

*The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this prospectus received from Jones Lang LaSalle Sallmanns Limited, an independent valuer, in connection with its valuation as at 31 March 2010 of the property interests of the Group.*



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Licence No: C-030171

24 June 2010

The Board of Directors  
Chaowei Power Holdings Limited  
Xinxing Industry Park  
Zhi Cheng Town  
Changxing County  
Huzhou City  
Zhejiang Province  
The PRC

Dear Sirs,

In accordance with your instructions to value the properties in which Chaowei Power Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) have interests in the People’s Republic of China (the “**PRC**”), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital values of the property interests as at 31 March 2010 (the “**date of valuation**”).

Our valuation of the property interests represents the market value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

We have valued the property interests of property no. 2 in Group I, property no. 9 in Group III and property no. 10 in Group IV by direct comparison approach assuming sale of the property interest in their existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the relevant market.

Where, due to the nature of the buildings and structures of property interests of property nos.1 and 3 to 7 in Group I and the particular locations in which they are situated, there are unlikely to be relevant market comparable sales readily available, the property interests have therefore been valued on the basis of their depreciated replacement cost.

Depreciated replacement cost is defined as “the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization”. It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement (reproduction) of the improvements, less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business.

In valuing the remaining portions of the property interests of property nos. 3, 4 and 7 in Group I and property no. 8 in Group II which are currently under construction, we have assumed that they will be developed and completed in accordance with the latest development proposal provided to us by the Group. In arriving at our opinion of value, we have taken into account the construction cost and professional fees relevant to the stage of construction as at the date of valuation and the remainder of the cost and fees to be expended to complete the development.

We have attributed no commercial value to the property interest in Group IV, which has not been assigned to the Group as at the date of valuation, thus the title of the property is not invested in the Group.

We have attributed no commercial value to the property interests in Group V which are rented by the Group, due either to the short-term nature of the lease or the prohibition against assignment or sub-letting or otherwise due to the lack of substantial profit rent.

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

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

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation Standards (6th Edition) published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards on properties published from time to time by the Hong Kong Institute of Surveyors; and the International Valuation Standards published from time to time by the International Valuation Standards Council.

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

We have been shown copies of various title documents including State-owned Land Use Rights Certificates, Building Ownership Certificates and official plans relating to the property interests and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal advisers – Zong Heng Law Firm, concerning the validity of the property interests in the PRC.

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

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

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

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

Our valuation is summarized below and the valuation certificates are attached.

Yours faithfully,  
for and on behalf of  
**Jones Lang LaSalle Sallmanns Limited**  
**Paul L. Brown**  
*B.Sc. FRICS FHKIS*  
*Director*

*Note:* Paul L. Brown is a Chartered Surveyor who has 27 years' experience in the valuation of properties in the PRC and 30 years of property valuation experience in Hong Kong, the United Kingdom and the Asia-Pacific region.

## SUMMARY OF VALUES

## Group I – Property interests held and occupied by the Group in the PRC

No.	Property	Capital value in existing state as at 31 March 2010 <i>RMB</i>	Interest attributable to the Group	Capital value attributable to the Group as at 31 March 2010 <i>RMB</i>
1.	A parcel of land and 8 buildings No. 19 Changhe Road Xinxing Industry Park Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	4,234,000	100%	4,234,000
2.	Unit 302, Entrance 1 and Unit 401, Entrance 2 of Building 1 and Unit 202, Entrance 3 of Building 3 Qingxi Garden Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	No commercial value	100%	No commercial value
3.	A parcel of land, 18 buildings, various structures and a building under construction No. 74 Shangji Natural Village Zhongshan Administrative Village Xiaopu Town Changxing County Huzhou City Zhejiang Province The PRC	18,981,000	100%	18,981,000
4.	2 parcels of land, 17 buildings, various structures and 6 buildings under construction located at Yongping Village Dingqiao Town Qingyang County Chizhou City Anhui Province The PRC	40,180,000	80%	32,144,000
5.	A parcel of land, 30 buildings and various structures located at the western side of Zihuang Road Gaozhuang Village Boxiang Town Qinyang City Henan Province The PRC	28,761,000	60%	17,257,000

