

Independent Expert's Report

Top Education Group Ltd

27 May 2025

The Proposed Transaction is fair and reasonable to the Non-Associated Shareholders of Top Education Group Ltd

Prepared by Moore Australia Corporate Finance (WA) Pty Ltd

Australian Financial Services License No. 240773

MOORE AUSTRALIA CORPORATE FINANCE (WA) PTY LTD
Australian Financial Services License No. 240773
FINANCIAL SERVICES GUIDE

This Financial Services Guide provides financial information about the supply of financial services to the shareholders of Top Education Group Ltd ("Top Education", or "the Company"). We have been engaged by Top Education to prepare an Independent Expert's Report in connection with the Buy-Back of shares from PricewaterhouseCoopers Nominees (A.C.T.) Pty Ltd as bare trustee for the Australian partnership of PricewaterhouseCoopers ("PWC Nominees"). Our report has been prepared at the request of the Directors of Top Education for inclusion in the Circular for the Extraordinary General Meeting to be dated on or around 30 May 2025.

Moore Australia Corporate Finance (WA) Pty Ltd

Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") has been engaged by the directors of Top Education to prepare an independent expert's report expressing our opinion as to whether or not the Proposed Transaction is "fair and reasonable" to the Non-Associated Shareholders of Top Education. MACF holds an Australian Financial Services Licence – Licence No 240773.

Financial Services Guide

As a result of our report being provided to you, we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). The FSG includes information on the use of general financial product advice and is issued to comply with our obligations as holder of an Australian Financial Services Licence.

Financial Services we are licensed to provide.

We hold an Australian Financial Services Licence which authorises us to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues, and to carry on a financial services business to provide general financial product advice for securities to retail and wholesale clients.

We provide financial product advice by virtue of an engagement to issue a report in connection with the issue of securities of a company or other entities.

Our report includes a description of the circumstances of our engagement and identifies the party who has engaged us. You have not engaged us directly but will be provided with a copy of our report as a retail client because of your connection with the matters on which our report has been issued. We do not accept instructions from retail clients and do not receive remuneration from retail clients for financial services.

Our report is provided on our own behalf as an Australian Financial Services Licensee authorised to provide the financial product advice contained in this report.

General Financial Product Advice

Our report provides general financial product advice only, and does not provide personal financial product advice, because it has been prepared without considering your particular personal circumstances or objectives either financial or otherwise, your financial position or your needs. Some individuals may place a different emphasis on various aspects of potential investments.

An individual's decision in relation to the Proposed Transaction may be influenced by their particular circumstances and, therefore, individuals should seek independent advice.

Benefits that we may receive.

We will charge fees for providing our report. The basis on which our fees will be determined has been agreed with, and will be paid by, the person who engaged us to provide the report. Our fees have been agreed on either a fixed fee or time cost basis. We estimate that our fees for the preparation of this report will be approximately AU\$30,000 plus GST.

Remuneration or other benefits received by our employees.

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of MACF or related entities, but any bonuses are not directly in connection with any assignment and in particular are not directly related to the engagement for which our report was provided.

Referrals

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

MACF is the licensed corporate advisory arm of Moore Australia Perth, Chartered Accountants. The directors of MACF may also be partners in Moore Australia Perth Chartered, Accountants.

Moore Australia Perth, Chartered Accountants is comprised of a few related entities that provide audit, accounting, tax, and financial advisory services to a wide range of clients.

MACF's contact details are set out on our letterhead.

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As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, Moore Australia Corporate Finance (WA) Pty Ltd, PO Box 5785, St George's Terrace, Perth WA 6831.

On receipt of a written complaint, we will record the complaint, acknowledge receipt of the complaint and seek to resolve the complaint as soon as practical.

If we cannot reach a satisfactory resolution, you can raise your concerns with the Australian Financial Complaints Authority Limited ("AFCA"). AFCA is an independent body established to provide advice and assistance in helping resolve complaints relating to the financial services industry. MACF is a member of AFCA. AFCA may be contacted directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1800 931 678
Facsimile: 03 9613 6399
Email: info@afca.org.au

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27 May 2025

The Directors
Top Education Group Ltd
Suite 1, Biomedical Building
1 Central Avenue
Eveleigh NSW 2015

Dear Directors

Independent Expert's Report

1. Introduction

- 1.1. On 7 April 2025, Top Education Group Ltd ("Top Education" or "the Company") entered into a Share Buy Back Agreement (the "Agreement") with PricewaterhouseCoopers Nominees (A.C.T.) Pty Ltd as bare trustee for the Australian partnership of PricewaterhouseCoopers ("PWC Nominees") whereby Top Education agreed to purchase 264,708,000 shares held by PWC Nominees ("Buy-Back Shares") for cash consideration of HK\$11,243,168.30 (equivalent to AU\$2,397,264 as noted in the announcement dated 7 April 2025) (the "Proposed Transaction").
- 1.2. Further details of the Proposed Transaction are set out in Section 3.

2. Summary and opinion

Purpose of the Report

- 2.1. The directors of Top Education have engaged Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") being independent and qualified for the purpose, to prepare an Independent Expert's Report to express an opinion as to whether the Proposed Transaction is fair and reasonable to the shareholders of Top Education not associated with the Proposed Transaction (the "Non-Associated Shareholders") to assist the Non-Associated Shareholders in their consideration of whether to approve the Proposed Transaction.
- 2.2. Our assessment of the Proposed Transaction relies on financial information and instructions provided by the Company and the Directors. We have critically analysed the information provided to us, but we have not completed any audit or due diligence of the information which has been provided for the entities which have been valued. This report does not contain any accounting or taxation advice.

Approach

- 2.3. Our report has been prepared having regard to Australian Securities & Investments Commission ("ASIC") Regulatory Guide 111 *Content of Expert's Reports* ("RG 111"), Regulatory Guide 112 *Independence of Expert's* ("RG 112") and Regulatory Guide 110 *Share Buy-Backs* ("RG 110").
- 2.4. In arriving at our opinion, we have assessed the terms of the Proposed Transaction, as outlined in the body of our report, by considering the following.
 - How the value of the Top Education shares being acquired compares to the value of the consideration being provided;
 - Advantages and disadvantages of approving the Proposed Transaction;
 - Other factors which we consider to be relevant to the shareholders of Top Education in their assessment of the Proposed Transaction; and
 - The position of the shareholders of Top Education should the Proposed Transaction not be successful.

- 2.5. Further information on the approach we have employed in assessing whether the Proposed Transaction is “fair and reasonable” is set out at Section 4 of this Report.

Opinion

- 2.6. We have considered the terms of the Proposed Transaction as outlined in the body of our report and have concluded that the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders of Top Education, as set out in Sections 10 and 11 of this Report.

Fairness

- 2.7. Our assessed values are summarised in the table below.

	Section	Low AU\$	High AU\$
Assessed Fair Value of the Buy-Back Shares on a minority basis	8	4,466,395	5,632,768
Assessed Fair Value of the Consideration payable	9	2,240,876	2,240,876

Source: MACF analysis

- 2.8. In the absence of any other relevant information, in our opinion, this indicates that the Proposed Transaction is fair to the Non-Associated Shareholders of Top Education because the low and high values of the Buy-Back Shares are higher than the respective value of the Consideration payable.

Reasonableness

- 2.9. RG 111 establishes that an offer is reasonable if it is fair. It may also be reasonable if, despite not being fair, there are sufficient reasons for security holders to approve the Proposed Transaction. We have considered the analysis in Section 11 of this report, in terms of both:
- Advantages and disadvantages of the Proposed Transaction; and
 - Other considerations if the Proposed Transaction is successful and the position of shareholders of Top Education if the Proposed Transaction is not successful.
- 2.10. In our opinion, the position of the Non-Associated Shareholders if the Proposed Transaction is approved is more advantageous than if it is not approved. We are of this opinion because the Non-Associated Shareholders of Top Education will be better off subsequent to the Proposed Transaction.
- 2.11. The advantages and disadvantages considered are summarised below. A detailed explanation can be found in Section 11.

Advantages of approving the Proposed Transaction

- The Proposed Transaction is fair
- Non-Associated Shareholders of Top Education will own a larger percentage of the Company as a result of the Proposed Transaction and is expected to increase Non-Associated Shareholders earnings and net assets per share.
- The Proposed Transaction can be funded from the existing cash reserves of Top Education
- The Proposed Transaction facilitates the sale of the Buy-Back Shares without the potential impact of an on market sale on the share price

Disadvantages of approving the Proposed Transaction

- The Proposed Transaction will reduce the cash reserves of Top Education
- The Non-Associated Shareholders are not able to participate in the Proposed Transaction

2.12. Other Considerations include:

- If the Proposed Transaction does not proceed, then PWC Nominees may look to sell its shares on market which could have a detrimental effect on the Top Education share price.
- The industry in which Top Education operates is subject to immigration policy changes by the Federal Government. Whilst not yet fully enacted, the policies have broadly received bipartisan support and are widely documented. The expected changes have created uncertainty in the sector and at this stage it is not possible to quantify the potential impact of the regulatory changes on the business of Top Education and therefore we have not adjusted for this uncertainty in our valuation of the Buy-Back Shares. The timing of the Proposed Transaction means that the impact of the regulatory changes on Top Education will still be uncertain, and the value of the Buy-Back Shares may change materially once the Australian Federal Government bill has passed parliament.

3. Summary of the Proposed Transaction

- 3.1. On 7 April 2025, Top Education entered into the Agreement with PWC Nominees to acquire the Buy-Back Shares, representing a shareholding in Top Education of approximately 10.9%, for cash consideration of HK\$11,243,168.30 (equivalent to AU\$2,397,264 as noted in the announcement dated 7 April 2025).

Key Conditions of the Proposed Transaction

- 3.2. The Proposed Transaction is conditional on Top Education obtaining all necessary shareholder and regulatory approvals. Specifically, the Proposed Transaction is conditional on the approval of Non-Associated Shareholders by the requisite majorities under section 257D(1) of the Corporations Act.

Rationale for the Proposed Transaction

- 3.3. The Proposed Transaction allows Top Education to acquire the Buy-Back Shares using existing cash reserves and mitigate the potential impact on the Company's share price of the disposal of PWC Nominee's substantial shareholding.

