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仲量聯行企業評估及諮詢有限公司
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公司牌照號碼: C-030171

2 December 2024

The Board of Directors
Mao Geping Cosmetics Co., Ltd.
Room 1001, Wanyin Building
Shangcheng District
Hangzhou City
Zhejiang Province
The People's Republic of China

Dear Sirs,

In accordance with your instructions to value the selected property held by Mao Geping Cosmetics Co., Ltd. (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) in the People's Republic of China (the “**PRC**”), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interest as at 31 October 2024 (the “**valuation date**”).

The selected property interest forms part of non-property activities that each property has a carrying amount of 15% or more of the Group's total assets and therefore the valuation of the property interest is required to be included in this prospectus.

Our valuation is 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”.

We have valued the property by the comparison approach assuming sale of the property interest in its existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the marketplace can be extrapolated to similar property, subject to allowances for variable factors.

Our valuation has been made on the assumption that the seller sells the property interest in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the value of the property interest.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interest valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

In valuing the property interest, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited; the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards issued by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of various title documents including State-owned Land Use Rights Grant Contract, Construction Land Planning Permit, Real Estate Title Certificate (for land) and other official plans relating to the property interest and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interest in the PRC and any material encumbrance that might be attached to the property interest or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal advisors — Jingtian & Gongcheng, concerning the validity of the property interest in the PRC.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the property. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the property is free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

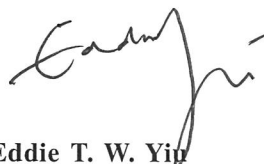
The site inspection was carried out in November 2024 by Ms. Joan Zhu who is a China Qualified Land Valuer and has 13 years' valuation experience in the real estate industry of the PRC.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

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

Our valuation certificate is attached below for your attention.

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



Eddie T. W. Yiu
MRICS MHKIS R.P.S. (GP)
Senior Director

Note: Eddie T.W. Yiu is a Chartered Surveyor who has 30 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

VALUATION CERTIFICATE

Property interest held for future development by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2024
			RMB
A parcel of land located at Plot No. Wangjiang Unit SC0402-B1/B2/S2-15, the western side of Xinkai River, the northern side of Wujiang Road, the eastern side of planned road and the southern side of planned Xinglong Road Shangcheng District Hangzhou City Zhejiang Province The PRC	<p>The property is located at Plot No. Wangjiang Unit SC0402-B1/B2/S2-15, the western side of Xinkai River, the northern side of Wujiang Road, the eastern side of planned road and the southern side of planned Xinglong Road. The locality is a mature residential and commercial area. It is well served by public facilities and convenient public transportation network.</p> <p>The property occupies a parcel of land with a site area of approximately 11,960.00 sq.m., which will be developed into a 14-storey (plus three levels basement) office and commercial development with a total planned gross floor area of approximately 75,597.00 sq.m. As advised by the Group, the construction of the development had not been commenced as at the valuation date.</p> <p>The land use rights of the property have been granted for a term expiring on 17 October 2064 for commercial use.</p>	As at the valuation date, the property was bare land for future development.	623,000,000

Notes:

- Pursuant to a State-owned Land Use Rights Grant Contract — No. 3301002023A21094 dated 12 January 2024 and a Supplementary Contract, the land use rights of the property with a site area of approximately 11,960.00 sq.m. were contracted to be granted to Hangzhou Shang Du Hui Cosmetics Technology Co., Ltd. ("Hangzhou Shang Du Hui", 杭州尚都匯化妝品科技有限公司, a wholly-owned subsidiary of the Company) for a term of 40 years for commercial use commencing from the land delivery date. Plot ratio of the subject land parcel is 4. The land premium is RMB592,690,000.
- Pursuant to a Construction Land Planning Permit — Di Zi Di No. 3301022024YG0055440, permission towards the planning of the property with a site area of approximately 11,960.00 sq.m. has been granted to Hangzhou Shang Du Hui.
- Pursuant to a Real Estate Title Certificate (for land) — Zhe (2024) Hang Zhou Shi Bu Dong Chan Quan Di No. 0648475, the land use rights of the property with a site area of approximately 11,960.00 sq.m. have been granted to Hangzhou Shang Du Hui for a term expiring on 17 October 2064 for commercial use.

4. Pursuant to a Construction Work Planning Permit — Jian Zi Di No. 3301022024GG0123439 in favour of Hangzhou Shang Du Hui, the property with a total planned gross floor area of approximately 75,597.00 sq.m. has been approved for construction. The planned gross floor area of the property is set out as below:

Usage	Floor	(Planned) Gross Floor Area (sq.m.)
Office and commercial	L1 – L14	47,840.00
Basement	B1 – B3	27,757.00
Total:		<u>75,597.00</u>

5. Our valuation has been made on the following basis and analysis:

In undertaking our valuation, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The selected comparables are commercial lands which were transacted in the last three years. The accommodation value of these comparable land sites ranges from RMB12,400 to RMB13,000 per sq.m. for commercial use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at an assumed unit rate. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, development density, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and the valuation date is considered.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisor, which contains, inter alia, the following:

Hangzhou Shang Du Hui is legally and validly in possession of the land use rights of the property. Hangzhou Shang Du Hui has the rights to occupy, use, lease, transfer, mortgage or otherwise dispose of the land use rights of the property.

7. A summary of major certificates/approvals is shown as follows:

a. State-owned Land Use Rights Grant Contract	Yes
b. State-owned Land Use Rights Certificate/Real Estate Title Certificate (Land). . .	Yes
c. Construction Land Planning Permit	Yes
d. Construction Work Planning Permit	Yes
e. Construction Work Commencement Permit	No
f. Pre-sale Permit	No
g. Construction Work Completion and Inspection Certificate/Table/Report	No