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Company Licence No.: C-030171

24 January 2025

The Board of Directors
GCL New Energy Holdings Limited
Unit 1707A, Level 17
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Dear Sirs,

In accordance with the instructions from GCL New Energy Holdings Limited (the "**Company**" or the "**Client**"), Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("**JLL**" or "we") have undertaken a valuation exercise which requires us to express an independent opinion on the market value of 100% equity interest (the "**Subject**") of Harmonic Century Global Limited (the "**Target Company**") as at 31 July 2024 (the "**Valuation Date**"). The report which follows is dated 24 January 2025 (the "**Report Date**"). The purpose of this valuation is for the Client's internal reference and inclusion in the Client's public disclosure.

Our valuation was carried out on a market value basis. Market value is defined as "*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion*".

BACKGROUND OF THE SUBJECT

Harmonic Century Global Limited is a company incorporated in British Virgin Islands with limited liabilities. It mainly engages in holding 48% equity interests in GCL Petroleum and Natural Gas Co. Ltd. ("**GCL Petroleum**") through its wholly-owned subsidiary, Treasure Creation International Holding Limited ("**Treasure Creation**").

Key financial information of the Target Company and Treasure Creation at company level as of 31 July 2024 is set out as below (unit: RMB):

	Target Company (Audited)	Treasure Creation (Audited)
Assets	7	1
Liabilities	0	0
Net Assets	7	1

GCL Petroleum

GCL Petroleum and Natural Gas Co. Ltd. is a company incorporated in a company incorporated in the PRC with limited liability. It's mainly engaged in investments in oil and gas projects and related technical and consulting services. Per the management of the Target Company, the major assets of GCL Petroleum are 51% equity interests in GCL Huidong LNG Rudong Co., Ltd. (the "Rudong Company") and 48% equity interests in Maoming Bohe LNG Co., Ltd. (the "Maoming Company") which is indirectly held through its fully owned subsidiary, GCL Liquefied Nautal Gas (Maoming) Co., Ltd.

Key financial information of GCL Petroleum as of 31 July 2024 is set out as below (unit: RMB'000):

	As of 31 July 2024 (Audited)
Assets	863,523
Liabilities	504,512
Net Assets	359,011

As of the Valuation Date, the capital structure of GCL Petroleum was as below.

Shareholders	Holding Percentage
Jiaxing Guomao Carbon Neutrality Equity Investment Partnership	42.75%
Golden Concord Group Limited	9.25%
Treasure Creation	48%

The Rudong Company

The Rudong Company is a private company incorporated in the Nantong, Jiangsu province of China on 9 December 2016. The Rudong Company mainly engages in the construction and management of an LNG terminal. The Rudong Company is managing the construction of an LNG terminal which located in Rudong county, Jiangsu province of China. According to the management of the Rudong Company, the construction of the LNG terminal was 90% completed as of the Valuation Date. The construction is expected to be completed by July 2025.

Key financial information of the Rudong Company as of 31 July 2024 is set out as below (unit: RMB'000):

	As of 31 July 2024 (Audited)
Assets	2,249,066
Liabilities	1,118,955
Net Assets	1,130,111

According to GCL Petroleum, Pacific Energy Investment ("Pacific Energy") owns 49% equity interests in the Rudong Company. As of the Valuation Date, GCL Petroleum had contributed approximately RMB 656 million in capital, while Pacific Energy had contributed around RMB 474 million. However, Pacific Energy's contributed capital percentage was only 42%, which was less than its 49% equity ownership.

To address the shortfall, Pacific Energy issued a letter to GCL Petroleum on August 8, 2024, confirming its commitment to contribute the remaining capital. The letter stated that Pacific Energy would contribute RMB 50 million before the end of 2024, and the remaining capital in first half of 2025. Furthermore, according to GCL Petroleum, it has already received RMB 30 million of the promised contribution from Pacific Energy before the Valuation Date.

The Maoming Company

The Maoming Company is a private company incorporated in PRC with limited liability. It mainly engages in the development of an LNG terminal. As of the Valuation Date, the LNG terminal project of the Maoming Company was still in preliminary feasibility study stage.