Impact of Proposed Transaction on Top Education's Capital Structure

- 3.4. The table below summarises the impact of the Proposed Transaction on Top Education's shareholders:

Prior to the Proposed Transaction			On completion of the Proposed Transaction		
Shareholder	No of Ordinary Shares Held	%	Shareholder	No of Ordinary Shares Held	%
Non-Associated Shareholders	2,171,686,000	89.1	Non-Associated Shareholders	2,171,686,000	100.0
PWC Nominees	264,708,000	10.9	PWC Nominees	-	-
Total Ordinary Shares on Issue	2,436,394,000	100.0	Total Ordinary Shares on Issue	2,171,686,000	100.0

- 3.5. The table above has been prepared on the assumption that none of the existing Top Education options or Performance Rights are exercised prior to completion of the Proposed Transaction.

4. Scope of the report

Regulatory guidance

- 4.1. In determining whether the Proposed Transaction is fair and reasonable; we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider assisting security holders to make informed decisions about transactions.
- 4.2. The substance of the regulatory framework in relation to selective buy-backs is to ensure that the Non-Associated Shareholders will not be economically and/or financially disadvantaged by not being able to participate in the buy-back.

Adopted basis of evaluation

- 4.3. RG 111 states that a transaction is fair if the value of the consideration payable is less than the value of the asset being acquired (in this case if the value of the consideration being given by Top Education is less than the value of the Buy-Back Shares). This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length.
- 4.4. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for Non-Associated Shareholders to approve the Proposed Transaction.
- 4.5. Having regard to the above, MACF has completed this comparison as follows:
 - A comparison between the value of the Buy-Back Shares and the value of the Consideration (fairness – see Section 10 Assessment of Fairness);
 - An investigation into other significant factors to which Non-Associated Shareholders might give consideration, prior to approving the Proposed Transaction, after reference to the values derived above (reasonableness – see Section 11 Assessment of Reasonableness).

5. Industry Analysis

Education and Training in Australia

Overview

- 5.1. The Education and Training industry in Australia includes secondary education providers such as public and private schools as well as institutions offering post-secondary education qualifications. More specifically, tertiary education providers include public or private universities, colleges, technical training institutes and private companies that provide different levels of qualifications as per the Australian Qualifications Framework¹.
- 5.2. The tertiary education sector covers highly diverse course offerings. These can range from different areas of study such as professional practice areas, language studies as well as vocational qualifications. They are also classified by the level of study ranging from a certificate level going all the way up to doctoral degrees. Many education providers within this segment are specialised in their offerings, focussing on specific sectors based on market demand and qualification levels.
- 5.3. The performance of the education services sector can be assessed through metrics such as revenue and student enrolment numbers. While university enrolments experienced a decline during the COVID-19 pandemic due to border closures and government policies affecting international students, recent data indicates a significant rebound. In 2023, international student enrolments in Australian universities increased by 15.2% compared to 2022, nearly returning to pre-pandemic levels observed in 2019. This resurgence underscores the sector's recovery and the renewed global demand for Australian higher education².

¹ AQF qualifications | AQF

² International Students in Australian Universities 2023

- 5.4. The industry wide revenue has observed a slight annualised decrease of 0.5% over the past 5 years to AU\$175.6 billion in 2024-25³. Despite this, the industry remains resilient with revenue projections indicating a modest 1.2% dip in the upcoming year. This reflects ongoing adaptation and potential for recovery as market conditions evolve.

Key Drivers

- 5.5. Target population – The variation in the target population directly influences performance of this industry. An increase in youth population allows for greater demand for the services.
- 5.6. Public funding – Investments in the sector positively impact the performance in many ways. Subsidies and grants for institutions reduce dependence on tuition fees for operational costs, alleviating student pressure and increasing demand for educational services.
- 5.7. Visa costs and regulations – A crucial factor affecting international student numbers is immigration laws. Recent developments include an increase in the cost of student visas and proposed caps on international enrolments. Both major Australian political parties have expressed support for tighter restrictions. With the upcoming federal election, bipartisan support for reducing international student numbers has added further uncertainty for the sector⁴. Any future caps are expected to limit international student commencements with exemptions including, but not limited to, post graduate students, students in a “twinning arrangement” where part of the course is offshore, and students taking standalone English language courses.
- 5.8. Technological advancement – Progress within this area enables increased offerings and facilities. In the recent years, a multitude of remote and hybrid learning opportunities have been emerging. This has led to increased geographical accessibility fuelling enrolment numbers.

Outlook

- 5.9. It is projected that government policies along with technological development will greatly influence this industry in the coming years. For domestic students on priority courses, this can be reflected by the introduction of public funding initiatives such as the Commonwealth Prac Payment (CPP) system⁵ which helps them manage the costs of undertaking mandatory placement within courses like teaching and nursing.
- 5.10. For international students, the tightening visa requirements and proposed international student caps will not only impact the education industry but also trickle down to workforce losses. The proposed regulatory changes have seen bipartisan support and are expected to negatively impact international student enrolments from 2025 onwards, threatening industry revenue going forward, particularly in relation to diploma level courses along with Certificate III and IV as these have the highest numbers of international student enrolments⁶.
- 5.11. There is also a potential for employer preferences to shift from traditional degrees as the world evolves. This could mean decreased demand for specialised education institutions. Despite this, the demand for certain professional practice courses, such as medicine and law, is likely to remain unchanged.
- 5.12. Industry wide revenue is expected to grow at an annualised rate of 1.7% through 2029-30, reaching AU\$190.7 billion⁷. Technical and vocational education and training revenue is expected to grow at an annualised rate of 0.9% between 2025 and 2030⁶.

³ IBIS World – Education and Training in Australia Michael Doyle October 2024

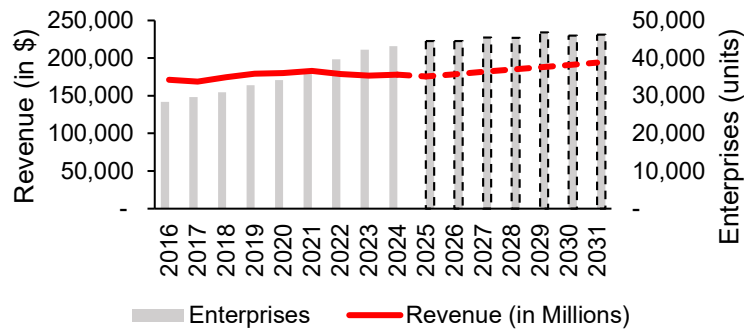
⁴ Dutton playing 'Donald Trump anti-migration card' in plan to slash international students, higher education peak body says | Australian election 2025 | The Guardian

⁵ [Commonwealth Prac Payment - Department of Education, Australian Government](#)

⁶ IBISWorld Education and Training P8101 Technical and Vocational Education and Training in Australia Nicholas Larter February 2025

⁷ IBIS World – Education and Training in Australia Michael Doyle October 2024

Education and Training in Australia



6. Profile of Top Education

Background

- 6.1. Top Education was founded in Sydney in 2001 and was first granted registration as a higher education institute in 2009. It has been listed on the Tertiary Education Quality Standards Agency (TEQSA) National Register as a higher education provider since 2012, followed by a Commonwealth Register of Institutions and Course for Overseas Students (CRICOS) registration in 2015.
- 6.2. During 2018, Top Education was officially listed on the Hong Kong stock exchange (SEHK:1752).
- 6.3. The main operations include 40 course offerings across three fields which are Business, Law and Information Technology through IMC, and intensive English Language courses through SCOTS.

Business Segments

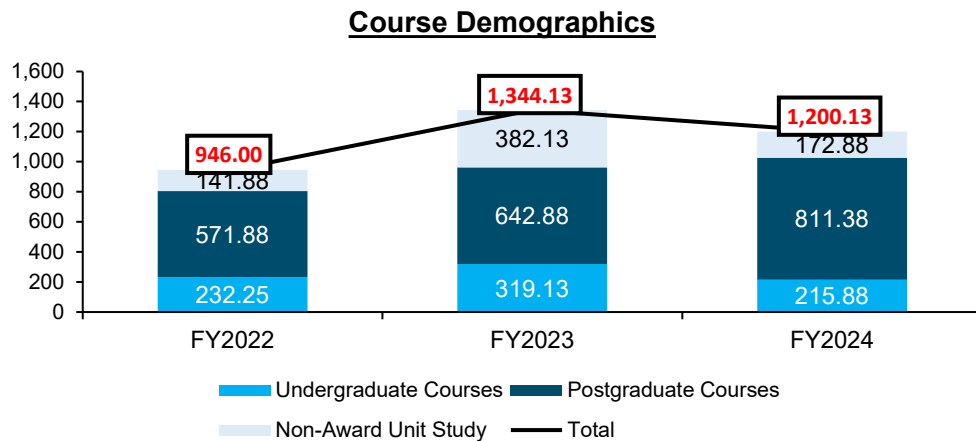
Australian National Institute of Management and Commerce (IMC)

- 6.4. Operating from its Sydney, Hobart and Perth campuses, IMC offers a range of undergraduate, postgraduate and short courses across the broad field of traditional business, law and information technology as well as courses such as data analytics and fintech.
- 6.5. The courses are catered to both domestic and international applicants, but the tuition fees for the latter remains significantly higher for all courses. This is attributed to commonwealth supported places provided to domestic students. There are several entry pathways provided to students, especially non recent school leavers who may not have a valid ATAR or equivalent to support their application. Top Education has educated over 10,000 students, established relationships with over 300 student agencies and signed over 10 memorandums of understanding with universities.

