2 Bath	4/3/21	\$2,150,000	126	\$17,063
	Lot 17	2 Bed, 2 Bath	22/10/21	\$1,695,000	90	\$18,833
	Lot 18	3 Bed, 2 Bath	22/6/21	\$2,150,000	125	\$17,200
	Lot 19	2 Bed, 2 Bath	29/3/21	\$1,700,000	94	\$18,085
	Lot 20	2 Bed, 2 Bath	9/7/21	\$1,680,000	90	\$18,667
	Lot 24	3 Bed, 2 Bath	15/7/21	\$2,200,000	125	\$17,600
	Lot 25	2 Bed, 2 Bath	17/3/21	\$1,725,000	94	\$18,351
	Lot 28	3 Bed, 2 Bath	19/11/21	\$2,800,000	152	\$18,421
	Lot 29	3 Bed, 2 Bath	20/9/21	\$2,950,000	149	\$19,799
Comparative Analysis	A smaller sized development of superior quality to the subject in a superior location. Overall suggests lower rates for the subject development.					

“Soul” 131-133 Gerrale Street, Cronulla

Number of Apartments	13					
Description	<p>A 5 level building in close proximity the beach accommodating 13 apartments. The apartments are configured as 4 x 2 bedroom and 9 x 3 bedroom.</p> <p>The apartments feature Gaggenou appliances, floor to ceiling glass windows, stone benchtops to kitchens with marble splashbacks, custom cabinetry, heated towel rails, CBUS home automation, and rooftop terrace with BBQ.</p>					
Sales 2021	Unit No	Unit Type	Sale Date	Sale Price	Internal Area (m²)	Rate Internal (\$/m²)
	103	3 Bed, 2 Bath	13/1/22	\$2,920,000	96	\$30,416
Comparative Analysis	A smaller sized development of superior quality to the subject in a superior location. Overall suggests lower rates for the subject development.					

“Victoria and George” - 6-16 Victoria Street, Kogarah, NSW

Launch Date	March 2020						
Number of Apartments	83						
Description	<p>A new 12 storey residential apartment building and the adaptive reuse of 2 heritage listed terraces. The apartment tower will accommodate 83 apartments configured as 21 x 1 bedroom, 50 x 2 bedroom and 12 x 3 bedroom.</p> <p>Apartments feature modern stone kitchens with European appliances, timber-effect flooring, a/c to living areas, tiled bathrooms with frameless glass screens, common rooftop terrace with CBD and Botany Bay views.</p>						
Overall Summary	Unit Type	Internal Min (m²)	Internal Max (m²)	Min Price (\$)	Max Price (\$)	Min Rate Internal (\$/m²)	Max Rate Internal (\$/m²)
	1 Bed	50	62	\$585,000	\$632,000	\$10,985	\$11,700
	2 Bed 1 Bath	75	83	\$695,000	\$890,000	\$9,266	\$10,627
	2 Bed 2 Bath	76	89	\$729,000	\$932,000	\$9,592	\$10,471
	3 Bed	94	122	\$943,000	\$1,120,000	\$8,956	\$9,926
Comparative Analysis	A good quality development closer to the city, however inferior quality. Higher rates are considered appropriate for the subject apartments.						

The assessed apartments values in the subject development are as follows:

Type	No	Min Area	Max Area	Avg Area	Min Price	Max Price	Avg Price	Min Rate	Max Rate	Avg Rate	Total Realisation
1 Bed	33	53	60.9	57.3	\$625,000	\$720,300	\$676,782	\$10,413	\$13,313	\$11,830	\$22,333,834
1 Bed Affordable	8	51	54	51.75	\$565,580	\$565,580	\$565,580	\$10,185	\$10,588	\$10,523	\$4,355,580
1 Bed + M	15	53	60	55.5	\$635,000	\$725,000	\$675,329	\$10,677	\$13,220	\$12,182	\$10,128,590
1 Bed + U	42	53	67	58.4	\$623,040	\$735,000	\$683,923	\$9,873	\$13,473	\$11,821	\$28,862,990
2 Bed	37	77	110	84.9	\$799,999	\$1,135,000	\$905,497	\$8,247	\$12,681	\$10,684	\$33,726,899
2 Bed Affordable	6	77	88	81	\$750,000	\$760,000	\$753,333	\$8,636	\$9,870	\$9,335	\$4,520,000
2 Bed + M	14	78	90.5	84.6	\$907,200	\$1,134,000	\$948,472	\$10,064	\$12,530	\$11,191	\$13,403,200
2 Bed + U	43	81	102	89.7	\$874,000	\$1,220,000	\$977,829	\$9,175	\$13,480	\$10,914	\$41,068,850
2 Bed + U Affordable	2	77	88	83	\$760,000	\$780,000	\$770,000	\$8,864	\$9,870	\$9,367	\$1,540,000
3 Bed	6	119	211.5	138.4	\$1,570,000	\$2,774,500	\$1,920,500	\$11,056	\$15,390	\$14,062	\$11,523,000
3 Bed + M	13	105	116.2	111	\$1,610,000	\$1,850,000	\$1,666,923	\$13,333	\$15,938	\$15,037	\$21,670,000
3 Bed + U	28	91.6	173	126	\$1,635,000	\$3,059,799	\$1,941,175	\$13,159	\$24,419	\$15,532	\$54,352,921
3 Bed P/H	6	125.6	238	159.2	\$2,254,000	\$3,619,999	\$2,647,333	\$15,210	\$19,904	\$16,875	\$15,883,999
4 Bed + U	2	188	188	188	\$2,200,000	\$2,254,000	\$2,227,000	\$11,702	\$1,989	\$11,845	\$4,454,000
Total	255										\$267,823,864

Income for the retail component of the proposed development has been assessed as follows:

Comparable sales to assess the value of the retail component within the development are as follows:

Centre Name	State	GLA (m ²)	Sale Date	Sale Price	Equated Market Yield	IRR	Sale Price/m ²
Mount Pleasant	QLD	22,331m ²	Aug-21	\$162,500,000	6.24%	6.29%	\$6,015
Coolalinga Central	NT	20,086m ²	Jul-21	\$83,000,000	6.75%	7.47%	\$4,132
Raymond Terrace	NSW	14,837m ²	Jul-21	\$87,550,000	5.75%	6.70%	\$5,901
Casey Central Shopping Centre	VIC	31,196m ²	Jul-21	\$225,018,000	5.25%	5.75%	\$7,123
Marketown East & West	NSW	26,376m ²	Jun-21	\$150,500,000	5.52%	6.06%	\$5,706
The Square Mirrabooka	WA	42,800m ²	May-21	\$195,000,000	6.51%	6.76%	\$4,556
Mildura Central	VIC	20,692m ²	Mar-21	\$81,100,000	7.47%	7.67%	\$3,919
Stockland Bundaberg	QLD	23,276m ²	May-21	\$140,000,000	6.78%	7.16%	\$6,015
Clifford Gardens Shopping Centre	QLD	27,729m ²	Apr-21	\$145,000,000	7.37%	7.40%	\$5,229
CS Square Shopping Centre	VIC	26,915m ²	Apr-21	\$136,501,000	6.11%	6.45%	\$4,830
SUBJECT PROPERTY	NSW	17,489m²	Jan-22	\$185,000,000	5.50%	6.62%	\$10,578

Having regard to the available sales evidence and critical issues listed within our full valuation report and on the basis of the subject property's investment attributes, we have chosen to adopt a capitalisation rate of **5.50%** within our capitalisation approach to value whilst within our discounted cash flow approach to value we have chosen to apply a discount rate (i.e., 10 Year Target IRR) of **6.50%** and a terminal yield of **5.75%**, which reflects a **0.25%** premium above our adopted capitalisation rate.

Valuation Reconciliation		Value
Capitalisation Result	@ 5.50%	\$185,000,000
10 Year NPV	@ 6.50%	\$187,000,000
ADOPTED VALUE		\$185,000,000
10 Year IRR		6.62%
Passing Initial Yield		5.62%
Equated Market Yield		5.49%
\$Value/m ²		\$10,578

Comparable sales to assess the value of the hotel component within the development are as follows:

Date	Hotel	Sale Price	Rooms	Price Per Room	Passing Yield	Market Yield	Terminal Cap Rate	Discount Rate	5 Yr IRR	10 Yr IRR
Oct-21	1 Hosking Place, Sydney	\$26,500,000	49	\$540,816	4.55%	0.18%	5.00%	6.50%	6.84%	6.61%
Jan-21	Radisson Hotel & Suites	\$38,080,000	76	\$501,053	-	-	-	-	-	-
Feb-20	CitadelX, Pyrmont	\$28,700,000	60	\$478,333	5.02%	5.02%	5.00%	6.50%	-	6.58%
Dec-19	Quest Macquarie Park	\$46,000,000	111	\$414,414	5.52%	5.52%	5.75%	7.50%	-	7.60%
Dec-19	Adina Apartment Hotel Mascot	\$53,000,000	123	\$430,894	4.76%	4.93%	5.00%	6.50%	-	6.97%
Aug-19	Veriu Sydney Central	\$58,888,000	112	\$450,000	4.92%	5.55%	5.75%	7.50%	-	7.19%
Aug-19	Quest Mounts Bay Road Perth WA	\$22,425,000	71	\$315,845		6.89%	7.00%	8.50%		8.33%
Jun-18	Quest Springfield QLD	\$24,350,000	82	\$296,646	7.28%	7.28%	7.50%	9.00%		8.67%
Jul-17	Quest Penrith NSW	\$30,320,000	115	\$263,652	7.03%	6.91%	7.25%	8.75%		8.76%
Subject Valuation	Proposed Quest Woolooware	\$21,000,000	71	\$295,775	6.25%	6.04%	6.50%	7.50%		7.99%
	<i>Low</i>	<i>\$22,425,000</i>	<i>49</i>	<i>\$263,652</i>	<i>4.55%</i>	<i>0.18%</i>	<i>5.00%</i>	<i>6.50%</i>	<i>6.84%</i>	<i>6.58%</i>
	<i>Median of Sales</i>	<i>\$30,320,000</i>	<i>82</i>	<i>\$430,894</i>	<i>5.02%</i>	<i>5.54%</i>	<i>5.75%</i>	<i>7.50%</i>	<i>6.84%</i>	<i>7.40%</i>
	<i>High</i>	<i>\$58,888,000</i>	<i>123</i>	<i>\$540,816</i>	<i>7.28%</i>	<i>7.28%</i>	<i>7.50%</i>	<i>9.00%</i>	<i>6.84%</i>	<i>8.76%</i>

We have produced a value of \$21,000,000 under the capitalisation approach, \$21,750,000 under the DCF approach and a value range of \$20,590,000 to \$22,010,000 under the direct comparison approach.

Based upon the above results we have adopted an As If Complete Market value subject to the Proposed Lease of \$21,000,000 which reflects an initial yield of 6.25%, an equated market yield of 6.04%, an IRR of 7.99% and a capital rate of \$295,775/key, all of which appear reasonable having regards to the comments contained within our full valuation report.

Comparable sales to assess the value of the office component within the development are as follows:

Address	Sale Date	Sale Price	Lettable area (m ²)	Parking	Net Income (P/A)	\$psm Net Strata Area	Initial Yield
13/152 Kingsway, Caringbah							
Lot 1	1 Sep 20	\$665,000	66	4	VP	\$10,083	VP
Description: A ground floor strata suite in a new mixed use building with 4 basement carspaces. Good street exposure							
Comparison: Modern commercial suite in a similar location. Suggests similar rates for the subject commercial space.							
206/28-32 Kingsway, Caringbah							
Lot 1	1 May 20	\$765,000	75	1	\$49,536	\$10,200	4.8%
Description: A first floor office suite located in Caringbah on the corner of Kingsway and Croydon Street with modern fitment and shared amenities. Includes 1 basement carspaces.							
Comparison: Modern commercial suite in a similar location. Suggests similar rates for the subject commercial space.							
4 Railway Parade, Burwood							
Lot 21	18 Aug 20	\$2,500,000	447	8	VP	\$5,593	VP
Lot 13	15 July 20	\$1,815,000	248	3	VP	\$7,319	VP
Description: A modern 5 level office building located 300 metres from Burwood Station. Carpeted and portioned office space serviced by 2 passenger lifts. Both suites sold with basement parking.							
Comparison: Modern commercial suites in an inferior location. Suggests higher rates for the subject commercial space.							
230 Victoria Road, Gladesville							
Lot 2	15 Jan 21	\$1,639,000	242	8	VP	\$6,773	VP
Description: A modern mixed use building with ground floor retail and upper apartments. Sold strata lot forms ground floor position and marketed as for medical use. Bare shell condition with 3 basement carspaces.							
Comparison: Modern ground floor suites in a slightly inferior location. Suggests higher rates for the subject commercial space.							
118-122 Church Street, Parramatta							
Lot 9 and 10	4-Nov-19	\$4,650,000	585	4	VP	\$7,949	VP
Description: Referred to as B1 Tower, located opposite Westfield a 28-storey mixed residential and commercial building, comprising of 80 residential apartments, 5 levels of retail and commercial space and 4 levels of basement parking. Completed in May 2013. Comprises carpeted office space with basement parking serviced by 2 lifts.							
Comparison: Modern commercial suites in established commercial location. Larger area of sold suite suggests higher rates for the subject commercial space.							
Lot 42, 55 Phillip Street, Parramatta							
Lot 42	11-Mar-21	\$2,150,000	164	2	VP	\$13,110	VP
Lot 41	11-Sep-20	\$680,000	66	1	VP	\$10,303	VP
Description: Formerly the Shaw Stockbroking House and prior to that, Legal & General Court, a 7-storey office building, comprising office space on four floors, retail space on lower and upper ground levels and car parking for 27 cars on level two, accessed via a ramp from Erby Place. The lower levels were remodelled in 1986 and refurbished in late 2003. The building was upgraded and extensively refurbished in late 2006.							
Comparison: Good quality commercial space in superior commercial location. Suggests lower rates for the subject commercial space.							
Woollooware Town Centre- Stage 3							
Lot 56	10/10/19	\$370,000	35	1	VP	\$10,571	VP
Lot 57	1/10/19	\$450,000	42	1	VP	\$10,714	VP
Lot 58	5/10/19	\$1,053,000	104	2	VP	\$10,125	VP
Description: Modern office suites in Stage 3 of the subject development. Slightly dated sales.							
Comparison: Good evidence of value for the subject lots							
55 Miller Street, Pyrmont							
Lot 14	16-July-21	\$1,300,000	122	1	VP	\$10,655	VP
Lot 18	3-Nov-21	\$485,000	47	0	VP	\$10,319	VP
Lot 213	1-Feb-21	\$517,000	48	0	VP	\$10,770	VP
Lot 51	18-Dec-20	\$649,000	47	1	VP	\$13,808	VP
Description: Circa 2000's 7 level commercial building, configured with multiple suites. Close to fish markets.							
Comparison: Superior location, however slightly older accommodation. Good evidence of value for subject commercial space.							

The assessed value of the office component is as follows:

Building	Lot No	Level	NLA	Status	Sale Price	Analysis \$/m2	Exchange Date	Adopted Value	Analysis \$/m2
E	1	2	68	Exchanged	\$850,000	\$12,500	19/09/2019	\$850,000	\$12,500
E	2	2	73	Exchanged	\$825,000	\$11,301	20/12/2019	\$825,000	\$11,301
E	3	2	73	Exchanged	\$900,000	\$12,329	27/05/2021	\$900,000	\$12,329
E	4	2	37	Exchanged	\$462,500	\$12,500	26/11/2019	\$462,500	\$12,500
E	5	2	61	Exchanged	\$750,000	\$12,295	13/09/2021	\$750,000	\$12,295
E	6	3	75	Exchanged	\$850,000	\$11,333	15/12/2021	\$850,000	\$11,333
E	7	3	77	Exchanged	\$850,000	\$11,039	25/10/2021	\$850,000	\$11,039
E	8&9	3	104	Exchanged	\$1,125,000	\$10,817	29/01/2020	\$1,125,000	\$10,817
E	10, 11 & 12	3	150	Exchanged	\$1,699,998	\$11,333	3/12/2020	\$1,699,998	\$11,333
E	13	2	64	Exchanged	\$450,000	\$7,031	3/08/2021	\$450,000	\$7,031
Total			782		\$8,762,498	\$11,205		\$8,762,498	\$11,205

Out total project realisation is therefore:

Component	Assessed Realisation
Residential	\$267,823,864
Hotel	\$21,000,000
Retail	\$185,000,000
Commercial	\$8,762,498
Total Project Realisation inc GST	\$482,586,362

The comparable sales to estimate the current site value are detailed below:

Address	Sale Date	Sale Price	Site Area (m ²)	Equivalent Unit Yield	GFA	\$/Site Area (m ²)	\$/Unit	\$/GFA (m ²)	DA Approved	Comparison
224-240 Pitt Street, Merrylands	Dec-21	\$75,000,000	15842	1012	87787	\$4,734	\$74,111	\$854	Yes	Inferior
12 Hassall Street, Parramatta	Oct-21	\$68,000,000	2055	365	32840	\$33,090	\$186,301	\$2,071	No	Superior
2 Halifax Street, Macquarie Park	Aug-21	\$137,000,000	18463	950	82212	\$7,420	\$144,211	\$1,666	No	Superior
247-273 and 277-281 Pennant Hills Road Carlingford	Dec-20	\$68,500,000	27973	729	64339	\$2,449	\$93,964	\$1,065	Yes	Larger hence higher rates apply
12-20 Berry St & 11-19 Holdsworth Ave, St Leonards	Jun-21	\$73,500,000	5105	165	16410	\$14,398	\$445,455	\$4,479	No	Superior
54-56 Anderson Street, Chatswood	Jun-21	\$64,000,000	2216	-	11080	\$28,881	-	\$5,776	No	Superior
28 Elizabeth Street, Liverpool	Jun-21	\$28,000,000	3600	399	36000	\$7,778	\$70,175	\$778	No	Inferior
37-41 Oxford St, Epping	Jun-21	\$55,000,000	4969	-	22361	\$11,069	-	\$2,460	No	Superior
3-5 Parramatta Street, Cronulla	Feb-20	\$11,100,000	1530	25	2287	\$7,255	\$444,000	\$4,854	Yes	Superior
67 Gerrale St, Cronulla	Feb-22	\$38,000,000	1327	20	4042	\$28,636	\$1,900,000	\$9,401	Yes	Superior

Our assessment of site value on a Direct Comparison basis is as follows:

Subject	No. of Units	Unit Rate	Value
Approved Units	476	\$145,000	\$69,020,000
Approved Units	476	\$155,000	\$73,780,000
Midpoint	476	\$150,000	\$71,400,000
Adopt			\$71,400,000

Subject	GFA (m ²)	Rate	Value
GFA	58,006m ²	\$1,150	\$66,706,900
GFA	58,006m ²	\$1,250	\$72,507,500
Midpoint	58,006m ²	\$1,200	\$69,607,200
Adopt			\$69,600,000

Approved Unit Rate	\$71,400,000
GFA	\$69,600,000
Adopted As Is Market Value	\$70,500,000
Plus: Value of Works To Date	\$49,900,000
Current Market Value Assessed	\$120,400,000

Our Hypothetical Development Assessment is detailed below:

Input	Amount / Comments														
Gross Realisation	Residential - \$267,823,864 including GST Retail - \$185,000,000 excluding GST Hotel - \$21,000,000 excluding GST Office - \$8,762,498 excluding GST														
Rate of Sale	Having regard to the existing presales we have assumed that the remaining unsold apartments (which are predominately Affordable Housing) will be sold 'off the plan' during the construction period and within 12 months post construction. We have assumed the hotel and retail components will transact on practical completion and we have assumed the commercial suites will transact within 3 months of completion of construction given the pre-sale position.														
Selling Costs	Residential – 2.2% Retail – 1.5% Hotel – 1.5% Office – 1.5%														
Marketing Costs	Residential – \$3,000 per unsold apartment Retail – \$100,000 Hotel – \$100,000 Office - \$2,000 per suite														
Legal Costs	Residential – \$1,000 per apartment Retail – \$75,000 Hotel – \$75,000 Office - \$1,200 per suite														
Site Acquisition Costs	7.21% of purchase price														
Legal Fees on Acquisition	\$250,000														
Cost to Complete	\$174,541,536 excluding GST (as per Section 9 of this Report)														
Interest Rate	5.00% per annum (on the basis of 100% debt funding and including line fees)														
Application Fee	\$1,100,000														
Construction Period	22 months to completion														
Holding Costs	Approximately \$960,000 per annum (including Council rates and Land Tax)														
Developers Margin	Profit and Risk expectations for a project of this nature would normally vary from 20% to 30%. In adopting an appropriate Profit and Risk factor for the subject project, we have had regard to the following factors: <ul style="list-style-type: none"> ➤ On the basis that a major proportion of the total list value has been pre-committed ➤ Construction has commenced. ➤ The Contract sum has been verified by a QS ➤ The cost and revenue parameters of the project are largely known ➤ The size and related capital value of the development ➤ Analysis of comparable developments ➤ The Sutherland location <p>Having regard to the above, we have adopted a Profit and Risk Factor of 25.01%, being the approximate mid-point of the adopted range.</p>														
GST Liability	We have adopted the General Tax Rule Scheme for valuation purposes. Our calculations on this basis are as follows: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Residential Realisation Including GST</td> <td style="text-align: right;">\$267,823,864</td> </tr> <tr> <td><u>Less GST</u></td> <td style="text-align: right;"><u>\$24,347,624</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;">\$243,476,240</td> </tr> <tr> <td>Plus: Hotel</td> <td style="text-align: right;">\$21,000,000</td> </tr> <tr> <td>Plus: Retail</td> <td style="text-align: right;">\$185,000,000</td> </tr> <tr> <td>Plus: Commercial</td> <td style="text-align: right;"><u>\$8,762,498</u></td> </tr> <tr> <td>Gross Realisation Excluding GST</td> <td style="text-align: right;">\$458,238,738</td> </tr> </table> <p><u>Note: The GST liability has been utilised for the purpose of the residual cash flow analysis and is an indicative figure only.</u></p>	Residential Realisation Including GST	\$267,823,864	<u>Less GST</u>	<u>\$24,347,624</u>	Gross Realisation Excluding GST	\$243,476,240	Plus: Hotel	\$21,000,000	Plus: Retail	\$185,000,000	Plus: Commercial	<u>\$8,762,498</u>	Gross Realisation Excluding GST	\$458,238,738
Residential Realisation Including GST	\$267,823,864														
<u>Less GST</u>	<u>\$24,347,624</u>														
Gross Realisation Excluding GST	\$243,476,240														
Plus: Hotel	\$21,000,000														
Plus: Retail	\$185,000,000														
Plus: Commercial	<u>\$8,762,498</u>														
Gross Realisation Excluding GST	\$458,238,738														