Key financial information of the Maoming Company as of 31 July 2024 is set out as below (unit: RMB'000):

	As of 31 July 2024 (Audited)
Assets	46,954
Liabilities	10
Net Assets	46,944

SOURCES OF INFORMATION

In conducting our valuation of the 100% equity interest in the Target Company, we have reviewed information from several sources, including, but not limited to:

- Background of the Target Company, GCL Petroleum, the Rudong Company, the Maoming Company and relevant corporate information;
- Audited financial statements, which contain the financial and operational information, of the Target Company, GCL Petroleum, the Rudong Company, the Maoming Company as of 31 July 2024; and
- Market information derived from public domains in relation to the business of the Target Company, GCL Petroleum, the Rudong Company, the Maoming Company and our valuation.

We have held discussions with management of the Company, and conducted market research from public sources to assess the reasonableness and fairness of the above information provided by the management. We assumed such information is reliable and legitimate; and we have relied to a considerable extent on the information provided by the Company in arriving at our opinion of value.

BASIS OF OPINION

We have conducted our valuation with reference to the International Valuation Standards issued by International Valuation Standards Council. The valuation procedures employed include a review of legal status and economic condition of the Target Company and an assessment of the key assumptions, estimates, and representations made by the proprietor or the operator of the Target Company. All matters we consider essential to the proper understanding of the valuation are disclosed in this valuation report.

The following factors form an integral part of our basis of opinion:

- The economic outlook in general;
- The nature of business and history of the operation concerned;
- The financial condition of the Target Company;
- Market information of companies engaged in similar lines of business;
- Financial and business risk of the business including continuity of income;
- Consideration and analysis on the micro and macro economy affecting the Target Company's business; and
- Assessment of the liquidity of the Target Company's business.

We planned and performed our valuation so as to obtain all the information and explanations that we considered necessary in order to provide us with sufficient evidence to express our opinion on the Subject.

VALUATION METHODOLOGY

In arriving at our assessed value, we have considered three generally accepted approaches, namely market approach, cost approach and income approach.

Market approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect condition and utility of the appraised assets relative to the market comparables. Assets for which there is an established secondary market may be valued by this approach. Benefits of using this approach include its simplicity, clarity, speed and the need for fewer subjective assumptions. It also introduces objectivity in application as publicly available inputs are used. However, one has to be wary of hidden assumptions in those inputs as there are inherent assumptions on the value of those comparable assets. It is also difficult to find comparable assets. Furthermore, this approach relies exclusively on the efficient market hypothesis.

Cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation or obsolescence present, whether arising from physical, functional or economic causes. The cost approach generally furnishes the most reliable indication of value for assets without a known secondary market. Despite the simplicity and transparency of this approach, it does not directly incorporate information about the economic benefits contributed by the subject assets.

Income approach is the conversion of expected periodic benefits of ownership into an indication of value. It is based on the principle that an informed buyer would pay no more for the asset than an amount equal to the present worth of anticipated future benefits (income) from the same or a substantially similar asset with a similar risk profile. This approach allows for the prospective valuation of future profits and there are numerous empirical and theoretical justifications for the present value of expected future cash flows. However, this approach relies on numerous assumptions over a long time horizon and the result may be very sensitive to certain inputs. It also presents a single scenario only.

SELECTION OF VALUATION APPROACH AND METHODOLOGY

To select the most appropriate approach, we have considered the purpose of the valuation engagement and the resulting basis of value, as well as the availability and reliability of information provided to us to perform an analysis. We have also considered the relative advantages and disadvantages of each approach in relation to the nature and circumstances of the Subject.

According to the management of the Target Company and GCL Petroleum, the Target Company mainly engages in holding the 48% equity interests in GCL Petroleum, while GCL Petroleum mainly engages in holding 51% equity interests in the Rudong Company and 48% equity interests in the Maoming Company. Other than that, the Target Company and GCL Petroleum have no operations.

In the Valuation, based on the abovementioned reasons, we have adopted the cost approach to estimate the opinion of value of the equity interests of the Target Company and GCL Petroleum. Under the cost approach, the summation method is typically adopted for a subject when its value is primarily a factor of the value of the holding assets and liabilities.