SCOTS English College (SCOTS)

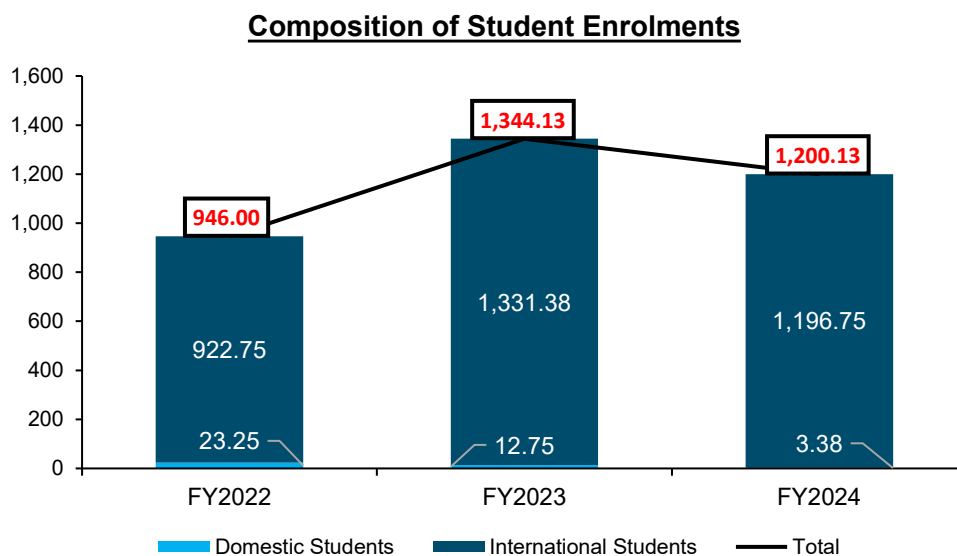
- 6.6. SCOTS is an English language school based in Sydney, offering a variety of courses tailored to academic, professional, and personal learning goals. Programs range from General English, IELTS and PTE preparation, and English for Academic Purposes, to a School Holiday Program for students aged 7 to 12. The College is located in the Sydney CBD and also delivers high-quality online learning options.
- 6.7. SCOTS is known for its student-centred approach, with a curriculum designed to accommodate different learning styles and levels. It places strong emphasis on classroom engagement, academic counselling, extracurricular support, and social integration through regular excursions and events. Students benefit from experienced, highly qualified teachers—many of whom hold postgraduate qualifications in TESOL.

Student Enrolments: Higher Education Course Demographics



- 6.8. Student enrolments at Top Education remain weighted toward postgraduate courses, consistent with sector-wide demand for advanced qualifications. While total enrolments for higher education courses declined during FY24, growth in formal qualification enrolments, particularly in postgraduate programs, aligns with longer term projections for a steady recovery driven by targeted government support and employer preference for higher-level credentials.

Higher Education Student Enrolments: Domestic and International



- 6.9. Top Education's student numbers are dominated by international students, making up an average of 98.8% of enrolments in higher education courses across the observed years and 99.7% of enrolments in FY24. This reflects the broader industry trend, where international enrolments surged following the relaxation of COVID-19 travel restrictions. The reliance on international enrolments highlights Top Education's exposure to policy changes around international student caps and visas.

Business Overview and Strategy

- 6.10. Top Education is focused on adapting to evolving regulatory changes, especially those impacting international student enrolments given the significant contribution to its revenue. They are also looking at diversifying their program offerings by introducing more courses tailored to domestic students, online learning options and exploring transnational educational opportunities.

Corporate Structure

6.11. As at the date of this Report, Top Education had the following wholly owned subsidiaries:

	Body corporate country of incorporation	Percentage of equity attributable to the Company	Country of tax residence
Top Education Consulting (Beijing) Limited	PRC/Mainland China	100	PRC/Mainland China
Top Education Development Pty Ltd	Australia	100	Australia
Scots English College Pty Ltd	Australia	85	Australia
ANIMC Pty Ltd	Australia	100	Australia

Board of Directors

6.12. The current Board of Directors are:

Name	Title	Experience
Dr. Rongning Xu	Executive Director and Chief Executive Officer	Dr. Xu was serving as acting CEO of SCOTS from December 2021 to December 2022. She has over ten years of experience in the higher education industry, a Bachelor of Financial Administration and a Master of Commerce (Accounting and Finance) from the University of New England. Dr. Xu also holds a post graduate certificate of higher education in learning and teaching from Macquarie University and is a member of CPA Australia.
Ms. Xing Shi Huang	Executive Director	Ms. Huang has experience in recruiting students within international education industry in Australia. She was one of the first employees in the Company's business when it was established in 2001.
Mr. Qingquan Yang	Executive Director	Mr. Yang is one of the founders of Top Education and has over 30 years of experience in private asset management and real estate. He has served at senior management positions within various organisations. He has a Bachelor of Civil Engineering from the Harbin Institute of Technology in China and a Master of Business Administration from the Macau University of Science and Technology.
Mr. Amen Kwai Ping Lee	Chairperson and Non-Executive Director	Mr. Lee is one of the founders of Top Education and joined as a director in 2001. He has over 30 years of experience in management and is an associate fellow of the Australian Institute of Management and was awarded the medal of the Order of Australia in the General Division in Australia in January 2009.
Mr. Yi Dai	Non-Executive Director	Mr Dai has 10 years' experience in finance and investment and has acted as the managing director of Xinjiang Guoli Minsheng Equity Investment Co., Ltd, and is responsible for overseeing its equity and security investment activities. He has a Bachelor of Science from the University of California in San Diego and Masters of Business Administration from California State Polytechnic University.
Mr. Edward Chiang	Non-Executive Director	Mr. Chiang has held several different roles in listed companies in Hong Kong ranging from director of investor relations at Minsheng Education Group Company Limited to corporate finance manager of Kingsway Capital Limited. He has a Bachelor of Arts (majoring in Business Law) from Macquarie university.
Mr. Tianye Wang	Independent non-executive Director	Mr. Wang has over 20 years of experience in management and financial services and has held various positions in listed companies in Hong Kong. He has a diploma in international finance from the Renmin University School of Finance in China, and a Master of Applied Finance from the Macquarie University in Australia. He was also admitted as a Senior Associate of the Australian Institute of Banking and Finance.

Name	Title	Experience
Professor Steven Schwartz	Independent Non-Executive Director	Professor Schwartz has over 20 years of experience in higher education. From 1996 to 2002, 2002 to 2005, and 2006 to 2012, Professor Schwartz served as vice chancellor of Murdoch University, Brunel University, and Macquarie University, respectively, where he was responsible for academic growth and development. Professor Schwartz is a fellow of the Academy of Social Sciences in Australia. He is currently an honorary senior fellow of the LH Martin Institute of the University of Melbourne and was awarded the Order of Australia in January 2013.
Mr. Jonathan Richard O'Dea	Independent Non-Executive Director	Mr. O'Dea has held several senior leadership roles across private and public sectors in Australia. Between 2007 and 2023, Mr. O'Dea was a member of the New South Wales Parliament, serving local constituents and contributing to policy and reform initiatives. Mr. O'Dea has also served as Speaker of the NSW Parliament from 2019-2023. He holds a Bachelor of Arts and Laws from the University of Sydney, a Graduate Diploma of Legal Practice from the NSW College of Law, a Master of Laws from the University of Sydney and a Master of Business Administration from Deakin University in Australia. In 2009, he was awarded an Advanced Diploma with Order of Merit from the Australian Institute of Company Directors.
Professor Dominic Robert Beresford Verity	Independent Non-Executive Director	Professor Verity is a Professor at the Mathematical Sciences Institute of Australian National University and an Emeritus Professor of the School of Mathematical and Physical Sciences at Macquarie University. He has extensive experience in the field of mathematics and computer science, having worked as a software developer and programmer and in the investment banking industry before returning to academia in 2000. Since then, he has held various executive positions at Macquarie University and was elected Chair of the Academic Senate at Macquarie University, responsible for the overall leadership of the academic governance of the university.

Historical Financial Information

- 6.13. The historical financial information for Top Education has been extracted from the audited financial statements of the Company for the years ended 30 June 2022, 2023 and 2024. The financial information for the six months to 31 December 2024 has been extracted from the interim financial statements for the six months then ended.

Historical Statement of Financial Performance

- 6.14. The information below provides a summary of the financial performance of Top Education for the years ended 30 June 2022, 2023 and 2024 and the six months to 31 December 2024.

Consolidated Statement of Financial Performance	Ref	FY22	FY23	FY24	HY25
		Audited AU\$'000	Audited AU\$'000	Audited AU\$'000	Unaudited AU\$'000
Income					
Course fee income	i	17,048	25,044	26,967	14,970
Other service fee income	ii	1,649	1,804	2,074	1,046
Costs of sale	iii	(11,121)	(15,056)	(16,284)	(9,397)
Gross Profit		7,576	11,792	12,757	6,619
GP %		41%	44%	44%	41%
Interest income	iv	58	513	1,962	1,533
Forex gain		2	2	-	3
Government grants	v	166	166	25	25
Other income	x	959	146	119	47
Expenses					
Administrative expenses		(7,192)	(7,040)	(8,113)	(4,347)
Advertising and marketing		(1,988)	(2,752)	(3,086)	(1,342)
Other operating costs		(301)	-	-	-
Finance costs	x	(835)	(786)	(725)	(373)

Consolidated Statement of Financial Performance	Ref	FY22	FY23	FY24	HY25
		Audited AU\$'000	Audited AU\$'000	Audited AU\$'000	Unaudited AU\$'000
Share based payments		(81)	(251)	(225)	(17)
Profit /(Loss) before tax		(1,636)	1,790	2,714	2,148
Tax expense		308	(702)	(804)	(595)
Profit/(Loss) after tax		(1,328)	1,088	1,910	1,553
EBITDA					
Depreciation		1,062	1,022	931	509
Amortisation		2,032	2,247	2,018	931
Amortisation (ROU assets)		1,917	1,917	2,053	1,166
Finance costs		835	786	725	373
Interest income		(58)	(513)	(1,962)	(1,533)
EBITDA		4,152	7,249	6,479	3,594
EBITDA %		22%	27%	22%	22%

6.15. We note the following in relation to the financial performance of Top Education:

- i. Revenue is primarily derived from tuition fees, which are recognised proportionately over the relevant period of the course. 100% of tuition fee revenue is generated within Australia.

Revenue has increased period on period as a result of post pandemic recovery which led to an increase in global mobility and the return of international students.

- ii. Other service fee income relates to fees earned from co-operative programs with universities in China.
- iii. Costs of sale comprise of staff costs, depreciation and amortisation, premises expenses and other student related costs such as agent commission.
- iv. Interest income has risen with the increase in interest rates.
- v. Government grants largely relate to Covid-19 grants and government support payments, apart from more recently, the Export Market Development Grant
- vi. Finance costs relate to the interest on lease liabilities.

Historical Statement of Financial Position

6.16. The information below provides a summary of the financial position of Top Education as at 30 June 2022, 2023, 2024 and 31 December 2024.