Feasibility Conclusions

Our calculations result in a residual value of \$120,400,000 excluding GST. Our feasibility analysis reflects an Internal Rate of Return of 19.5% including interest, and a net development profit of approximately \$91,687,150 all of which appear to be reasonable for a development of this nature

We have assumed the standard marketing period for a development of this scale with a mixed use profile incorporating retail, hotel and residential with limited pre-commitments, however advanced planning is 3-6 months to allow a prospective purchaser to undertake the required due diligence to inform purchase decisions.

The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 1.5-3 months and assumes full due diligence would not be able to be undertaken which would be reflected in a more conservative value. This is particularly important for an asset such as the subject where construction is commenced as substantial time and due diligence would be required to confirm building contracts and warranties, pre-sale contracts and pre-commitments to the retail and hotel areas.

Practically, this scenario therefore assumes that a prospective buyer would look to increase the risk allowances to cover less than full diligence.

For the purposes of an assessment based on these adopted assumptions we have increased the Profit and Risk allowance in our residual land value analysis by 4 basis points to 29% which indicates a residual land value of \$110,600,000 which has been adopted under this valuation scenario.

Whilst our analysis could alter other inputs in the feasibility such as apartment price and Hotel and Retail component values, and sale rate and cost, realistically the sale rate of the apartments/components, the value of the completed apartments/components and the cost of producing the development does not change. The risk essentially lies with the acquisition of a project with a long development life without exploring all aspects of the project to ascertain an educated and informed acquisition.

Feasibility Conclusions

Our calculations result in a residual value of \$110,600,000 excluding GST for practical valuation purposes. Our feasibility analysis reflects an Internal Rate of Return of 22.48% including interest, and a net development profit of approximately \$103,074,513 all of which appear to be reasonable for a development of this nature.

Reliance

The full valuation report is for the reliance of Aoyuan Property Group (International) Pty Ltd as the proprietor of the property.

The Valuation Summary Letter is for the purpose of inclusion in a submission to The Stock Exchange of Hong Kong Limited for disposal of the asset.

Liability Disclaimer

Savills Valuations Pty Ltd (Savills) has prepared this summary letter for Aoyuan Property Group (International) Pty Ltd to assist it in disposal of the assets and Savills specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in the submission, other than with respect to this summary letter.

This Summary Letter is to be read in conjunction with our full Valuation Report dated 31 March 2022 and is subject to the Assumptions, Limitations, Disclaimers and Qualifications contained therein. We refer the reader to Aoyuan Property Group (International) Pty Ltd to obtain a copy of the Full Valuation Report.

The Valuation Report and this Summary Letter are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in any associated Document. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.

Savills has prepared the full Valuation Report and this Summary Letter relying on and referring to information provided by third parties including financial and market information ("Information"). Savills assumes that the Information is accurate, reliable and complete and it has not tested the Information in that respect.