Under the summation method, each identifiable asset and liability of the Target Company and GCL Petroleum is being valued using the appropriate valuation approaches, and our opinion of value of the subject is derived by adding component assets and deducting component liabilities.

51% Equity Interests in the Rudong Company

For the 51% equity interests in the Rudong Company, the income approach is not the most optimal approach as it involves long-term financial projections and the adoption of numerous assumptions and subjective judgements, not all of which can be easily quantified or ascertained.

In the case of the LNG terminal project in China, there are material uncertainties and risks associated with the successful completion of construction and obtaining government approval for operations. The high risks during development, as well as the requirement for intensive capital injections, serve as barriers for other competitors entering the sector.

However, as the construction progress of the LNG terminal of the Rudong Company reaches around 90% completion and the approvals from the government have been granted, these materially reduced risks will likely increase the value of the Rudong Company's project. It is important to note that this increase in value cannot be fully captured by the cost approach alone.

In view of the above, we have adopted the market approach for this Valuation. The market approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect condition and utility of the appraised assets relative to the market comparable. Assets for which there is an established secondary market may be valued by this approach. Benefits of using this approach include its simplicity, clarity, speed and the need for fewer subjective assumptions. It also introduces objectivity in application as publicly available inputs are used. We have therefore relied on the market approach in determining our opinion of value.

There are two common methods under market approach, namely, guideline public company method and guideline transactions method. Guideline public company method requires identifying suitable guideline public companies and selection of appropriate trading multiples, while guideline transactions method takes reference to recent mergers and acquisitions transaction between unrelated parties and ratio of transaction price to Subject's financial metrics.

The guideline public company method is not adopted as there are not enough publicly listed companies of similar businesses (only holding LNG ports in China under construction) that could provide a reasonable valuation benchmark. The guideline transaction method requires the research of comparable transactions with similar nature as the Subject. As there are enough recent market transactions that could provide a reasonable valuation benchmark, the market value of equity interest in the Rudong Company was developed through the guideline transaction method in this exercise.

48% Equity Interests in the Maoming Company

For the 48% equity interests in the Maoming Company, in our valuation, as the project of the Maoming Company is still in research phase and the government didn't grant the approvals, the valuation of the Maoming Company is mainly based on the book value.

Capital Receivables

According to the Company Law of the People's Republic of China (2023 Revision) ("**2023 Company Law**"), the shareholders are required to fully pay their subscribed registered capital within five years of establishment of the company. According to the articles of association of GCL Petroleum, the unpaid registered capital amounted to RMB 294,000,000 ("**Capital Receivables**") as of the Valuation Date.

According to the articles of association of GCL Petroleum, this capital receivable is assumed to be received by GCL Petroleum on 30 June 2029 (which is 4.91 years from the Valuation Date). Based on the RMB loan prime rate over 5-years published by the People's Bank of China as of the Valuation Date, a discount rate of 3.85% was adopted. The present value of the Capital Receivables was calculated based on the 3.85% discount rate and a 4.91-years term.

Other Assets and Liabilities

The other assets and liabilities are valued based on their respective book values, with the adjustments disclosed in the below sections.

MAJOR ASSUMPTIONS

Assumptions considered to have significant sensitivity effects in this valuation have been evaluated to provide a more accurate and reasonable basis for arriving at our assessed value. The following assumptions in determining the market value of the equity interest have been made:

- We assumed the principal businesses of the Target Company, GCL Petroleum, the Rudong Company and the Maoming Company will not change significantly in the foreseeable future. Additionally, we assumed the companies have obtained all necessary permits, business certificates, licenses and legal approvals to operate the business. Furthermore, we assumed all relevant permits, business certificates, licenses and legal approvals required for the operations of their businesses in their respective localities have been or will be officially obtained and renewable upon expiry;
- We assumed that the Target Company, GCL Petroleum, the Rudong Company and the Maoming Company will continue to operate as going concerns with adequate operation facilities and business systems in place or proposed that are in line with the industry.
- We assumed that the core operation of the Target Company, GCL Petroleum, the Rudong Company and the Maoming Company will not differ materially from those of present or expected future state. Otherwise the selection criteria of the comparable companies would have been different for this valuation.
- We assumed that there will be no material changes in the existing political, legal, technological, natural, fiscal or economic conditions that could adversely impact the business of the Target

Company, GCL Petroleum, the Rudong Company and the Maoming Company.