Consolidated Statement of Financial Position	Ref	30 June 2022	30 June 2023	30 June 2024	31 Dec 2024
		Audited AU\$'000	Audited AU\$'000	Audited AU\$'000	Unaudited AU\$'000
Assets					
Current Assets					
Cash	i	33,225	41,732	44,072	46,588
Term deposits		1,740	1,742	2,086	2,089
Other assets and prepayments		571	332	311	116
Other receivables		1,731	446	489	1,411
Trade receivables		550	344	197	291
Total Current Assets		37,817	44,596	47,155	50,495
Non-Current Assets					
Property, plant & equipment	ii	9,824	8,891	8,407	7,946
Intangible assets	iii	11,165	9,492	7,781	7,107
Goodwill	iv	1,533	1,533	1,533	1,533
Right of use assets	v	12,456	10,539	11,123	9,957
Prepayments		1,188	1,188	1,188	1,188
Deferred tax asset	vi	-	-	193	470
Total Non-Current Assets		36,166	31,643	30,225	28,201
Total Assets		73,983	76,239	77,380	78,696
Current Liabilities					
Trade payables		2,022	2,615	2,655	2,997
Other payables and accruals		2,104	1,747	2,470	2,573
Unpaid leave obligations		1,328	1,543	1,809	2,016
Lease liabilities	v	1,179	2,128	2,562	2,434
Contract liabilities	vii	3,862	5,982	4,246	5,691
Tax payables			355	685	596
Total Current Liabilities		10,495	14,370	14,427	16,307
Non-Current Liabilities					
Lease liabilities	v	15,056	12,412	12,518	11,339
Unpaid leave obligations		150	192	151	199
Deferred tax liability	vi	561	193	-	-
Accrual for reinstatement cost		198	147	166	147
Total Non-Current Liabilities		15,965	12,944	12,835	11,685
Total Liabilities		26,460	27,314	27,262	27,992
Net Assets		47,523	48,925	50,118	50,704
Equity					
Contributed equity		36,414	36,414	36,547	36,547
Treasury shares		(2,236)	(2,236)	(2,236)	(2,236)
Share based payment reserve		4,294	4,609	4,700	4,717
Retained earnings		8,617	9,729	10,705	11,313
Non-controlling interest		434	409	402	363
Total Equity		47,523	48,925	50,118	50,704

6.17. We note the following in relation to Top Education's financial position:

- i. Cash as at 31 December 2024 includes short term deposits with a maturity date of less than three months.
- ii. Property, plant and equipment mostly relates to office and classroom equipment and teacher reference books.
- iii. Intangible assets comprise capitalised course development expenditure, agent relationships, registration and other development expenditure and trademarks.
- iv. Goodwill was recognised through the acquisition of Scots English College Pty Ltd during FY21.
- v. Right of use assets relate to various contracts for office premises used in the business operations.
- vi. Deferred tax is stated on a net basis.
- vii. Contract liabilities relate to short term advances received prior to the beginning of the academic term from students for courses not yet provided.

Dividends

6.18. Top Education has historically paid dividends to shareholders as per the table below:

Dividends paid since 1 January 2020		
Period	Payment date	Amount per share (HK\$)
FY20	18/12/2020	0.0030
FY23	18/12/2023	0.0010
HY24	26/03/2024	0.0010
FY24	17/12/2024	0.0020

6.19. The Board has resolved not to declare an interim dividend for the period ended 31 December 2024.

Ownership Structure

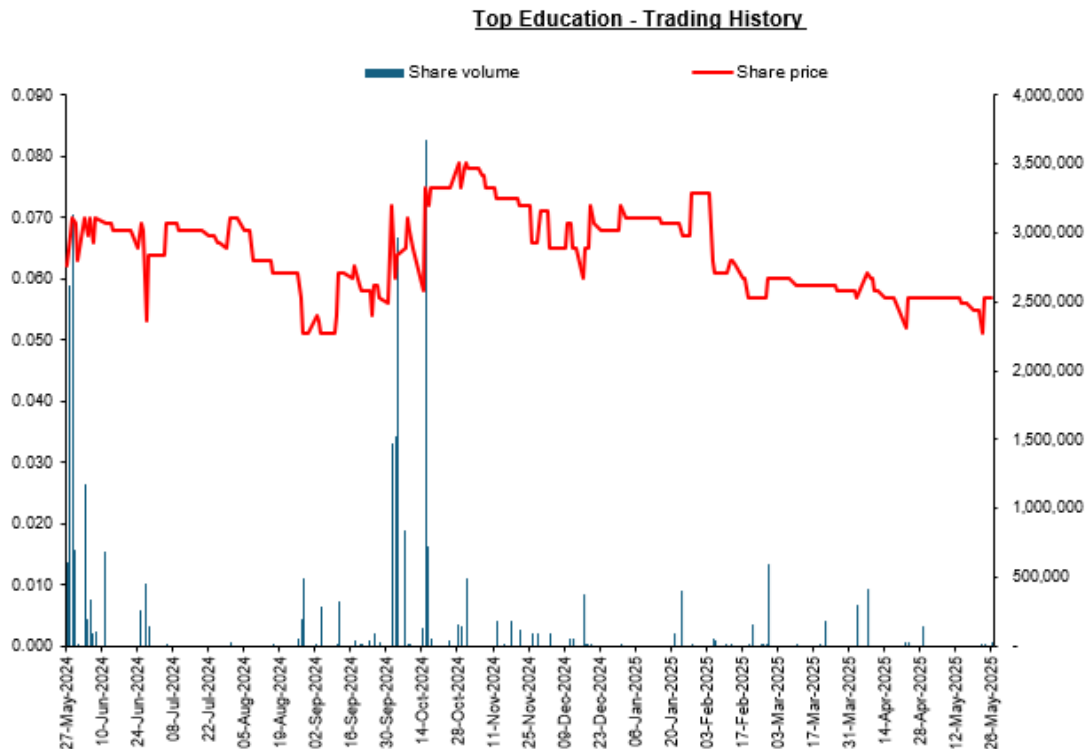
6.20. As date of this Report, Top Education had 2,436,394,000 ordinary shares on issue. Details of the top 10 shareholders as at 28 February 2025 are as follows:

Shareholder	No. of Shares	Shareholding %
Xinjiang Guoli Mingsheng	351,180,000	14.4%
PricewaterhouseCoopers Nominees (A.C.T.) Pty Ltd	264,708,000	10.9%
Xing Shi Huang (the administrator of Minshen Zhu's estate)	228,506,000	9.4%
Billion Glory Group Holdings Ltd	211,902,000	8.7%
Minsheng Education Development Company Limited	209,000,000	8.6%
Qingquan Yang	153,862,000	6.3%
Amen Kwai Ping Lee	150,302,000	6.2%
Tristar United Investment Ltd (NZ)	150,002,000	6.2%
Xin Wang	116,382,000	4.8%
Loyal Creation Investment Ltd	71,708,000	2.9%
Total	1,907,552,000	78.3%

Source: Top Education share register as at 28 February 2025

Share Price Performance

- 6.21. The figure below sets out a summary of the closing share price and volume of Top Education shares traded for the 12 months ending 26 May 2025, being the last day shares were traded up to the date of this Report.



Source: S&P Capital IQ

- 6.22. Over the 12 months ending 26 May 2025, Top Education's share price ranged from a minimum of HK\$0.051 in May 2025 to a maximum of HK\$0.079 in October 2024. In the month leading up to 26 May 2025, the price fluctuated between a low of HK\$0.051 and a high of HK\$0.057. Over the whole 12 month period shown above, just 1.17% of Top Education's total shares were traded. During this same period, there were no non-routine announcements made by the Company apart from on 30 September 2024 when the Company announced an increased final dividend for FY25. This led to a temporary increase in trading and share price.
- 6.23. Following the announcement of the Proposed Transaction on 7 April 2025, there has been very little trading in the Company's shares, with just 260,000 shares trading during the 30 trading days to 26 May 2025. These shares traded at between HK\$0.051 and HK\$0.057, which is lower than the share price on the date of the announcement, being HK\$0.061.

7. Valuation approach

Definition of Value

- 7.1. RG 111 states that a transaction is fair if the value of the consideration being paid is less than the value of the asset being acquired (i.e. the Buy-Back Shares). This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to approve the Proposed Transaction.

Valuation Approach Adopted

7.2. There are a number of methodologies which can be used to value a company. The principal methodologies which can be used are as follows:

- Capitalisation of current maintainable earnings ('CME')
- Discounted cash flow ('DCF')
- Quoted market price basis ('QMP')
- Net asset value ('NAV')
- Net tangible asset value ('NTA')
- Market approach method (Comparable market transactions)

7.3. A summary of each of these methodologies is outlined in Appendix B.

Value of Buy-Back Shares

7.4. In assessing the value of the Buy-Back Shares, we have chosen to apply the CME method as our primary methodology and QMP and NTA as our secondary methodologies. This was selected on the following basis:

- Top Education has a history of profitable earnings;
- We do not consider that a DCF basis of valuation (which would require a forecast cash flow for a period of up to 5 years) is appropriate as the directors of Top Education are not able to forecast the cash flows of the Company reliably and accurately;
- In the absence of reliable cash flow forecasts, CME is a reasonable proxy for operating cash flows;
- There are publicly listed companies with operations sufficiently similar to Top Education to provide meaningful analysis;
- NAV or NTA are not usually preferred for a trading business as the value of the business is not derived from the value of its tangible assets. However, we can use this as a cross check to represent the minimum value of Company;
- We have also considered the QMP methodology as a secondary cross check. The QMP methodology is relevant as Top Education is listed on a regulated exchange where its shares are traded. We have considered these factors further in Section 8 of this report.

7.5. We have valued the Buy-Back Shares on a minority basis due to the size of the holding.

Value of Consideration

7.6. The Consideration payable under the Proposed Transaction is cash based, payable on completion and is therefore readily determined.

8. Valuation of Buy-Back Shares

- 8.1. As stated at Section 7 we have primarily assessed the value of the Buy-Back Shares using the CME methodology and using QMP and NTA as our cross check methodologies.

Primary Methodology: CME

- 8.2. The assessed value of the Buy-Back Shares is as follows:

	Ref	Low AU\$'000	High AU\$'000
Equity Value of Top Education on a controlling basis	8.3	53,388	62,463
Minority Interest Discount	8.44	23%	17%
Equity Value of Top Education on a minority interest basis		41,109	51,844
Number of shares on issue in Top Education	3.4	2,436,394,000	2,436,394,000
Value per Top Education Share		AU\$0.017	AU\$0.021
Number of Buy-Back Shares	3.4	264,708,000	264,708,000
Total Value of Buy-Back Shares on a minority basis		AU\$4,466,395	AU\$5,632,768

Source: MACF analysis

Enterprise value

- 8.3. We have assessed the enterprise value of Top Education on a control basis using the capitalisation of CME methodology, as summarised in the table below.