**APPENDIX IV**
**PROPERTY VALUATION**

No.	Property	Capital value in existing state as at 31 March 2010 <i>RMB</i>	Interest attributable to the Group	Capital value attributable to the Group as at 31 March 2010 <i>RMB</i>
6.	3 parcels of land, 41 buildings and various structures located at the western side of Menguan Road Xin'andian Village Gangcheng Town Ningyang County Tai'an City Shandong Province The PRC	98,775,000	100%	98,775,000
7.	3 parcels of land, 6 buildings, a structure and 2 buildings under construction No. 12 Zhizhou Boulevard Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	88,813,000	100%	88,813,000
<b>Sub-total:</b>		<b><u>279,744,000</u></b>		<b><u>260,204,000</u></b>

**Group II – Property interest held under development by the Group in the PRC**

No.	Property	Capital value in existing state as at 31 March 2010 <i>RMB</i>	Interest attributable to the Group	Capital value attributable to the Group as at 31 March 2010 <i>RMB</i>
8.	A parcel of land, 5 buildings and various structures under construction located at the western side of Shiju Road and the eastern side of Xiwai Ring Road Qinnan Industry Park Qinyang City Henan Province The PRC	60,563,000	60%	36,338,000
<b>Sub-total:</b>		<b><u>60,563,000</u></b>		<b><u>36,338,000</u></b>

**Group III – Property interest held for investment by the Group in the PRC**

No.	Property	Capital value in existing state as at 31 March 2010 <i>RMB</i>	Interest attributable to the Group	Capital value attributable to the Group as at 31 March 2010 <i>RMB</i>
9.	Units 1801 and 1802 on Level 18 of Hongshi Central Mansion No. 225 Chaowang Road Gongshu District Hangzhou City Zhejiang Province The PRC	21,550,000	100%	21,550,000
<b>Sub-total:</b>		<b>21,550,000</b>		<b>21,550,000</b>

**Group IV – Property interest contracted to be acquired by the Group in the PRC**

No.	Property	Capital value in existing state as at 31 March 2010 <i>RMB</i>	Interest attributable to the Group	Capital value attributable to the Group as at 31 March 2010 <i>RMB</i>
10.	Units 1003 and 1004, Entrance 1 of Building 8 Lihumingju Mansion Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	No commercial value	100%	No commercial value
<b>Sub-total:</b>		<b>Nil</b>		<b>Nil</b>

**Group V – Property interests rented and occupied by the Group in the PRC**

No.	Property	Capital value in existing state as at 31 March 2010 <i>RMB</i>
11.	An industrial building No. 74 Shangji Natural Village Zhongshan Administrative Village Xiaopu Town Changxing County Huzhou City Zhejiang Province The PRC	No commercial value

No.	Property	Capital value in existing state as at 31 March 2010 <i>RMB</i>
12.	Building Nos. 1 to 4 No. 9 Changhe Road Xinxing Industry Park Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	No commercial value
13.	A parcel of land, 30 buildings and various structures located at Huatai Road Binhu Huasong Tech-industry Park the southern side of Dingzi River Dongkan Town Binhai County Yancheng City Jiangsu Province The PRC	No commercial value
		<b>Sub-total: Nil</b>
		<b>Capital value attributable to the Group as at 31 March 2010 <i>RMB</i></b>
	<b>Grand total:</b>	<b>318,092,000</b>
	<b>361,857,000</b>	<b>318,092,000</b>

## VALUATION CERTIFICATE

## Group I – Property interests held and occupied by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
1.	A parcel of land and 8 buildings No. 19 Changhe Road Xinxing Industry Park Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 8,551.55 sq.m., and 8 buildings erected thereon which were completed in about 2005.</p> <p>The buildings have a total gross floor area of approximately 5,299.35 sq.m.</p> <p>The buildings include 5 industrial buildings, 2 office buildings and a staff canteen.</p> <p>The land use rights of the property have been granted for a term expiring on 13 April 2053 for industrial use.</p>	The property is currently occupied by the Group for production, office and ancillary purposes.	4,234,000  100% interest attributable to the Group: RMB4,234,000