References to the Property's value within this Summary Letter or any associated document have been extracted from Savills Valuation Report. The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Savills recommends that this Summary Letter must be read and considered together with the Valuation Report.

Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that the valuation report will be relied upon by third parties (other than in relation to the market valuation referred to in this summary letter). We invite other parties who may come into possession of the valuation report seek our written consent to them relying upon the valuation report and we reserve our rights to review the contents in the event that our consent is sought.

This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as a liability where the valuation is relied upon after the expiration of 90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Savills consents to the Valuation Report being made available for inspection at the registered address of Aoyuan Property Group (International) Pty Ltd.

Liability limited by a scheme approved under Professional Standards Legislation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Peachey', written in a cursive style.

Sandra Peachey FAPI
National Director
Valuation & Advisory

Critical Assumptions

Market Movement	<ul style="list-style-type: none"> ■ This valuation is current as at the date of valuation and may change as a result of either external or specific factors affecting the property. We do not accept liability for losses arising from such subsequent changes in value. We will not accept liability where this valuation is relied upon after the expiration of three months from the date of valuation, or earlier if there are significant alterations to conditions affecting the value of the property.
Physical	<ul style="list-style-type: none"> ■ The valuer does not hold itself out to be an expert in building materials and has been unable to identify from a visual inspection of the proposed plans whether the 'cladding' to be constructed will use compliant or non-compliant building products (i.e., combustible polyethylene core aluminium composite panels). A Certificate of Compliance and/or Certification of building materials for the development has not been sighted nor confirmed by the valuer. <p>This valuation report has been prepared:</p> <ol style="list-style-type: none"> (a) on the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, regulatory requirements and codes. (b) without consideration to any diminution in value that may arise due to the identification of non-compliant building products within the development. <p>Should this not be the case, we reserve the right to review our valuation.</p> <p>The valuer strongly advises the reader to investigate the nature of the currently proposed building components and satisfy itself as to the potential risks and costs which could be incurred should the currently proposed building component have to be remedied, replaced or adapted.</p>
Construction Costs	<ul style="list-style-type: none"> ■ The cost to complete the development provided by Coutts Consulting (Progress Payment 10) as of March 2022 and refined by Aoyuan (excluding GST and Contingency) is \$174,541,536 which has been adopted for the purpose of this assessment. ■ We note additional costs to complete have been provided by the instructing party and these include: <ul style="list-style-type: none"> ● <i>Outstanding Council Contributions - \$725,706</i> ● <i>Outstanding Infrastructure Works - \$1,400,000</i> ● <i>Additional Approved Variations - \$1,429,905</i> ■ Construction and development of the project can be completed for the amount described above, in accordance with the documents provided by Coutts Consulting and the spreadsheet provided by Aoyuan. We have adopted the cost to complete as part of our instruction. Should the supplied costs be proven to be inadequate to deliver the project, Savills reserves the right to review this valuation accordingly. ■ We are not Quantity Surveyors nor are we Consulting Engineers. We have relied upon cost estimates provided and on the basis that the cost provided and adopted are accurate. We recommend the engagement of an independent Quantity Surveyor to confirm same. Should the cost estimate differ to that adopted within, then this report should be referred back to the Valuer for comment and accordingly we reserve the right to amend the assessment within
Land Value	<ul style="list-style-type: none"> ■ The assessed land value via the Residual Cash Flow analysis reflects a number of factors, including the status of approvals, civil construction costs, associated development costs, interest (borrowing) rate, assessed value of the completed units, adopted pre-sales prior to construction, sale rate for completed stock, and acceptable performance margins. The assessed land value by this approach could be impacted by a change in any of the above circumstances.
GST	<ul style="list-style-type: none"> ■ We have not been provided with independent Accounting or Legal advice regarding the eligibility of using the margin scheme for this development. As this falls outside the scope of our investigations, we have applied the full GST impost in our feasibilities and to our 'as if complete' values on a GST exclusive basis. As a result, GST on the development costs will be assessed at 10% to be remitted two months later, while GST on gross realisations will be assessed at 1/11th. All costs within our cash flow model are quoted, where applicable, excluding GST. ■ That all appropriate measures to mitigate the risks associated with the GST remittance changes from 1 July 2018 i.e., the Federal Government's requirement that purchasers of new residential premises will remit the GST directly to the ATO as part of settlement.
CGT	<ul style="list-style-type: none"> ■ That all appropriate measures to mitigate the risks associated with the foreign resident capital gains tax withholding scheme changes under the Federal Budget 2017, under which: Australian resident vendors of real property of \$750,000 or more must provide a Clearance Certificate issued by the ATO to a purchaser on settlement of the sale, to avoid the purchaser withholding 12.5% of the purchase price and remitting it as withholding tax to the ATO; and Foreign resident vendors will see 12.5% of the purchase price being withheld and remitted to the ATO, unless the ATO approves a Variation.