Assessed value of Top Education on a control basis

	Ref	Low AU\$'000	High AU\$'000
Assessed EBITDA of Top Education	8.12	4,426	4,831
Assessed EBITDA multiple for Top Education	8.13	6.9	8.2
Enterprise value on a control basis		30,539	39,614
Add/(less) surplus assets/(liabilities)	8.39	-	-
Add/(less) working capital surplus/(deficit)	8.40	(12,055)	(12,055)
Add/(less) net cash/(debt)	8.43	34,904	34,904
Equity Value on a control basis		53,388	62,463

Source: MACF analysis

- 8.4. The capitalisation of earnings methodology estimates the value of the equity of a company by capitalising the current maintainable earnings of the underlying business at an appropriate multiple, which reflects the underlying risk profile and growth prospects of the business applying a premium for control where necessary, adding the value of any surplus or non-operating assets (or deducting any excess or non-operating liabilities) and deducting net debt (or adding net cash). Accordingly, valuing Top Education using the capitalisation of maintainable earnings methodology requires the determination of the following variables:

- current maintainable earnings;
- an appropriate capitalisation multiple;
- an appropriate premium for control;
- the current level of net debt or net cash; and
- the value of surplus assets or liabilities.

8.5. Our considerations with regard to each of these factors is presented below:

Current maintainable earnings

8.6. Our calculation of current maintainable earnings of Top Education is based on Top Education's earnings before interest, tax, depreciation and amortisation (EBITDA). We have used EBITDA as it allows earnings and therefore appropriate capitalisation rates to be compared to other companies as:

- the EBITDA calculation is unaffected by capital structure (level of gearing);
- the EBITDA calculation is not impacted by tax structure or different income tax rates; and
- EBITDA is a fair representation of the actual cash that flows through the company.

8.7. In assessing current maintainable earnings, we have had regard to the following financial results:

- Audited financial statements for Top Education for the years ended 30 June 2023 and 2024;
- Reviewed interim financial statements for Top Education for the six months ended 31 December 2024;
- Unaudited management accounts of Top Education for the three months ended 31 March 2025; and
- Unaudited forecast financial information for Top Education for the period ended 30 June 2025.

Financial performance of Top Education

8.8. We have made the following normalisation adjustments to the EBITDA for Top Education:

Normalisation Adjustments	Ref	FY23	FY24	HY25
		Actual AU\$'000	Actual AU\$'000	Annualised* AU\$'000
EBITDA	6.14	7,249	6,479	7,188
Adjustments:				
Less amortisation on ROU assets	8.10	(1,917)	(2,053)	(2,332)
Less government grant	8.12	-	-	(25)
Adjusted EBITDA		<u>5,332</u>	<u>4,426</u>	<u>4,831</u>

Source: MACF analysis

*Annualised HY25

8.9. We have made enquiries regarding any potential normalisation adjustments to the EBITDA for Top Education and have confirmed that there are no significant one off transactions or non-business expenses included in the profit or loss account for Top Education for the periods noted above that require adjustment.

8.10. We have expensed the amortisation of right of use assets in order to be consistent with EBITDA reporting for comparable companies.

8.11. We have adjusted for a government grant received during HY25 that is not appropriate to annualise.

8.12. On the basis of our review of the financial information, and from our discussions with management and our comments above, we consider the current maintainable EBITDA of Top Education to be between AU\$4.4m and AU\$4.8m. This has been assessed based on the range of EBITDA between the actual EBITDA achieved in FY24 and the annualised HY25 results.

Assessment of Capitalisation Multiple

- 8.13. Based on our analysis of comparable company multiples, we consider an appropriate controlling multiple for Top Education to be in the range of 6.9 to 8.2 times based on an analysis of comparable trading multiples and comparable transactions.

	Ref	Multiple Range	
		Low	High
EBITDA multiple for Top Education	8.37	6.9x	8.2x

- 8.14. In selecting an appropriate capitalisation multiple to value Top Education, we have considered the trading multiples of equities of listed companies based on the following criteria:

- Exposure to the provision of tertiary and vocational education, particularly those also servicing international students. We have excluded companies whose primary focus is early education or primary and secondary school education;
- EBITDA greater than AU\$nil;
- Market capitalisation less than AU\$100m; and
- Operations largely in Australia with primary or secondary listing on the ASX.

- 8.15. We considered comparable companies with the above criteria listed on the Hong Kong Exchange rather than the ASX and noted that those companies catered almost entirely to domestic students located in the People's Republic of China and as such their business models were not sufficiently comparable to Top Education's.

Comparable trading company multiples

- 8.16. The table below sets out a summary of the historic EBITDA multiples of entities listed on the ASX whose operations and activities are comparable to those of Top Education using the specific criteria noted in paragraph 8.14 above. We note that due to the niche nature of the industry in which Top Education operates there were only two truly comparable companies identified. A brief description of each of the comparable companies is set out at Appendix D.

Summary of comparable company trading multiples

Company Name	Ticker	Market Cap AU\$m	Cash AU\$m	Debt AU\$m	Enterprise Value * AU\$m	31/12/24 Net Assets AU\$m	Dividend Yield %	FY24 EBITDA AU\$m	LTM EBITDA AU\$m	FY24 EBITDA Multiple (x)	LTM EBITDA Multiple (x)
EDU Holdings Limited**	ASX:EDU	21.1	6.5	10.5	30.4	12.4	Nil	4.4	4.4	6.9	6.9
NextEd Group Limited	ASX:NXD	29.9	13.7	44.2	67.9	26.3	Nil	7.2	4.7	9.4	14.4
Average/Median										8.2	10.7

Source: S&P Capital IQ, MACF analysis

*Includes a premium of control of 25% as per paragraph 8.22

**Has a financial year end of 31 December 2024

- 8.17. A total of 2 publicly listed companies were identified as reasonably comparable based on the search criteria above. We note that the number of comparable companies is small, this is due to the niche nature of the education service provided.

8.18. We make the following observations in relation to the comparable companies identified:

- EDU provides tertiary and vocational education services in Australia, with a focus on health and community services and provides services to domestic and international students. It is the most comparable company to Top Education in terms of services offered and size of operations. EDU experienced substantial growth between CY23 and CY24 with revenue nearly doubling during that period due to a surge in enrolments under an expanded course portfolio focussing on skill shortages. Prior to the year ended 31 December 2024, EDU was generating an EBITDA loss. During February 2025 EDU released earnings guidance for CY25, with revenue and net profit expected to grow following enrolment increases. The share price increased after the announcement but only for a short period before falling back down to preannouncement levels. EDU's stock is not considered liquid with just 2.61% of EDU stock having been traded in the last 90 days.
- NXD provides a broad range of education services in Australia, Europe and South America. It has a focus on vocational services, including to international students and is larger than Top Education in terms of revenue and EBITDA. NXD went through a strong growth phase with revenue more than doubling between FY21 and FY22 and then more than doubling again between FY22 and FY23 after the acquisition of Redhill Education Limited. The LTM revenue indicates a 21% decline year on year, with management citing the impact of government restrictions on international student enrolments. The led to a 30% decline in year on year EBITDA and a net loss after tax (after the impairment of intangible assets). NXD's share price has been relatively volatile in recent periods, with the share price increasing following the release of its results for the half year ended 31 December 2024, despite the fall in EBITDA.

8.19. Based on our analysis, EDU represents the most comparable company to Top Education. As such, we have used the EDU multiple of 6.9x in our low valuation of Top Education. In our high valuation we have used the FY24 average multiple of 8.2x. This is because analysis of the historic multiple for NXD has indicated that the LTM EBITDA multiple for NXD is inflated due to the recent decline in earnings.

Adjustments to the comparable company trading multiples

Control premium

8.20. We note that the share price of a listed company represents the market value of a non-controlling interest in that company and, as such, any earnings multiple derived from those share prices are consequently non-controlling multiples and they do not reflect a premium for control. In order to calculate the value of a controlling interest prior to adjusting for surplus assets/liabilities and net debt, we must apply a control premium to the enterprise value multiple.

8.21. We have reviewed the control premiums paid in recent years by companies listed on the ASX. There is significant variability in control premiums paid which are affected by such factors as:

- Nature and magnitude of non-operating assets;
- Quality of management;
- Nature and magnitude of business opportunities/assets not currently being exploited;
- Degree and confidence in future synergies;
- Level of pre-announcement speculation of the transaction;
- Level of liquidity in the trade of the acquiree's securities; and
- The stage in the economic cycle.

8.22. A review of control premiums paid by acquirers of companies listed on the ASX in recent years indicates a range of premiums between 20% and 30% is reasonable. We believe that this reflects an appropriate rate of control premia to be applied in our valuation of Top Education.

Business specific risk

- 8.23. The EBITDA multiple derived, prior to considering business specific risk is based on our analysis of comparable companies. We consider it appropriate to further consider additional factors specific to Top Education which should be reflected in adopting an appropriate EBITDA multiple to apply to the Company.
- 8.24. Consideration of business specific risk results in an adjustment made to comparable company trading multiples in order to allow for the perceived differences between the comparable companies used to arrive at a comparable multiple and the target business being valued, which are then taken into account in arriving at the specific multiple selected to be applied to the target business being valued. It is not limited solely to consideration of the risks specific to the target business being valued but also to consideration of investment related risks from a potential investor's perspective.
- 8.25. In carrying out this analysis the information we have obtained in respect of the comparable companies is limited to that information that is publicly available from those companies and our interpretation of that information. Accordingly, there is an element of judgement applied in arriving at the business specific risk to apply to Top Education. Business specific risk is a subjective adjustment made to comparable company trading multiples in order to allow for the differences between the comparable companies used to arrive at a comparable multiple and the specific multiple applied to the business being valued.
- 8.26. When assessing any business specific risk adjustment, we have considered the following:
- Top Education is a public listed company;
 - Top Education has similar scale and diversification to the comparable companies, although only operates within Australia (like EDU);
 - Top Education and the comparable companies are reliant on continued demand from international students, making them vulnerable to changes in the regulatory environment and government policies (including recent discussions by the Australian Government around international student caps and stricter visa policies), global mobility etc. We note that the comparable companies cater to international students and are therefore also exposed to this risk, in addition these companies have publicly released information about their exposure and plans to mitigate the potential impact.
 - Top Education has lower revenue and EBITDA to the comparable companies, although its net assets are higher than the comparable companies.
- 8.27. In terms of allocating business specific risk to specific factors we have assessed that the comparable companies, particularly EDU, and Top Education are very similar in terms of size and operations and are exposed to the same risk factors, including uncertainties surrounding international student caps in Australia and the potential impact on growth. Based on this analysis, we are of the opinion that Top Education carries similar risk to the comparable companies and as such we do not consider that a business specific risk adjustment is appropriate to value Top Education.