*Notes:*

- Pursuant to a State-owned Land Use Rights Certificate – Chang Tu Guo Yong (2009) Di No. 00110210, the land use rights of a parcel of land of the property with a site area of approximately 8,551.55 sq.m. have been granted to Chaowei Power Company Limited (“**Chaowei Power**”), an indirect wholly-owned subsidiary of the Company, for a term expiring on 13 April 2053 for industrial use.
- Pursuant to 3 Building Ownership Certificates – Chang Fang Quan Zheng Zhi Cheng Zi Di Nos. 00118109 to 00118111, the 8 buildings of the property with a total gross floor area of approximately 5,299.35 sq.m. are owned by Chaowei Power.
- Pursuant to a Maximum Amount Mortgage Contract dated 22 September 2009, the land use rights of the property as described in note 1 and the building ownership rights of the 8 buildings erected thereon as described in note 2, are subject to a mortgage in favour of China Construction Bank Co., Ltd. Changxing Sub-branch (the “**Mortgagee**”) as security for a loan for a term of 3 years expiring on 22 September 2012.



4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, *inter alia*, the following:
  - a. Chaowei Power has paid in full the payment and taxes for obtaining the land use rights and has legally obtained the land use rights of the property. The land use rights are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions;
  - b. During the tenure stated in the State-owned Land Use Rights Certificate, Chaowei Power is entitled to lease, transfer, mortgage or otherwise dispose of the land use rights of the property;
  - c. Chaowei Power has legally obtained the building ownerships of the property. The buildings are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions. Chaowei Power is also entitled to lease, transfer, mortgage or otherwise dispose of the buildings of the property; and
  - d. Transferring, leasing, remortgaging or otherwise disposing of the mortgaged land use rights and buildings are subject to prior written consent from the Mortgagee.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
2.	Unit 302, Entrance 1 and Unit 401, Entrance 2 of Building 1 and Unit 202, Entrance 3 of Building 3 Qingxi Garden Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	The property comprises 3 units on Levels 2, 3 and 4 of two 5-storey residential buildings completed in about 2007.  The units have a total gross floor area of approximately 179.28 sq.m.  The land use rights of the property have been allocated for residential use.	Unit 202 of the property is currently occupied by the Group for residential purpose while the remaining 2 units with a total gross floor area of approximately 111.7 sq.m. are vacant.	No commercial value

## Notes:

1. Pursuant to 3 State-owned Land Use Rights Certificates – Chang Tu Guo Yong (2007) Di Nos. 1-127, 1-147 and 1-148, the land use rights of the property with a total apportioned site area of approximately 130.86 sq.m. have been allocated to Chaowei Power Company Limited (“**Chaowei Power**”), an indirect wholly-owned subsidiary of the Company, for residential use.
2. Pursuant to 3 Building Ownership Certificates – Fang Quan Zheng Chang Zi Di Nos. 00059295 to 00059297, 3 units of the property with a total gross floor area of approximately 179.28 sq.m. are owned by Chaowei Power.
3. In the valuation of this property, we have attributed no commercial value to the 3 units erected on the allocated land. However, for reference purpose, we are of the opinion that the capital value of the property as at the date of valuation would be RMB761,000 assuming all relevant title certificates have been obtained and the property could be freely transferred.
4. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
  - a. For the reason that the property was constructed on allocated land, transfer of the property is subject to approvals from the relevant governmental authorities and land grant fee or land profit shall be paid to the government.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
3.	A parcel of land, 18 buildings, various structures and a building under construction No. 74 Shangji Natural Village Zhongshan Administrative Village Xiaopu Town Changxing County Huzhou City Zhejiang Province The PRC	The property comprises a parcel of land with a site area of approximately 30,221.39 sq.m., and 18 buildings and various structures erected thereon which were completed in various stages between 2003 and 2009.  The buildings have a total gross floor area of approximately 15,843.84 sq.m.  The buildings mainly include industrial buildings, an office building and ancillary buildings, etc.  The structures mainly include roads, a bicycle shed, fence and a water recycling pool, etc.  The property also comprises a building (the "CIP") which is under construction. The CIP is scheduled to be completed in July 2010. The gross floor area of the CIP upon completion will be approximately 1,053.89 sq.m.  As advised by Changxing Zhongcheng, the total construction cost of the CIP is estimated to be approximately RMB1,600,000, of which RMB1,478,162 had been paid up to the date of valuation.  The land use rights of the property have been granted for a term of 50 years expiring on 14 May 2053 for industrial use.	The property is currently occupied by the Group for production, office and ancillary purposes except for the CIP which is under construction.	18,981,000  100% interest attributable to the Group: RMB18,981,000

