

# Project Order 754

<b>Project name</b>	<b>AMPCI China – Tax Advisory and Valuation Services</b>
<b>Name of Consultant</b>	PricewaterhouseCoopers (ABN 52 780 433 757) (“the <b>Consultant</b> ” or “ <b>PwC</b> ”)
<b>Name of AMP Group</b>	AMP Limited AMP Capital Investors Limited AMP Capital Investors Limited Beijing (collectively, “the <b>Client</b> ”)
<b>Title and Date of Agreement</b>	Consulting and Services Agreement, dated 1 April 2021
<b>AMP Project Manager</b>	Kelly Heezen
<b>AMP Project Sponsor</b>	Kelly Heezen
<b>Consultant Project Manager</b>	Vaughan Lindfield
<b>Project Order Start Date</b>	25 October 2021
<b>Project Order Term</b>	31 December 2021
<b>Notice Period for Termination (clause 21.2)</b>	N/A
<b>Warranty Period (clause 5.7)</b>	N/A
<b>PwC AMP Project Order Number</b>	754
<b>AMP Cost Centre</b>	DMA01
<b>Does Benchmarking Apply to the Services (clause 11 and schedule 8)</b>	No

# Part A: Services

---

## 1 Purpose

AMPCI Beijing, established in 2007, is a wholly owned enterprise in China of AMP Capital Investors Limited (Australia) (“**AMPCIIH**”), an Australian incorporated entity. We understand that management of AMP group intends to transfer 100% of shares in AMPCI Beijing from AMPCIIH to AMP Limited at market value consideration. AMP Limited is the ultimate parent company of AMPCIIH and is also an Australian company.

In this regard, the management would like us to provide tax advisory and valuation service in relation to the proposed change of shareholder of AMPCI Beijing.

---

## 2 Services and approach

The Consultant’s proposed scope is set out below.

### **Part 1 - Tax advisory for the proposed share transfer of AMPCI Beijing**

We will prepare a tax advisory memo that provides for the taxation basis of the intended transaction. Specifically, we will perform the following:

- Collect information required to perform a tax analysis;
- Review the information/documents provided to fully understand details of the intended transfer;
- Based on the information provided, we will advise on the tax implication including the tax rate and calculation mechanism arising from the transfer based on domestic rules. We will also determine if the transfer qualify for any capital gain protection under China-Australia tax treaty. If so, we will advise on the conditions and information required to allege for treaty protection. If the aforesaid treaty protection is not applicable, we will explore other option (if available) to achieve tax efficiency;
- Prepare an estimated calculation schedule of capital gains tax and stamp duty for current arrangement of share transfer;
- Review the SPA and provide comments from tax perspective; and
- Prepare an action plan, highlighting the steps required leading to the change of the shareholder. For this purpose, please note that based on existing regulation, where there is a change in shareholder, application will need to be made with Market Supervision Administrative Bureau (“MSA”), Tax Bureau, Bank and other authorities where registration has been filed previously. For the purpose of this exercise, we will prepare the action plan relating to the steps to effect the change with tax authority. Where support is needed on steps concerning other authorities, please let us know and we could assist under separate agreed scope.

### **Part 2 – Execution support on change in shareholder from tax perspective**

Based on the analysis performed in Part 1 and upon the management’s decision on the restructuring step, we will assist with performing the necessary steps relating to the change of shareholder with the tax authority. Specifically, our scope of services will include the following:

- We will assist with the formality to change the shareholder with tax authority;
- We will prepare the tax package which include the tax position letter laying out the background and the basis of the tax computation or treaty exemption where available, the

capital gains (where applicable) tax return, stamp duty return and related tax calculation schedule;

- We will meet and discuss with the in-charge tax authority to agree on the tax exemption position (where applicable) or to accept the valuation of the transferred share of AMPCI Beijing;
- We will follow up with the tax officials for any inquiries and keep the management posted of the progress; and
- In the event that the tax authority does not accept the valuation report and require a higher value be imputed, we will escalate the issue to the municipal or province tax authority to lobby for additional support.