- We assumed that the operational and contractual terms stipulated in the relevant contracts and agreements entered into between the Target Company, GCL Petroleum, the Rudong Company and the Maoming Company and any other parties, including but not limited to loan contracts, business contracts and other contracts that will affect the business of the Target Company, GCL Petroleum, the Rudong Company and the Maoming Company, will be upheld.
- We assumed continuous prudent management of the Target Company, GCL Petroleum, the Rudong Company and the Maoming Company, which is reasonable and necessary to maintain the character and integrity of the valued assets.
- We assumed that the GCL Petroleum would receive the Capital Receivables from its shareholders on 30 June 2029 (which is 4.91 years from the Valuation Date) being the latest date for the shareholders to contribute the unpaid registered capital of GCL Petroleum.
- We assumed that the Rudong Company would receive the capital receivables from Pacific Energy as schedule.
- We assumed that there are no hidden or unexpected conditions (such as natural disaster, war, government intervention, major change in management, etc.) associated with the valued asset that might adversely affect their reported value.

VALUATION OF THE RUDONG COMPANY

Selection of Valuation Price Multiples

In this valuation, we have considered the following commonly used benchmark multiples:

- Price-to-earnings multiple ("P/E Multiple"): This multiple is computed by dividing the share price by earnings per share. It is commonly used as investors want to assess the profitability of a company. However, it has limitations as it cannot be used for valuing loss-making companies and does not address differences in accounting policies and capital structures.
- Price-to-book multiple ("P/B Multiple"): This multiple is computed by dividing the share price by the book value per share. It is often used in asset-intensive industries. However, since it only considers tangible assets, it does not capture intangible assets, company-specific competencies, and advantages.
- Price-to-sales multiple ("P/S Multiple"): This multiple is estimated by dividing the share price

by sales per share. It is commonly used for valuing early-stage or loss-making companies. However, it overlooks the cost structure and profitability of a company. A firm's enterprise value is equal to its equity value plus its debt less any cash.

- Enterprise value to earning before interest and tax multiple ("EV/EBIT Multiple"): This multiple compares a firm's enterprise value to its earnings before interest and taxes. It allows for direct comparison of firms regardless of their capital structure. It is considered less affected by differences in capital structure compared to the P/E Multiple. However, it does not adjust for depreciation and amortization expenses.
- Enterprise value-to-earnings before interest, tax depreciation and amortization multiple ("EV/EBITDA Multiple"): This multiple is similar to the EV/EBIT Multiple but adds back depreciation and amortization expenses. It is commonly used for capital-intensive businesses where depreciation expense is significant.
- Enterprise value-to-sales multiple ("EV/Sales Multiple"): Similar to other enterprise value multiples, this multiple is less affected by differences in accounting treatment. It takes into account a company's debt load, providing an advantage over the P/S Multiple.

Since the LNG Terminal held by the Rudong Company is under the construction phase and has not generated any revenue in the past 12 months, the multiples involving income statement items such as P/E Multiple, P/S Multiple, EV/EBIT Multiple, EV/EBITDA Multiple, and EV/Sales Multiple are not applicable for valuation of the Rudong Company. As an LNG terminal project requires intensive capital expenditures, the value of a company in this industry is highly dependent on its net book value. Hence, the P/B multiple which is mainly driven by the book value of subject company in the valuation is considered to be the most appropriate multiple.