Comparable transaction multiples

- 8.28. In order to provide a comparison and cross check to the multiple assessed above, we have considered recent comparable transaction multiples. Our assessment below is broadly supportive of the trading multiples noted.

8.29. We have reviewed transactions on the following basis:

- Target companies with exposure to the provision of tertiary and vocational education, particularly those also servicing international students. We have excluded companies whose primary focus is early education or primary and secondary school education;
- Transactions completed in the last 5 years;
- Target company EBITDA greater than AU\$nil; and
- Target company operations largely in Australia.

8.30. The table below sets out a summary of the historic EBITDA multiples of transactions whose target company operations are comparable to those of Top Education using the specific criteria noted in paragraph 8.29 above. We note that due to the niche nature of the industry in which Top Education operates there was only one truly comparable target company identified. A brief description of this target company is set out at Appendix E.

Summary of transaction multiple

Target Company	Ticker	Deal value AU\$m	Equity acquired	Consideration	Revenue AU\$m	EBITDA AU\$m	Implied EBITDA Multiple (x)
Redhill Education Limited	ASX:RDH	74.4	100%	100% scrip in NXD	64.6	9.5	7.8

Source: MergerMarket, MACF analysis

8.31. One comparable transaction was identified as reasonably comparable based on the search criteria above.

8.32. We make the following observations in relation to the comparable transaction identified:

- During October 2021 NXD completed the acquisition of RedHill Education Limited ("RedHill") via an off market takeover. RedHill provides education and agency services for domestic and international students, including English language tests in Australia, Europe and South America. The consideration payable was 100% scrip. Using RedHill's EBITDA, the implied EBITDA multiple was 7.8x. We note that the combined entity is currently trading on the ASX as NDX with a controlling LTM multiple of 14.4x and a FY24 multiple of 9.4x. Although larger in size and scale, RedHill is directly comparable to Top Education.

8.33. We note that the enterprise value and EBITDA multiple applied in our analysis is based on metrics disclosed at the time of each transaction. As such, the valuation data reflects the market conditions, expectations, and strategic considerations prevailing at the time of the deal, rather than current trading levels or forecast earnings. While the earnings data used in the comparable transaction may not always align with the latest financial reporting periods, it provides a reliable basis for valuation given the recent transaction date.

8.34. Based on the observed transaction data, the implied EBITDA multiple broadly supports the multiple derived from the trading companies above. Given the specific characteristics of the target business, including its focus on international student markets and vocational education, we consider this range to be an appropriate benchmark for valuation purposes.

Adjustments to the comparable transaction multiples

Control premium

8.35. The comparable transaction multiple includes a premium for control as it is a majority acquisition and therefore a premium for control is already factored into the deal value.

Business specific risk

- 8.36. Based on our analysis of business specific risk and the target company identified, we are of the opinion that Top Education carries the same level of risk than the comparable transaction used in our analysis. We therefore have not applied a business specific risk discount to the comparable transaction multiple.

Conclusion on capitalisation multiple

- 8.37. Based on our analysis of comparable company multiples, we consider an appropriate controlling multiple to be in the range of 6.9 to 8.2 times based on an assessment of both comparable trading companies and comparable transactions.

Equity Value

- 8.38. In calculating the equity value of Top Education, we make the following adjustments to the Enterprise Value:

Surplus assets/(liabilities)

- 8.39. Surplus assets and liabilities are those assets and liabilities not required to sustain the adopted level of earnings. We have reviewed the net assets of Top Education as at 31 December 2024 and do not consider any of the assets and liabilities to be surplus to the operations of the business.

Working Capital

- 8.40. We have reviewed the working capital position of Top Education as at 31 December 2024. Our working capital analysis is based on a calculation that excludes cash or cash equivalents and any short-term finance balances as these balances are separately included in the net cash/debt adjustment below.
- 8.41. We have not had access to monthly balance sheet information in order to calculate an average working capital position for Top Education over the prior 12 months and instead have used book values as at 31 December 2024. Based on the 31 December 2024 numbers, working capital was a deficit of AU\$12.1m. Whilst the working capital balance appears low, this is reasonable for Top Education given the low value of trade receivables and substantial cash balance.
- 8.42. We have assessed the Top Education working capital deficit as at 31 December 2024 as follows:

	Ref	31 December 2024 AU\$'000
Current assets	6.16	50,495
Less cash balances assessed as cash	6.16	(46,588)
Less term deposits assessed as cash	6.16	(2,089)
Current liabilities	6.16	(16,307)
Add back current lease liabilities (assessed as debt)	6.16	2,434
Net working capital deficit		(12,055)

Source: MACF analysis

Net cash/debt

8.43. We have assessed that Top Education has the following cash and debt as at 31 December 2024:

	Ref	31 December 2024 AU\$'000
Cash and cash equivalents	6.16	46,588
Term Deposits	6.16	2,089
Lease liabilities (current and non-current)	6.16	(13,773)
Net cash		34,904

Source: MACF analysis

Minority Discount

8.44. A review of control premiums paid by acquirers of companies listed on the ASX in recent years indicates a range of premiums between 20% and 30% is reasonable (refer to Section 8.20 to 8.22 of this Report). The minority interest discount is the inverse of a premium for control and is calculated using the formula $1 - [1 / (1 + \text{control premium})]$. Therefore, the minority interest discount is between 17% and 23%.

Valuation summary for the Buy-Back Shares on the CME basis

8.45. Our assessed value of the Buy-Back Shares on a minority basis, as calculated using the CME valuation methodology noted above, is between AU\$4,467,658 and AU\$5,632,768.

Secondary valuation methodology: QMP

8.46. In order to provide a cross check and comparison to our valuation of a Top Education share using the CME methodology, we have also assessed the value of a Top Education share using the QMP valuation methodology prior to the announcement of the Proposed Transaction. The QMP of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

Traded Volumes of Top Education Shares up to 7 April 2025

8.47. We have considered the last traded price of a Top Education share over a range of periods to 7 April 2025 (being the day of the announcement). An analysis of the trading volume and VWAP of Top Education's shares for 1, 5, 10, 30, 60 and 90 trading day periods is set out in the table below:

VWAP Summary to 7 April 2025						
	1 Day	5 Day	10 Day	30 Day	60 Day	90 Day
VWAP HK\$	0.061	0.059	0.059	0.059	0.061	0.062
VWAP AU\$*	0.0122	0.0118	0.0118	0.0119	0.0122	0.0123
Total Volume (m)	0.41	0.71	0.71	1.56	2.37	3.19
Total Outstanding Shares (m)	2,436	2,436	2,436	2,436	2,436	2,436
% of Total Shares	0.02	0.03	0.03	0.06	0.10	0.13
Low Price HK\$	0.061	0.057	0.057	0.057	0.057	0.057
High Price HK\$	0.061	0.061	0.061	0.061	0.074	0.074

*Using HK\$1:AU\$0.19931 per Oanda as at 7 May 2025

Source: Cap IQ

8.48. The table above shows that 0.06% of Top Education's shares were traded in the 30 trading days prior to the announcement of the Proposed Transaction. This is indicative of an illiquid stock.

- 8.49. We note that to rely on the QMP valuation methodology there is a requirement for the security to trade in a 'deep' market. RG111.69 indicates that a 'deep' market should reflect a liquid and active market. Characteristics of a deep market are:

Deep Market - Characteristics	
Regular trading in a company's securities	Not met
An average of 1% of a company's securities traded on a weekly basis	Not met
Non-significant spread of the stock	Met
A significant spread of ownership of the securities	Not Met – top 10 shareholders own approx. 78% of total capital
There are not regular unexplained movements in the share price	Met

Source: MACF Analysis

- 8.50. For a security to be considered 'deep' it should fit with all the above characteristics. Although if it does fail to meet all the above characteristics it does not automatically characterise the share price trading as irrelevant for valuation purposes, rather it means that it should not purely be relied upon and should be considered within this context.
- 8.51. We note that the analysis represents the potential range of values of a Top Education share if the Company were to buy back shares on market, subject to liquidity. Using the data above, a VWAP range of AU\$0.0118 to AU\$0.0123 on a minority basis. This analysis is secondary to our primary assessment of the value of a Top Education share using the NAV methodology.
- 8.52. Using the above value range for a Top Education share, we have assessed the value of the Buy-Back Shares as follows:

	Ref	Low AU\$	High AU\$
Assessed fair value of a Top Education share on a minority basis using the QMP methodology	8.51	0.0118	0.0123
Number of Buy-Back Shares	3.4	264,708,000	264,708,000
Assessed fair value of the Buy-Back Shares using the QMP methodology on a minority basis		3,123,554	3,255,908

- 8.53. Due to the illiquid nature of the Top Education stock, this methodology is secondary to our CME methodology and used as a cross check.

Secondary valuation methodology: NTA

- 8.54. In order to provide an alternative cross check and comparison to our valuation of a Top Education share using the CME methodology, we have also assessed the value of a Top Education share using the Net Tangible Asset ("NTA") methodology. The NTA method (assuming an orderly realisation of tangible assets) estimates the fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs that arise, assuming assets are realised in an orderly manner.
- 8.55. As a trading company, the NTA of Top Education should represent the minimum value of the Company.

8.56. The consolidated Statement of Financial Position below has been extracted from the unaudited financial statements of Top Education for the half year ended 31 December 2024.