### **Part 3 – Support on change in shareholder from regulatory perspective**

Where the management requires support on the change of shareholder with MSA or other authorities, we could render assistance. Specifically, we could assist with the following:

- We will provide a step plan and document checklist to assist with change of shareholder with authorities other than tax authority;
- We will assist in preparing the required documents and performing reporting application for shareholder change of AMPCI Beijing with other Chinese governments (i.e. MSA, Foreign Exchange Bureau, bank etc.)
- Follow up with the officials for any inquiries and keep the management posted of the progress.

### **Part 4 – Valuation services on AMPCI Beijing**

We understand you would like to engage us to determine the Market Value attributable to AMPCI Beijing (the “Subject Company”) as of September 30, 2021 (the “Valuation Date”, to be further confirmed with you) and to issue a valuation report in Chinese prepared in accordance with the Chinese Valuation Standards and local practices. It is our understanding that the report is to be used for tax filing purpose. For this purpose, we will assist with the following:

- Review and analyse the historical financial information for the past three years and the latest management accounts of the Subject Company from the valuation and financial perspectives;
- Discuss with the management (the “Management”) on the key financial and operational issues and review the financial projections of the Subject Company to be prepared by the Management;
- Discuss with the Management to obtain an explanation and clarification of data provided;
- Conduct other procedures in accordance with the Chinese Valuation Standards (including site visit, asset inspection etc.);
- Perform necessary research on market data for comparable publicly traded companies and transactions in the same or similar line of business;
- Estimate the appropriate valuation multiples/valuation parameters/discounts or premiums applicable in this case;
- Review other pertinent facts and data which might have an impact on the valuation results; and
- Analyse the Market Values attributable to the Subject Company as of the Valuation Date.

We will document our procedures, findings and results in a valuation report in Chinese, which will also contain the principal assumptions adopted and the limiting conditions in carrying out our work. Where considered necessary, we will include suitable caveats and qualifications in our report. Our report will be in accordance with the Chinese Valuation Standards. Our daily communication language will be mainly in English. We will also provide you a brief executive summary in English which outline the valuation methods, key parameters and assumptions used in our valuation, together with our conclusions.

We will not conduct any valuation analysis for any single asset or liability under the Subject Company.

We note that there may be related-party transactions among the group companies within your group. For this exercise, we will conduct our work on the premise that all the related-party transactions have been conducted at an arm's length principle and therefore our work will not extend to any assessment of transfer pricing.

To the extent that our review involves the consideration of projections, this will not constitute a compilation engagement and we will not prepare projections. Where we comment on bases and assumptions underlying the projections, our report may include tables aggregating quantified vulnerabilities and sensitivities in order to illustrate effects of possible alternative assumptions. Those tables should not be regarded as a restatement of Management's projections, or preparation of revised projections; they are provided as a means of summarizing our comments to assist you in considering their implications for the Proposed Restructuring.

Based on our previous experience, our timeline of whole process will be estimated as follows:

Step	Timeline
<b>Step 1</b> – Completion of valuation support	Midst of November 2021 (Upon receiving all the required materials for issuing the valuation support by end of this week).
<b>Step 2</b> – Completion of shareholder change record with MSA	Generally take 10 to 15 working days upon submission of all required documents. It is essential to start this process as soon as possible as some of the documents required need to be notarized at the home country of the shareholder.
<b>Step 3</b> – Completion of shareholder change recording with in-charge tax authority	Generally one week would be sufficient and will need to be completed after step 2.
<b>Step 4</b> – Completion of tax filing with in-charge tax authority	Discussion with the tax authority could start upon obtaining the draft valuation report. However, actual tax filing and payment could only be performed after Step 2 and 3. Depending on the tax position to be undertaken, the process from start of discussion till filing and payment could last 1 – 2 months.

### 3 Timetable

Date Services are to commence: **25 October 2021**

Estimated completion date: **31 December 2021**

Please note that specific timeframes have been set out above under Clause 2 for each of the proposed services.