Summary of Comparable Transactions

In determining the financial multiple, a list of comparable transactions was identified. The selection criteria are set as below:

1. The subject companies of the comparable transactions mainly engage in the construction and management of an LNG terminal in China (i.e. the same industry as the Rudong Company);
2. Sufficient operational and financial data, including the P/B Ratio, on the subject companies are available as at the Valuation Date;

3. The comparable transactions were announced within 3 years before the Valuation Date.

The LNG terminal industry is highly regulated with significant entry barriers, resulting in a scarcity of related transactions in the PRC. As sourced from the public available database such as HKEXnews and Shanghai Stock Exchange, two comparable transactions satisfying the above criteria were identified. The details of the comparable transactions are disclosed as below:

Comparable Transaction 1

Acquirer Name	ENN Natural Gas Co.,Ltd.
Acquirer Stock Code	SHSE:600803
Target Name	ENN (Zhoushan) LNG Co., Ltd. ("ENN Zhoushan")
Transaction Date	19 April 2022
Target Description	ENN Zhoushan mainly engaged in construction, management and operation of Zhoushan LNG terminal which is the first large-scale LNG Terminal approved by the National Energy Administration of PRC to be invested, constructed and managed by a private enterprise. Zhoushan LNG Terminal is located in the east coastal regions in China, close to the mouth of the Yangtze River.
Construction Status	Completed
Transaction Percentage	90%
Consideration	RMB 8,550,000,000
Implied Valuation	RMB 9,500,000,000
Net Book Value of the Target	RMB 2,928,668,000
Implied P/B	3.24

Comparable Transaction 2

Acquirer Name	Binhai Investment Company Limited

Acquirer Stock Code	SEHK:2886
Target Name	Sinopec Tianjin LNG Co., Ltd. ("Sinopec Tianjin")
Transaction Date	20 February 2023
Target Description	Sinopec Tianjin is principally engaged in the construction and operation of LNG terminals and piers, as well as the storage, processing and sales of LNG products. Sinopec Tianjin operates Sinopec's LNG terminals in Tianjin Nangang Area. The terminals were expected to have total capacity of 10.8 million metric tons upon completion of Phase II in 2023.
Construction Status	Completed
Transaction Percentage	2%
Consideration	RMB 193,067,300
Implied Valuation	RMB 9,653,365,000
Net Book Value of the Target	RMB 4,490,670,000
Implied P/B	2.15

Adjustments on Implied P/B

As discussed above, the dates of comparable transactions were different from the Valuation Date and the market conditions between those transaction dates and the Valuation Date are different. Moreover, the transferred equity interests in Comparable Transaction 1 was over 50% such that the acquirer was obtaining the control in the target. On the other hand, according to the management of Target Company, the GCL Petroleum has no control over the Rudong Company with its 51% holding equity interests. Hence the adjustments for the market conditions and the minority discounts are adopted in our valuation.

We observed that the LNG terminals in the Comparable Transactions are operational, whereas the Rudong Company's terminal is still under construction. However, with the construction of the LNG terminal nearing 90% completion and government approvals obtained, the risk related to an unfinished project is minimal.

Adjustments for Market Conditions

To reflect the different market conditions and the changes in the general industry risks between the Valuation Date and the respective transaction dates, a list of component companies representative of the industry of LNG sales and provision was identified. While this list of companies is not similar enough to construct a benchmark in the application of the guideline company method, it is sufficiently representative to develop market condition adjustments. The selection criteria are set as below:

1. The shares of the component companies have been listed and actively traded in public exchanges for no less than six months;
2. The shares of the component companies have been listed and actively traded in all major public exchanges according to the Capital IQ for no less than six months;
3. The component companies mainly engage in natural gas services and related business in China, based on the business description provided by Capital IQ or their websites;
4. The component companies operate at least one LNG terminal or LNG port in China based on the business description provided by Capital IQ or their websites;
5. Sufficient operational and financial data, including the P/B Ratio, on the component companies are available as at the Valuation Date.

As sourced from Capital IQ, an exhaustive list of comparable companies satisfying the above criteria was obtained.

The details of the comparable companies are listed below:

Ticker	Company Name	Company Description
SEHK:1083	Towngas Smart Energy Company Limited	Towngas Smart Energy Company Limited, an investment holding company, sells and distributes piped gas in the People's Republic of China.
SHSE:600803	ENN Natural Gas Co.,Ltd.	ENN Natural Gas Co., Ltd. engages in the wholesale and retail of natural gas, energy chemical, chemical trading, and coal mining and washing businesses in China.