Statement of Financial Position	Ref	31 Dec 2024 AU\$'000	Low AU\$'000	High AU\$'000
Assets				
Current Assets				
Cash		46,588	46,588	46,588
Term deposits		2,089	2,089	2,089
Other assets and prepayments		116	116	116
Other receivables		1,411	1,411	1,411
Trade receivables		291	291	291
Total Current Assets		50,495	50,495	50,495
Non-Current Assets				
Property, plant & equipment		7,946	7,946	7,946
Intangible assets	8.57	7,107	-	-
Goodwill	8.57	1,533	-	-
Right of use assets	8.57	9,957	-	-
Prepayments		1,188	1,188	1,188
Deferred tax asset		470	470	470
Total Non-Current Assets		28,201	9,604	9,604
Total Assets		78,696	60,099	60,099
Current Liabilities				
Trade payables		2,997	2,997	2,997
Other payables and accruals		2,573	2,573	2,573
Unpaid leave obligations		2,016	2,016	2,016
Lease liabilities		2,434	2,434	2,434
Contract liabilities		5,691	5,691	5,691
Tax payables		596	596	596
Total Current Liabilities		16,307	16,307	16,307
Non-Current Liabilities				
Lease liabilities		11,339	11,339	11,339
Unpaid leave obligations		199	199	199
Accrual for reinstatement cost		147	147	147
Total Non-Current Liabilities		11,685	11,685	11,685
Total Liabilities		27,992	27,992	27,992
Net Assets		50,704	32,107	32,107

8.57. We have excluded the value of intangible assets, goodwill and right of use assets in our assessment above, to arrive at the NTA value.

8.58. Other than as noted above, we have determined that the fair value of the assets and liabilities as at 31 December 2024 are equivalents to the carrying values noted in the interim financial statements of the Company.

8.59. Based on our assessment above the NTA value of Top Education is AU\$32,107,000. Any value associated with intangible assets would only serve to increase the NAV of Top Education and would therefore not change our opinion on fairness.

8.60. The assessed value of the Buy-Back Shares using the NTA value above is as follows:

	Ref	Low AU\$'000	High AU\$'000
NTA Value of Top Education on a controlling basis	8.56	32,107	32,107
Minority Interest Discount	8.44	23%	17%
NTA Value of Top Education on a minority interest basis		24,722	26,649
Number of shares on issue in Top Education	3.4	2,436,394,000	2,436,394,000
Value per Top Education Share		AU\$0.0101	AU\$0.0109
Number of Buy-Back Shares	3.4	264,708,000	264,708,000
Total Value of Buy-Back Shares on a minority basis		AU\$2,686,025	AU\$2,895,325

Source: MACF analysis

8.61. As noted above, the NTA value represents the minimum value for the Buy-Back Shares.

Valuation conclusion for the Buy-Back Shares

8.62. Our assessed values for the Buy-Back Shares on a minority basis are summarised below:

	Ref	Low AU\$	High AU\$
Assessed fair value of the Buy-Back Shares on a minority basis using the CME methodology	8.45	4,466,395	5,632,768
Assessed fair value of the Buy-Back Shares on a minority basis using the QMP methodology	8.52	3,123,554	3,255,908
Assessed fair value of the Buy-Back Shares on a minority basis using the NTA methodology	8.60	2,686,025	2,895,325

8.63. Our assessed value of the Buy-Back Shares on a minority basis, is based on the CME methodology. Whilst we have used the QMP and NTA methodologies as a cross check, these methodologies have not been relied upon. This is because the QMP methodology is limited by the liquidity in Top Education's shares and the NTA methodology represents the minimum value of the Company. The CME methodology is preferred as it captures the value of the intangible assets and enterprise value of Top Education.

8.64. We have valued the Buy-Back Shares on a minority basis as the shareholding represents a minority shareholding of approximately 10.9%. We note that the holding is still substantial and as such may attract a premium on sale. If we were to include a premium for the holding this would increase the values of the Buy-Back Shares in each of the methodologies above. Any premium recognised would therefore not change our opinion on the Proposed Transaction.

9. Valuation of the Consideration Payable

9.1. The Consideration payable for the Buy-Back Shares under the Proposed Transaction is HK\$11,243,168.30, payable on completion in cash.

9.2. We have assessed the fair value of the consideration as follows:

	Ref	
Total value of Consideration per Buy-Back Agreement	3.1	HK\$11,243,168
Exchange Rate HK\$1:AU\$0.19931 as at 7 May 2025		
Total value of Consideration in AU\$		AU\$2,240,876

Source: MACF analysis

- 9.3. Due to the short term nature of the consideration payable, the total amount has not been discounted.

10. Is the Proposed Transaction fair to Top Education Shareholders?

- 10.1. When assessing fairness, we have compared the estimated value of the Buy-Back Shares to the value of the Consideration payable by Top Education.
- 10.2. Our assessed values are as follows:

	Section	Low AU\$	High AU\$
Assessed fair value of the Buy-Back Shares on a minority basis	8	4,466,395	5,632,768
Assessed fair value of the Consideration payable	9	2,240,876	2,240,876

Source: MACF analysis

- 10.3. Based on the range of values above, in the absence of any other relevant information, in our opinion, this indicates that the Proposed Transaction is fair to the Non-Associated Shareholders of Top Education because the low and high values of the Buy-Back Shares are higher than the Consideration payable.

11. Is the Proposed Transaction Reasonable?

- 11.1. RG111 establishes that a transaction is reasonable if it is fair. If a transaction is not fair, it may still be reasonable after considering the specific circumstances applicable to it. In our assessment of the reasonableness of the Proposed Transaction we have considered:
- The prospects of Top Education if the Proposed Transaction does not proceed; and
 - Other commercial advantages and disadvantages to the Non-Associated Shareholders because of the Proposed Transaction proceeding.

Advantages and Disadvantages

- 11.2. In assessing whether the Non-Associated Shareholders are likely to be better off if the Proposed Transaction proceeds than if it does not, we have considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantages of approving the Proposed Transaction

Advantage 1 – The Proposed Transaction is fair

The Proposed Transaction is fair to the Non-Associated Shareholders

Advantage 2 – Increased Interest of Non-Associated Shareholders

Non-Associated Shareholders' interest in Top Education will increase from approximately 89.1% prior to the Proposed Transaction to 100% following the Proposed Transaction and is expected to increase Non-Associated Shareholders earnings and net assets per share. The Proposed Transaction is not expected to have an effect on the control of Top Education.

Advantage 3 – Cash Reserves

The Proposed Transaction can be funded from existing cash reserves of Top Education without having a negative impact on the liquidity of the Company, or a threat to the Company's capacity to meet its obligations. These cash reserves are considered surplus to the requirements of the Company based on current and expected earnings.

Advantage 4 – Exit Facilitation

PWC Nominees has notified the Company of its desire to sell its holdings in Top Education. The Proposed Transaction will facilitate this exit without the need for the shares to be sold on market which may create downward pressure on the share price.

Disadvantages of approving the Proposed Transaction

Disadvantage 1 – Selective

Non-Associated Shareholders do not have an opportunity to participate in the Proposed Transaction.

Disadvantage 2 – Cash Reserves

The Proposed Transaction will reduce the cash reserves of the Company by the amount of the Consideration Payable, being less than 5% of the cash and cash equivalents balance as at 31 December 2024.

Future Prospects if the Proposed Transaction does not Proceed

- 11.3. If the Proposed Transaction is not approved, then PWC Nominees may look to sell its shares on market which could have a detrimental effect on the Top Education share price.

Other Considerations

- 11.4. The industry in which Top Education operates is subject to immigration policy changes by the Federal Government. Whilst not yet fully enacted, the policies have broadly received bipartisan support and are widely documented. The expected changes have created uncertainty in the sector, with industry revenue expected to be negatively impacted.
- 11.5. At this stage it is not possible to quantify the potential impact of the regulatory changes on the business of Top Education and therefore we have not adjusted for this uncertainty in our valuation of the Buy-Back Shares. We understand that the market is fully informed on the matter and as such the uncertainty is implied in the EBITDA multiple.
- 11.6. We note that currently nearly 100% of Top Education's students are international, compared to its comparable companies that have a more diversified student base with 30% of NXDs FY24 revenue being derived from international students and 84% of EDU's CY24 revenue being derived from international students. As such, Top Education may be more exposed to the impact of the proposed regulatory changes.
- 11.7. The timing of the Proposed Transaction means that the impact of the regulatory changes on Top Education will still be uncertain, and the value of the Buy-Back Shares may change materially once the Australian Federal Government bill has passed parliament.

Share Price Performance Post Announcement of the Proposed Transaction

- 11.8. Following the announcement of the Proposed Transaction on 7 April 2025, there has been very little trading in the Company's shares, with just 260,000 shares trading during the 30 trading days to 26 May 2025. These shares traded at between HK\$0.051 and HK\$0.057, which is lower than the share price on the date of the announcement, being HK\$0.061.

Conclusion on Reasonableness

- 11.9. In our opinion, the position of the Non-Associated Shareholders if the Proposed Transaction is approved is more advantageous than the position if it is not approved. Therefore, we consider it reasonable to approve the Proposed Transaction.

12. Independence

- 12.1. Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") is entitled to receive a fee of approximately AU\$30,000, excluding GST and reimbursement of out-of-pocket expenses. Except for this fee, MACF has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.
- 12.2. Prior to accepting this engagement MACF has considered its independence with respect to Top Education and the associated shareholders of Top Education, and their respective associates with reference to RG 112, Independence of Expert's Reports. It is the opinion of MACF that it is independent of Top Education and the associated shareholders of Top Education, and their respective associates.
- 12.3. MACF and Moore Australia (WA) have not had at the date of this report any relationship which may impair their independence.
- 12.4. We have held discussions with management of Top Education regarding the information contained in this report. We did not change the methodology used in our assessment because of discussions and our independence has not been impaired in any way.

13. Qualifications

- 13.1. MACF is a professional practice company, wholly owned by the Perth practice of Moore Australia, Chartered Accountants. The firm is part of the National and International network of Moore Australia independent firms and provides a wide range of professional accounting and business advisory services.
- 13.2. MACF holds an Australian Financial Services License to provide financial product advice on securities to retail clients (by way of experts reports pursuant to the Corporations Act) and its principals and owners are suitably professionally qualified, with substantial experience in professional practice.
- 13.3. The director responsible for the preparation and signing of this report is Mr Neil Pace who is a director of MACF. Mr Pace has over 35 years' experience as a Chartered Accountant and has significant experience in the preparation of independent expert's reports, valuations and related advice.
- 13.4. At the date of this report neither Mr Pace nor any member or Director of MACF has any interest in the outcome of the Proposed Transaction.