*Notes:*

1. Pursuant to a State-owned Land Use Rights Certificate – Chang Guo Yong (2005) Di No. 27-1019, the land use rights of a parcel of land of the property with a site area of approximately 30,221.39 sq.m. have been granted to Changxing Zhongcheng Power Co., Ltd. (“**Changxing Zhongcheng**”), an indirect wholly-owned subsidiary of the Company, for a term of 50 years expiring on 14 May 2053 for industrial use.
2. Pursuant to 5 Building Ownership Certificates – Chang Fang Quan Zheng Xiao Pu Zi Di Nos. 00121389 and 00128289 and Fang Quan Zheng Chang Zi Di Nos. 00060979 to 00060981, 18 buildings of the property with a total gross floor area of approximately 15,843.84 sq.m. are owned by Changxing Zhongcheng.
3. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 330522201000038 in favour of Changxing Zhongcheng, the CIP has been approved for construction.
4. Pursuant to a Construction Work Commencement Permit – No. 330522201003050101 in favour of Changxing Zhongcheng, permission was issued to commence the construction work of the CIP from the relevant local authority.
5. Pursuant to a Tenancy Agreement dated 1 January 2009, an industrial building of the property with a gross floor area of approximately 5,256 sq.m. is leased from Changxing Zhongcheng to Chaowei Power Company Limited, for a term of 2 years commencing from 1 January 2009 and expiring on 31 December 2010 at an annual rent of RMB180,000, exclusive of water, gas and electricity charges.
6. Pursuant to a Maximum Amount Mortgage Contract dated 23 September 2009, the land use right of the property as described in note 1 and the building ownership rights of the 18 buildings as described in note 2 are subject to a mortgage in favour of China Construction Bank Co., Ltd. Changxing Sub-branch, (the “**Mortgagee**”) as security for a loan with a maximum amount of RMB12,050,000 for a term of 3 years expiring on 22 September 2012.
7. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
  - a. Changxing Zhongcheng has paid in full payment and taxes for obtaining the land use rights and has legally obtained the land use rights of the property. The land use rights are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions;
  - b. During the tenure stated in the State-owned Land Use Rights Certificate, Changxing Zhongcheng is entitled to lease, transfer, mortgage or otherwise dispose of the land use rights of the property;
  - c. Changxing Zhongcheng has legally obtained the building ownerships of the property. The buildings are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions. Changxing Zhongcheng is also entitled to lease, transfer, mortgage or otherwise dispose of the buildings of the property;
  - d. Transferring, leasing, remortgaging or otherwise disposing of the mortgaged land use rights and buildings are subject to prior written consent from the Mortgagee;
  - e. Changxing Zhongcheng has obtained all requisite planning approvals for the CIP and is entitled to occupy, utilize, transfer, mortgage or otherwise dispose of the CIP, in which cases Changxing Zhongcheng needs to register with relevant authorities;
  - f. The CIP is not subject to any guarantee, mortgage, seizure or any other types of third party encumbrances; and
  - g. The Tenancy Agreement is valid, binding and enforceable. There is no other cause which will result in termination or cancellation of the Tenancy Agreement.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
4.	2 parcels of land, 17 buildings, various structures and 6 buildings and various structures under construction located at Yongping Village Dingqiao Town Qingyang County Chizhou City Anhui Province The PRC	<p>The property comprises 2 parcels of land with a total site area of approximately 135,842.75 sq.m., and 17 buildings and various structures erected thereon which were completed in various stages between 2006 and 2009.</p> <p>The buildings have a total gross floor area of approximately 20,876.12 sq.m.</p> <p>The buildings mainly include industrial buildings, office buildings and an ancillary building, etc.</p> <p>The structures mainly include fences, roads, water recycling pools, etc.</p> <p>The property also comprises 6 buildings and various structures (the “CIPs”) which are under construction. The CIPs are scheduled to be completed in July 2010 respectively. The gross floor area of the CIPs buildings upon completion will be approximately 16,603.4 sq.m.</p> <p>As advised by Anhui Chaowei, the total construction cost of the CIPs is estimated to be approximately RMB10,850,000, of which RMB8,467,548 had been paid up to the date of valuation.</p> <p>The land use rights have been granted for a term of 50 years expiring between 28 April 2058 and 26 February 2060 for industrial use.</p>	The property is currently occupied by the Group for production, office and ancillary purposes, except for the CIPs which are under construction.	40,180,000 80% interest attributable to the Group: RMB32,144,000