Ticker	Company Name	Company Description
SZSE:002911	Foran Energy Group Co., Ltd.	Foran Energy Group Co., Ltd. transports and sells natural gas in China.
SHSE:601139	Shenzhen Gas Corporation Ltd.	Shenzhen Gas Corporation Ltd. provides urban gas, natural gas, and LPG energy.
SEHK:9908	JiaXing Gas Group Co., Ltd.	JiaXing Gas Group Co., Ltd. engages in the sale of piped natural gas (PNG) in the People's Republic of China.
SHSE:600681	Bestsun Energy Co., Ltd.	Bestsun Energy Co., Ltd. engages in the city gas business.
SHSE:605090	Jiangxi Jovo Energy Co., Ltd.	Jiangxi Jovo Energy Co., Ltd. operates as a clean energy integrated service provider for gas industries in China and internationally.

The average P/B excluding outliers of the component companies were adopted to form an index to reflect the impact of different market conditions. The P/B ratios and adjustments are shown as below:

	Valuation Date	19 April 2022	20 February 2023
Average P/B excluding outliers*	1.47	1.81	1.81
Adjustments	N/A	81%	81%

**The P/B ratios fall outside the range of one standard deviation were considered to be outliers.*

Adjustments for Discount for Lack of Control

Discount for Lack of Control ("DLOC") is an amount by which the pro rata value of a minority interest is less than the pro rata value of a controlling interest in a business enterprise reflecting the lack of control. It recognizes that control owners have rights that minority owners do not and that the difference in those rights and, perhaps more importantly, how those rights are exercisable and the extent of economic benefits they bring, cause a differential in the per-share value of a control ownership block versus a minority ownership block.

For Comparable Transaction 1, a minority discount of 23.6% is adopted to adjust the implied P/B ratio with reference to Control Premium Study (1st Quarter 2024) published by FactSet Mergerstat.

The adjusted P/B ratio of the comparable transactions are shown as below:

	Comparable Transaction 1	Comparable Transaction 2
P/B before adjustments	3.24	2.15
Market Condition Adjustments	81%	81%
DLOC	23.6%	N/A
Adjusted P/B	2.00	1.74

The average of the adjusted P/B of the comparable transactions, i.e. 1.87 was adopted in the Valuation.

Capital Receivables from Pacific Energy

As disclosed in the paragraph under the heading "BACKGROUND OF THE SUBJECT", Pacific Energy had committed to contribute the capital gradually within one year. Based on the RMB one year loan prime rate published by the People's Bank of China as of the Valuation Date, a discount rate of 3.35% was adopted. The present value was calculated based on the parameters below.

Payment Stage	Stage 1	Stage 2
Receivable Amount	RMB 20,000,000	RMB 136,000,000
Discount Rate	3.35%	3.35%
Discount Period	0.42 Years	0.92 Years
Present Value	RMB 19,727,284	RMB 131,953,516

The sum of the present values of RMB 151,680,800 was adopted in our valuation.

Calculation of Valuation Result

Under the guideline transaction method, the market value depends on the market multiples of the comparable transactions and adjusted as discussed above.

The calculation of the market value of the 51% equity interest in the Rudong Company as at the Valuation Date is as follows:

	31 July 2024
Expected Net Asset Value (RMB)	1,130,111,038
P/B Multiple (times)	1.87
Business Value of the Rudong Company (RMB)	2,115,661,253
Add: Committed Capital Injection from Pacific Energy (RMB)	151,680,800
Business Value of the Rudong Company (RMB)	2,267,342,053
51.00% Equity Interest in the Target company (RMB)	1,156,344,447

VALUATION OF THE MAOMING COMPANY

The investment of 48% equity interests in the Maoming Company of GCL Petroleum was valued based on its book value, i.e. RMB 22,533,330.

VALUATION OF CAPITAL RECEIVABLES

According to GCL Petroleum, the Capital Receivable of RMB 294 million will be fully contributed by Golden Concord Group Limited and Treasure Creation in proportion to their respective shareholdings.