14. Disclaimers and consents

- 14.1. MACF has been requested to prepare this report, to be included in the Circular for the Extraordinary General Meeting ("EGM") which will be sent to Top Education shareholders.
- 14.2. MACF consents to this report being included in the Circular to be sent to shareholders of Top Education. This report or any reference thereto is not to be included in or attached to any other document, statement or letter without prior consent from MACF.
- 14.3. MACF has not conducted any form of audit, or any verification of information provided to us and which we have relied upon in regard to Top Education, however we have no reason to believe that any of the information provided, is false or materially incorrect. The statements and opinions provided in this report are given in good faith and in the belief that they are not false, misleading, or incomplete.
- 14.4. Neither MACF nor Mr Pace take any responsibility for, nor have they authorised or caused the issue of any part of this report for any third party other than the shareholders of Top Education in the context of the scope and purpose defined in this report.
- 14.5. With respect to taxation implications, it is recommended that individual shareholders obtain their own taxation advice, in respect of the Proposed Transaction, tailored to their own specific circumstances. The advice provided in this report does not constitute legal or taxation advice to shareholders of Top Education or any other party.

- 14.6. The statements and opinions expressed in this report are given in good faith and with reliance upon information generated both independently and internally and regarding all of the circumstances pertaining to the Proposed Transaction.
- 14.7. Regarding any projected financial information noted in this report, no member or director of MACF has had any involvement in the preparation of the projected financial information.
- 14.8. Furthermore, we do not provide any opinion whatsoever as to any projected financial or other results prepared for Top Education and do not provide any opinion as to whether or not any projected financial results referred to in the report will or will not be achieved.

Yours faithfully



Neil Pace
Director
[Moore Australia Corporate Finance \(WA\) Pty Ltd](#)

Appendix A – Sources of Information

In preparing this report we have had access to the following principal sources of information:

- Audited financial statements of Top Education for the years ended 30 June 2023 and 2024;
- Unaudited interim financial statements of Top Education for the six months ended 31 December 2024;
- Unaudited management accounts of Top Education for the three months ended 31 March 2025;
- Unaudited forecast financial information for the year ended 30 June 2025;
- Publicly available information in relation to Top Education;
- Information in the public domain;
- Share registry information for Top Education;
- IBISWorld;
- S&P Capital IQ database;
- MergerMarket; and
- Discussions with directors and management of Top Education.

Appendix B – Valuation Methodologies

We have considered which valuation methodology is the most appropriate in light of all the circumstances and information available. We have considered the following valuation methodologies and approaches:

- Discounted cash flow methodology ('DCF');
- Capitalisation of current maintainable earnings methodology ('CME');
- Net assets value method ('NAV');
- Quoted market price methodology ('QMP'); and
- Market approach method (Comparable market transactions)

Valuation Methodologies and Approaches

Discounted Cash Flow Method

Discounted cash flow methods estimate fair market value by discounting a company's future cash flows to their net present value. These methods are appropriate where a forecast of future cash flows can be made with a reasonable degree of confidence. Discounted cash flow methods are commonly used to value early stage companies or projects with a finite life.

Capitalisation of Maintainable Earnings Method

The capitalisation of maintainable earnings method estimates "fair market value" or "enterprise value", by estimating a company's maintainable earnings and dividing this by a market capitalisation rate. The capitalisation rate represents the return an investor would expect to earn from investing in the company which is commensurate with the individual risks associated with the business.

It is appropriate to apply the capitalisation of maintainable earnings method where there is an established and relatively stable level of earnings which is likely to be sustained into the foreseeable future.

The measure of earnings will need to be assessed and can include, net profit after taxes (NPAT), earnings before interest and taxes (EBIT) and earnings before interest, taxes, depreciation and amortisation (EBITDA).

The capitalisation of maintainable earnings method can also be considered a market based methodology as the appropriate capitalisation rate or 'earnings multiple' is based on evidence of market transactions involving comparable companies.

An extension of the capitalisation of maintainable earnings method involves the calculation of share value of an entity. This process involves the calculation of the enterprise value, which is then adjusted for the net tangible assets of the entity.

Net Assets Value Method (Orderly Realisation of Assets)

The net assets value method (assuming an orderly realisation of assets) estimates fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner.

Liquidation of assets - The Liquidation method is similar to the orderly realisation of asset method except the liquidation method assumes the assets are sold in a shorter time frame.

Net assets – The net assets method is based on the value of the assets of a business less certain liabilities at book values, adjusted to a market value.

The asset based approach, as a general rule, ignores the possibility that a company's value could exceed the realisable value of its assets as they ignore the value of intangible assets such as customer lists, management, supply arrangements, and goodwill.

The asset based approach is most appropriate when companies are not profitable, a significant proportion of assets are liquid, or for asset holding companies.

Cost Based Approach - The cost based approach involves determining the fair market value of an asset by deducting the accumulated depreciation from the asset's replacement cost at current prices.

Like the asset based approach, the cost based approach has a number of disadvantages, primarily that the cost of an asset does not necessarily reflect the assets ability to generate income. Accordingly, this approach is only useful in limited circumstances, usually associated with intangible asset valuation.

Valuation Methodologies and Approaches

Quoted Market Price Methodology

The method relies on the pricing benchmarks set by sale and purchase transactions in a fully informed market the ASX which is subject to continuous disclosure rules aimed at providing that market with the necessary information to make informed decisions to buy or to sell.

Consequently, this approach provides a “fair price”, independently determined by a real market. However, the question of a fair price for a particular transaction requires an assessment in the context of that transaction taken as a whole.

In taking a quoted market price based assessment of the consideration to both parties to the Proposed Transaction, the overall reasonableness and benefits to the non-participating shareholders must be carefully evaluated.

Market Approach Method

The market based approach estimates a company’s fair market value by considering the market prices of transactions in its shares or the market value of comparable assets.

This includes, consideration of any recent genuine offers received by the target for an entire entity’s business, or any business units or asset as a basis for the valuation of those business units or assets, or prices for recent sales of similar assets

Appendix C – Glossary

In this report, unless the context requires otherwise:

Term	Meaning
Act	Corporations Act 2001
Agreement	Share Buy Back Agreement between Top Education and PWC Nominees dated 7 April 2025
APES 225	APES 225 Valuation Services sets out mandatory requirements and guidance for members who provide valuation services
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange or ASX Limited ACN 008 624 691
AU\$	Australian Dollar
Board	The Board of Directors of Top Education
Business	The business of Top Education
Buy-Back Shares	264,708,000 Top Education shares held by PWC Nominees
Circular	Circular for the Extraordinary General Meeting
CME	Current Maintainable Earnings
Company	Top Education Group Ltd
Consideration	HK\$11,243,168.30 cash payable on completion
CY	Calendar Year
Directors	The Directors of Top Education
EGM	Extraordinary General Meeting
FY	Financial Year
HK\$	Hong Kong Dollar
HY	Half Year
IER	This Independent Experts Report
Income Tax Assessment Act	the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997
LTM	Last Twelve Months
Moore Australia or MACF	Moore Australia Corporate Finance (WA) Pty Ltd
Non-Associated Shareholders	Shareholders who are not a party to, or associated with a party to, the Proposed Transaction
Proposed Transaction	The acquisition of the Buy Back Shares
PWC Nominees	PricewaterhouseCoopers Nominees (A.C.T.) Pty Ltd as bare trustee for the Australian partnership of PricewaterhouseCoopers
RedHill	RedHill education Limited
Register	The register of members of Top Education Group Ltd shareholders or option holders, as the case requires
RG110	ASIC Regulatory Guide 110 <i>Share Buy-Backs</i>
RG111	ASIC Regulatory Guide 111 <i>Content of Experts Reports</i>
S&P Capital IQ	Third party provider of company and other financial information
Shareholders	Top Education Shareholders
Top Education	Top Education Group Ltd
VWAP	Volume weighted average price

Appendix D – Comparable Trading Companies

Company Name	Market Cap AU\$m	Cash AU\$m	Debt AU\$m	Enterprise Value * AU\$m	FY23 Revenue AU\$m	FY24 Revenue AU\$m	LTM Revenue AU\$m	FY23 EBITDA AU\$m	FY24 EBITDA AU\$m	LTM EBITDA AU\$m	FY24 EBITDA Multiple (x)	LTM EBITDA Multiple (x)	Business Description
EDU Holdings Limited (ASX:EDU)	21.1	6.5	10.5	30.4	21.2	42.2	42.2	0.1	4.4	4.4	6.9	6.9	EDU provides tertiary education services in Australia. The company offers vocational education and training services, including accredited certificate and diploma level courses in health and community services to international students. It also provides higher education services in the areas of creative therapies, counselling and psychotherapy, and early childhood education for domestic and international students. The company was formerly known as UCW Limited and changed its name to EDU Holdings Limited in December 2021. EDU was incorporated in 2004 and is based in Sydney, Australia.
NextEd Group Limited (ASX:NXD)	29.9	13.7	44.2	67.9	102.2	111.4	99.1	10.8	7.2	4.7	9.4	14.4	NXD provides educational services in Australia, Europe, and South America. It operates through four segments: Technology & Design, International Vocational, Go Study, and Domestic Vocational. The International Vocational segment provides English language intensive courses, and vocational education and training courses in business, leadership and management, project management, marketing and communication, commercial cookery, hospitality, healthcare and community Services for international students. The Technology & Design segment offers face-to-face and online courses in information technology, digital design, interactive multimedia, computer coding, digital marketing, games and apps programming, digital filmmaking, and interior design. The Domestic Vocational segment provides vocational courses that covers commercial cookery, hospitality, business, community services, healthcare, construction, and information technology for domestic students. The Go Study segment operates an international student advisory recruitment agency. The company was formerly known as iCollege Limited and changed its name to NextEd Group Limited in December 2022. NXD was incorporated in 2003 and is based in Ultimo, Australia.

Appendix E – Comparable Transactions

Target Company	Announced Date	Completion Date	Acquirer	Deal value AU\$m	Equity acquired	Consideration	Revenue AU\$m	FY21 EBITDA AU\$m	Implied EBITDA Multiple (x)	Deal description
Redhill Education Limited (ASX:RDH)	22 February 2021	11 October 2021	iCollege Ltd (ASX:NXD)	74.4	100%	100% scrip in NXD	64.6	9.5	7.8	<p>iCollege Ltd, the Australia based provider of vocational education and training services, announced an unsolicited off-market takeover offer RedHill Education Ltd, the listed local provider of education agency services, English language courses and a diverse range of course options. Shareholders of Redhill will receive 9.5 iCollege shares for each Redhill share.</p> <p>Based on iCollege's closing share price of AU\$0.14 on the day of completion, the consideration shares have a market value of A\$72.5m, while total deal value including net debt is AU\$74.4m.</p>

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