*Notes:*

1. Pursuant to a State-owned Land Use Rights Grant Contract – Guo Rang He Zi (2008) Di No. 39 dated 17 April 2008, entered into between the State-owned Land Resources Bureau of Qingyang County and Anhui Chaowei Power Co., Ltd. (“**Anhui Chaowei**”), an 80% interest owned subsidiary of the Company, the land use rights of a parcel of land of the property with a site area of approximately 40,049 sq.m. were contracted to be granted to Anhui Chaowei for terms of 50 years for industrial use. The total land premium was RMB3,930,000.
2. Pursuant to 2 State-owned Land Use Rights Certificates – Qing Guo Yong (2009) Di No. 1028 and Qing Guo Yong (2010) Di No. 0288, the land use rights of 2 parcels of land of the property with a total site area of approximately 135,842.75 sq.m. have been granted to the Anhui Chaowei for a term of 50 years expiring on 28 April 2058 and 26 February 2060 respectively for industrial use.
3. Pursuant to 2 Building Ownership Certificates – Qing Fang Di Quan Zheng 2009 Zi Di Nos. 00001958 and 00001959, 17 buildings of the property with a total gross floor area of approximately 20,876.12 sq.m. are owned by Anhui Chaowei.
4. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 341723200910103 in favour of Anhui Chaowei, the CIPs have been approved for construction.
5. Pursuant to 2 Construction Work Commencement Permits – Nos. 172310020002 and 172310020003 in favour of Anhui Chaowei, permission was issued to commence the construction work of the CIPs from the relevant local authority.
6. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
  - a. Anhui Chaowei has paid in full payment and taxes for obtaining the land use rights and has legally obtained the land use rights of the property. The land use rights are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions;
  - b. During the tenure stated in the State-owned Land Use Rights Certificate, Anhui Chaowei is entitled to lease, transfer, mortgage or otherwise dispose of the land use rights of the property;
  - c. Anhui Chaowei has legally obtained the building ownerships of the property. The buildings are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions. Anhui Chaowei is also entitled to lease, transfer, mortgage or otherwise dispose of the buildings of the property;
  - d. Anhui Chaowei has obtained all requisite title documents of the CIPs and is entitled to occupy, utilize, transfer, mortgage or otherwise dispose of the CIPs, in which cases Anhui Chaowei needs to register with relevant authorities; and
  - e. The CIPs are not subject to any guarantee, mortgage, seizure or any other types of third party encumbrances.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
5.	A parcel of land, 30 buildings and various structures located at the western side of Zihuang Road Gaozhuang Village Boxiang Town Qinyang City Henan Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 67,268.5 sq.m., 30 buildings and various structures erected thereon which were completed in various stages between 2004 and 2006.</p> <p>The buildings have a total gross floor area of approximately 31,255.89 sq.m.</p> <p>The buildings include 28 industrial buildings, an office building and a storage building.</p> <p>The structures mainly include fences, roads, water recycling pools, etc.</p> <p>The land use rights of the property have been granted for a term of 50 years expiring on 10 January 2055 for industrial use.</p>	The property is currently occupied by the Group for production, office and storage purposes.	28,761,000 60% interest attributable to the Group: RMB17,257,000