The Capital Receivables was valued based on the parameters as below:

Shareholders	Treasure Creation	Golden Concord Group Limited
Receivable Amount	RMB 246,497,817	RMB 47,502,183
Discount Rate	3.85%	3.85%
Discount Period	4.91 Years	4.91 Years
Present Value	RMB 204,739,986	RMB 39,455,101

The sum of the present value of RMB 244,195,087 was adopted in our valuation.

SUMMARY OF ASSETS AND LIABILITIES

As discussed above, the market value of assets and liabilities of the GCL Petroleum as of Valuation Date was summarized as below:

	Book Value (RMB) As of 31 July 2024	Market Value (RMB) As of 31 July 2024
Assets		
Cash	3,161,231	3,161,231
Shorter-term Other Receivables	105,605	105,605
Long-term Other Receivables	181,518,979	181,518,979
Other Non-current Assets	67,024	67,024
Long-term Investments	678,649,430	1,178,877,777
51% Equity Interests in the Rudong Company	*656,116,100*	*1,156,344,447*
48% Equity Interests in the Maoming Company	*22,533,330*	*22,533,330*
Fixed Assets	20,343	20,343
Total Assets	863,522,612	1,363,750,959
Liabilities		
Other Payables	4,511,803	4,511,803
Long-term Borrowings	500,000,000	500,000,000
Total Liabilities	504,511,803	504,511,803
Net Assets Value	359,010,808	859,239,155
Add: Capital Receivables		244,195,087
100% Equity Interests in GCL Petroleum		1,102,763,674
48% Equity Interests in GCL Petroleum		529,648,436
48% Equity Interests in GCL Petroleum (Rounded)		530,000,000

As the Target Company has no other major assets and liabilities other than 48% equity interests in GCL Petroleum, the market value of 100% equity interests of the Target Company was based on the market value of 48% equity interests in GCL Petroleum, i.e. RMB 530,000,000

VALUATION COMMENT

The conclusion of value is based on accepted valuation procedures and practices that rely substantially on the use of numerous assumptions which have been set out in this report above. Further, while the assumptions are considered by us to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company and Jones Lang LaSalle Corporate Appraisal and Advisory Limited.

We confirm that we have sufficient current local knowledge of the market which the Target Company are engaged in and the skills and understanding necessary to undertake the valuation of the Subject competently. We do not intend to express any opinion on matters which require legal or other specialized expertise or knowledge, beyond what is customarily employed by valuers. Further, we are not aware of any material changes to the Subject between the Valuation Date and the date of this report.

We are instructed to provide our opinion of value as per the Valuation Date only. It is based on economic, market and other conditions as they exist on, and information made available to us as of, the Valuation Date.

This report is issued subject to our Limiting Conditions as attached.

OPINION OF VALUE

Based on the results of our investigations and analysis, we are of the opinion that the market value of the Subject as at the Valuation Date is reasonably stated at the amount of RMB 530 million.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited

Simon M.K. Chan
Executive Director

Note: Mr. Simon M.K. Chan is a fellow of the Hong Kong Institute of Certified Public Accountants (HKICPA) and CPA Australia. He is also fellow of the Royal Institution of Chartered Surveyors (FRICS). He is an International Certified Valuation Specialist (ICVS) and a Chartered Valuer and Appraiser (Singapore). He oversees the business valuation services of JLL and has over 20 years of accounting, auditing, corporate advisory and valuation experiences. He has provided a wide range of valuation services to numerous listed and listing companies of different industries in the PRC, Hong Kong, Singapore and the United States.