Construction Timeframe	<ul style="list-style-type: none"> ■ We have adopted a construction period to complete the project of 22 months, based on the advice provided in Coutts Progress Report No. 10. We have assumed this to be an accurate forecast and have adopted this within our Residual Cash Flow analysis.
“As If Complete” Assessment	<ul style="list-style-type: none"> ■ The “As If Complete” assessment is the estimated market value of the proposed development as detailed in this report on the assumption that all construction has been satisfactorily completed in all respects at the date of this report. Because of time lag and unknown future market conditions the valuation reflects the valuer’s view of the market conditions existing at the date of valuation and does not purport to predict future market conditions and the value at the actual completion date.
Construction Quality & Compliance	<ul style="list-style-type: none"> ■ The “As If Complete” assessment is provided on the basis that the proposed improvements will be constructed in a tradesman like manner using new, quality materials and having regard to modern building techniques. Our valuation assumes that: <ul style="list-style-type: none"> – A detailed report of the structure and service installations of the building once completed would not reveal any defects requiring significant expenditure. – The building will comply with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations, and will be built in accordance with the provisions of the Building Code of Australia.
EPBC Act	<ul style="list-style-type: none"> ■ That the subject property is not impacted in any way by matters covered by the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), including, but not limited to, listed threatened species and ecological communities or migratory species protected under international agreements.
Development Approvals (Including Plans & Specifications)	<ul style="list-style-type: none"> ■ We have been provided with a copy of the Development Approval for the subject development including approved plans. We assume that the development will be completed in full accordance with the noted Development Approval and any conditions contained within the approval. Should there be any subsequent changes to the Development Approval or the Approved development plans, this valuation must not be relied upon before first consulting Savills to reassess any effect on the valuation.
Contamination	<ul style="list-style-type: none"> ■ The site was found to contain high levels of asbestos, methane gas, and contaminated fill in the soil prior to construction commencement, as the site was formerly used as a landfill by Sutherland Council. The site in its original state was found to be unsuitable for the proposed redevelopment. ■ The method to remediate the site was the Cap and Contain method whereby a high visibility non-woven geotextile layer was placed over the surface to cover all contaminated material and extending 3 metres beyond the property perimeter. Above this an impervious additional layer was installed. ■ Given these works a Long-term Environmental Plan will be required to be prepared and continually monitored. ■ We have assumed, as instructed that the costs provided have allowed for the appropriate remediation of the site.
Encumbrances, Restrictions, Caveats etc.	<ul style="list-style-type: none"> ■ Our valuation is on the basis that the property is free of encumbrances, restrictions, caveats, or other impediments of an onerous nature which could affect value. Our valuation has been undertaken on the basis the property is free of mortgages, charges and other financial liens.
Marketing Period	<ul style="list-style-type: none"> ■ We have assumed the standard marketing period for a development of this scale with advanced pre-sale status and construction commenced is 3-6 months to allow a prospective purchaser to undertake the required due diligence to inform purchase decisions. ■ The Realisable Price Reflective of a Market Constraint being a short period considered less than a standard marketing period in which to achieve a sale assumes a shorter sale period of 1.5-3 months and assumes full due diligence would not be able to be undertaken which would be reflected in a more conservative value.
General	<ul style="list-style-type: none"> ■ The rental and sales information has been obtained from a number of sources including RP Data and registered government sales transfers. Whilst we understand the information to be reliable, we are unable to guarantee the accuracy. ■ Unless otherwise set out in the Proposal, Savills is not aware of any conflict of interest in accepting your instruction to value the Property and the valuer set out in the Proposal is in a position to provide an objective and unbiased valuation. ■ We confirm that the valuer undertaking this valuation is considered to have the appropriate level of skills and competence to complete the valuation to a professional standard, taking into account the property type.

Should any of the assumptions in our full valuation report be incorrect or inaccurate, then we reserve the right to amend the valuation, the report and this summary report.