## Notes:

- Pursuant to a State-owned Land Use Rights Grant Contract – Qin Tu Rang He (2005) Zi Di No. 1 dated 11 January 2005, entered into between the State-owned Land Resources Bureau of Qinyang County and Henan Chaowei Power Co., Ltd. (“**Henan Chaowei**”), a 60% interest owned subsidiary of the Company, the land use rights of a parcel of land of the property with a site area of approximately 76,947 sq.m. were contracted to be granted to Henan Chaowei for a term of 50 years for industrial use. The total land premium was RMB2,506,230.
- Pursuant to a State-owned Land Use Rights Certificate – Qin Guo Yong (2006) Di No. 0705106, the land use rights of a parcel of land of the property with a site area of approximately 67,268.5 sq.m. have been granted to Henan Chaowei for a term of 50 years expiring on 10 January 2055 for industrial use.
- Pursuant to 30 Building Ownership Certificates – Fang Quan Zheng Qin Zi Di Nos. 0650109006 to 0650109031, 0950116739 and 0950117013 to 0950117015, 30 buildings of the property with a total gross floor area of approximately 31,255.89 sq.m. are owned by Henan Chaowei.
- Pursuant to a Maximum Amount Mortgage Contract, the land use rights of the property as described in note 2 and the building ownership rights of 26 buildings with a total gross floor area of approximately 25,294.23 sq.m. (Ref no.: Fang Quan Zheng Qin Zi Di Nos. 0650109006 to 0650109031) as described in note 3 are subject to a mortgage in favour of Shanghai Pudong Development Bank Co., Ltd, Zhengzhou Branch (the “**Mortgagee**”) as security for bank loan with amount of RMB23,000,000 for a term of 3 years commencing from 18 December 2007 and expiring on 18 December 2010.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, *inter alia*, the following:
  - a. Henan Chaowei has paid in full payment and taxes for obtaining the land use rights and has legally obtained the land use rights of the property. The land use rights are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions.
  - b. During the tenure stated in the State-owned Land Use Rights Certificate, Henan Chaowei is entitled to lease, transfer, mortgage or otherwise dispose of the land use rights of the property;
  - c. Henan Chaowei has legally obtained the building ownerships of the property. The buildings are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions. Henan Chaowei is also entitled to lease, transfer, mortgage or otherwise dispose of the buildings of the property; and
  - d. Transferring, leasing, remortgaging or otherwise disposing of the mortgaged land use rights and buildings are subject to prior written consent from the Mortgagee.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
6.	3 parcels of land, 41 buildings and various structures located at the western side of Menguan Road Xin'andian Village Gangcheng Town Ningyang County Tai'an City Shandong Province The PRC	<p>The property comprises 3 parcels of land with a total site area of approximately 178,323 sq.m., 41 buildings and various structures erected thereon which were completed in various stages between 2006 and 2009.</p> <p>The buildings have a total gross floor area of approximately 94,134.6 sq.m.</p> <p>The buildings mainly include industrial buildings and an office building, etc.</p> <p>The structures mainly include fences, roads, water recycling pools, etc.</p> <p>The land use rights of the property have been granted for a term of 50 years expiring between 24 September 2056 and 9 March 2060 for industrial use.</p>	The property is currently occupied by the Group for production, office and ancillary purposes.	98,775,000 100% interest attributable to the Group: RMB98,775,000

## Notes:

- Pursuant to 3 State-owned Land Use Rights Certificates – Ning Guo Yong (2006) Zi Di No. 279, Ning Guo Yong (2010) Zi Di Nos. 062 and 063, the land use rights of 3 parcels of land of the property with a total site area of approximately 178,323 sq.m. have been granted to Shandong Chaowei Power Co., Ltd. (“**Shandong Chaowei**”), an indirect wholly-owned subsidiary of the Company, for a term of 50 years expiring between 24 September 2056 and 9 March 2060 for industrial use.
- Pursuant to 3 Building Ownership Certificates – Ning Fang Quan Zheng Ning Zi Di Nos. 0768, 500678 and 500679, 41 buildings of the property with a total gross floor area of approximately 94,134.6 sq.m. are owned by Shandong Chaowei.
- Pursuant to a Maximum Amount Mortgage Contract, a parcel of the land use rights of the property with site area of approximately 66,667 sq.m. (Ref no: Ning Guo Yong (2006) Zi Di No. 279) as described in note 1 and the building ownership rights of 16 buildings with a total gross floor area of approximately 36,319.61 sq.m. (Ref no. Ning Fang Quan Zheng Ning Zi Di No. 0768) as described in note 2 are subject to a mortgage in favour of China Construction Bank Co., Ltd. Changxing Sub-branch (the “**Mortgagee**”) as security for bank loan with amount of RMB22,700,000 for a term of 3 years commencing from 5 November 2007 and expiring on 4 November 2010.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, *inter alia*, the following:
  - a. Shandong Chaowei has paid in full payment and taxes for obtaining the land use rights and has legally obtained the land use rights of the property. The land use rights are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions.
  - b. During the tenure stated in the State-owned Land Use Rights Certificate, Shandong Chaowei is entitled to lease, transfer, mortgage or otherwise dispose of the land use rights of the property;
  - c. Shandong Chaowei has legally obtained the building ownerships of the property. The buildings are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions. Shandong Chaowei is also entitled to lease, transfer, mortgage or otherwise dispose of the buildings of the property; and
  - d. Transferring, leasing, remortgaging or otherwise disposing of the mortgaged land use rights and buildings are subject to prior written consent from the Mortgagee.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
7.	3 parcels of land, 6 buildings, a structure and 2 buildings under construction located at No. 12 Zhizhou Boulevard Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	<p>The property comprises 3 parcels of land with a total site area of approximately 178,443 sq.m, 6 buildings and a structure erected thereon, which were completed in about 2009.</p> <p>The buildings have a total gross floor area of approximately 49,519.59 sq.m.</p> <p>The buildings include an industrial building, 2 storages, 2 dormitories and an ancillary building.</p> <p>The structure is the fence wall.</p> <p>The property also comprises 2 buildings (the "CIPs") which are under construction. The CIPs are scheduled to be completed in July 2010 and November 2010 respectively. The gross floor area of the CIPs upon completion will be approximately 14,558.46 sq.m.</p> <p>As advised by the Chaowei Power, the total construction cost of the CIPs are estimated to be approximately RMB15,554,940, of which RMB5,263,361 had been paid up to the date of valuation.</p> <p>The land use rights of the property have been granted for a term of 50 years expiring dates on 19 November 2058 and 10 February 2059 for industrial use.</p>	The property is currently occupied by the Group for production and ancillary purposes, except for the CIPs which are under construction.	88,813,000 100% interest attributable to the Group: RMB88,813,000