LIMITING CONDITIONS

1. In the preparation of our reports, we relied on the accuracy, completeness and reasonableness of the financial information, assumptions and other data provided to us by the Company/engagement parties and/or its representatives. We did not carry out any work in the nature of an audit and neither are we required to express an audit or viability opinion. We take no responsibility for the accuracy of such information. Our reports were used as part of the Company's analysis in reaching their conclusion of value and due to the above reasons, the ultimate responsibility of the derived value of the Subject rests solely with the Company.
2. We have explained as part of our service engagement procedure that it is the director's responsibility to ensure proper books of accounts are maintained, and the financial information give a true and fair view and have been prepared in accordance with the relevant standards and companies ordinance.
3. Public information and industry and statistical information have been obtained from sources we deem to be reputable; however we make no representation as to the accuracy or completeness of such information, and have accepted the information without any verification.
4. The management and the board of the Company have reviewed and agreed on the report and confirmed that the basis, assumptions, calculations and results are appropriate and reasonable.
5. Jones Lang LaSalle Corporate Appraisal and Advisory Limited shall not be required to give testimony or attendance in court or to any government agency by reason of this exercise, with reference to the Subject. Should there be any kind of subsequent services required, the corresponding expenses and time costs will be reimbursed from you. Such kind of additional work may incur without prior notification to you.
6. No opinion is intended to be expressed for matters which require legal or other specialized expertise, which is out of valuers' capacity.
7. The use of and/or the validity of the report is subject to the terms of engagement letter/proposal and the full settlement of the fees and all the expenses.
8. Our conclusions assume continuation of prudent and effective management policies over whatever period of time that is considered to be necessary in order to maintain the character and integrity of the Subject.

9. We assume that there are no hidden or unexpected conditions associated with the subject matter under review that might adversely affect the reported review result. Further, we assume no responsibility for changes in market conditions, government policy or other conditions after the Valuation Date. We cannot provide assurance on the achievability of the results forecasted by the Client / Target Company because events and circumstances frequently do not occur as expected; difference between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans and assumptions of management.

10. This report has been prepared solely for the use as stated in the report and the engagement letter. The report should not be otherwise referred to, in whole or in part, or quoted in any document, circular or statement in any manner, or distributed in whole or in part or copied to any third party without our prior written consent. Even with our prior written consent for such, we are not be liable to any third party except for our client for this report. Our client should remind of any third party who will receive this report and the client will need to undertake any consequences resulted from the use of this report by the third party. We shall not under any circumstances whatsoever be liable to any third party.

11. This report is solely for the use by the client and the calculation of values expressed herein is valid only for the purpose stated in this report and the engagement letter/or proposal as of the Valuation Date. In accordance with our standard practice, we must state that this report and exercise is for the use only by the party to whom it is addressed to and no responsibility is accepted with respect to any third party for the whole or any part of its contents.

12. Where a distinct and definite representation has been made to us by party/parties interested in the assets valued, we are entitled to rely on that representation without further investigation into the veracity of the representation.

13. You agree to indemnify and hold us and our personnel harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorney's fees, to which we may become subjects in connection with this engagement. Our maximum liability relating to services rendered under this engagement (regardless of form of action, whether in contract, negligence or otherwise) shall be limited to the fee paid to us for the portion of its services or work products giving rise to liability. In no event shall we be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, lost profits, opportunity costs, etc.), even if it has been advised of their possible existence.

14. We are not environmental, structural or engineering consultants or auditors, and we take no responsibility for any related actual or potential liabilities exist, and the effect on the value of the asset is encouraged to obtain a professional assessment. We do not conduct or provide such kind of assessments and have not considered the potential impact to the Subject.

15. This exercise is premised in part on the historical financial information provided by the management of the Client / Target Company and/or its representatives. We have assumed the accuracy and reasonableness of the information provided and relied to a considerable extent on such information in our calculation of value. Accordingly, to the extent any of the above-mentioned information requires adjustments, the resulting value may differ significantly.

16. This report and the conclusion of values arrived at herein are for the exclusive use of our client for the sole and specific purposes as noted herein. Furthermore, the report and conclusion of values are not intended by the author, and should not be construed by the reader, to be investment advice or as financing or transaction reference in any manner whatsoever. The conclusion of values represents the consideration based on the information furnished by the Company/engagement parties and other sources. Actual transactions involving the subject assets / business might be concluded at a higher or lower value, depending upon the circumstances of the transaction and the business, and the knowledge and motivation of the buyers and sellers at that time.

17. The board of directors, management, staff, and representatives of the Client / Target Company have confirmed to us that they are independent to JLL in this Valuation or calculation exercise. Should there be any conflict of interest or potential independence issue that may affect our independence in our work, the Client / Target Company and/or its representatives should inform us immediately and we may need to discontinue our work and we may charge our fee to the extent of our work performed or our manpower withheld or engaged.