### 4 Key Personnel

Name	Role
Vaughan Lindfield	Corporate Tax Partner & Service Delivery Leader
Alan Wu	Chinese Corporate Tax Partner and Relationship Partner

Iris Pang	Corporate Tax Partner and M&A Specialist
Jonny Wei	Corporate Tax Manager
Nova Chan	Valuation Partner
Callie Liu	Associate Valuations Director

---

## 5 Site

Services will be provided from PwC – One International Towers, Watermans Quay, Barangaroo NSW 2000

---

## 6 AMP inputs

The Client will:

- Take reasonable care to meet their responsibilities under tax and revenue laws, including keeping records required by those laws
- Review documents the Consultant prepares carefully and let the Consultant know if anything does not appear to be accurate or complete
- Provide the Consultant with timely information to allow them to perform the work.

---

## 7 Special terms and conditions

In addition to the fees above, PwC will charge AMP out-of-pocket expenses such as reasonable travelling, accommodation and incidental expenses incurred by the Consultant in providing these Services. This will be agreed with the AMP Project Manager in writing prior to the expenses being incurred (unless specifically agreed in this Project Order).

## Part B: Fees

---

### 1 Fixed fee

#### 1.1 Fixed fee instalments

The Fees are payable in instalments on completion of each phase of the Services as set out below.

<b>Workstream</b>	<b>Fee (\$AUD)</b> <i>(excluding GST that may be chargeable)</i>
General coordination and project delivery	8,000
<b>Part 1</b> - Tax advisory	21,000
<b>Part 2</b> - Execution support from tax perspective	31,500
<b>Part 3</b> - Execution support from regulatory perspective	To be provided where required
<b>Part 4</b> - Valuation support	25,000
<b>Total</b>	<b>85,500</b>

Notes and assumptions:

- The above fee does not include out-of-pocket expenses incurred in undertaking the assignment (e.g., transportation, accommodation, telecommunications, postage, government charges and copying, etc.) and related taxes which will be charged separately.
- Our fee for this part will cover the preparation and submission of the tax package and meeting the tax authority to convince them of the desired tax position. We estimate that three meetings will be needed. Where additional meetings are needed, particularly where the issue needs to be escalated to the municipal or province tax authority, we will seek your consensus to charge for the additional time incurred.

---

## **2 Invoicing**

### **2.1 Frequency and timing**

The Consultant will invoice AMP upon completion of each instalment milestone set out in paragraph 1.1 (Fixed fee instalments). The Consultant will submit each invoice and the supporting documentation to AMP by the 14th Business Day following the date on which the instalment milestone was completed.

### **2.2 Additional charges**

The Consultant must not allow any charges to appear in an invoice and/or in the supporting documentation that do not appear in Part B (Fees) unless AMP has previously approved these charges in writing.

### **2.3 Incorrect invoices**

AMP will check the accuracy of the invoice within 10 days of receipt of an invoice issued by the Consultant. If the invoice is incorrect due to Consultant error or omission, or the invoice does not comply with the requirements set out in clause 13.3 (Invoices) and this paragraph 4 (Invoicing), then AMP will return the invoice to the Consultant for cancellation of the incorrect invoice and submission of a correct invoice.

The parties agree to the terms and conditions of this Project Order and that this Project Order is made pursuant to clause 4.3 of the agreement between AMP and the Consultant as set out on the cover page of this Project Order.

**EXECUTED** as an agreement

Executed by **AMP SERVICES LIMITED** under power of attorney:

Glen Leeming

**Signed** by ..... as attorney  
for **AMP SERVICES LIMITED (ABN 50 081 143 786)**  
under power of attorney dated 20 April 2021 who  
states that they have not received notice of  
revocation of the power of attorney.

DocuSigned by:  
*Glen Leeming*  
299D8A9BE99245B...

Signature

November 3, 2021

Date signed

**EXECUTED** for and on behalf of )  
**PRICEWATERHOUSECOOPER** )  
by its authorised representative in )  
the presence of: )

*Matilda Pritchard*

Signature of witness )

Matilda Pritchard )

Name of witness (block letters) )

*Vaughan Lindfield*

Signature of authorised representative )

Vaughan Lindfield )

Name of authorised representative (block letters) )

Date 04-Nov-2021 | 12:34:18 AEDT  
executed.....