*Notes:*

1. Pursuant to 3 State-owned Land Use Rights Certificates – Chang Tu Guo Yong (2009) Zi Di Nos. 1-699, 1-3300 and 1-3301, 3 parcels of land of the property with a total site area of approximately 178,443 sq.m. have been granted to Chaowei Power Company, Limited (“**Chaowei Power**”), an indirect wholly-owned subsidiary of the Company for terms of 50 years with the expiry dates on 19 November 2058 and 10 February 2059 for industrial use.
2. Pursuant to 2 Building Ownership Certificates – Chang Fang Quan Zheng Zhi Cheng Zi Di Nos. 00122042 and 00122043, 6 buildings of the property with a total gross floor area of approximately 49,519.59 sq.m. are owned by Chaowei Power.
3. Pursuant to 2 Construction Work Planning Permits – Jian Zi Di Nos. 330522200900365 and 330522201000045 in favour of Chaowei Power, the CIPs with a total gross floor area of approximately 14,558.46 sq.m. have been approved for construction.
4. Pursuant to 2 Construction Work Commencement Permits – Nos. 330522201002110101 and 330522201004160101 in favour of Chaowei Power, permissions were issued to commence the construction work of the CIPs from the relevant local authority.
5. Pursuant to a Maximum Amount Mortgage Contract, the land use rights of the property as described in note 1 are subject to a mortgage in favour of Bank of China Changxing Sub-branch (the “**Mortgagee**”) as security for a loan with a maximum amount of RMB80,299,350 for a term commencing from 1 March 2008 and expiring on 10 October 2010.
6. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
  - a. Chaowei Power has paid in full payment and taxes for obtaining the land use rights and has legally obtained the land use rights of the property. The land use rights are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions;
  - b. During the tenure stated in the 3 State-owned Land Use Rights Certificates, Chaowei Power is entitled to lease, transfer, mortgage or otherwise dispose of the land use rights of the property;
  - c. Chaowei Power has legally obtained the building ownerships of the property. The buildings are not subject to eviction, lawsuit, dispute or any other substantial unfavorable legal conditions. Chaowei Power is also entitled to lease, transfer, mortgage or otherwise dispose of the buildings of the property;
  - d. Transferring, leasing, remortgaging or otherwise disposing of the mortgaged land use rights are subject to prior written consent from the Mortgagee;
  - e. Chaowei Power has obtained all requisite title documents and is entitled to occupy, utilize, transfer, mortgage or otherwise dispose of the CIPs, in which cases Chaowei Power needs to register with relevant authorities; and
  - f. The CIPs are not subject to any guarantee, mortgage, seizure or any other types of third party encumbrance.

## VALUATION CERTIFICATE

## Group II – Property interest held under development by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
8.	A parcel of land, 5 buildings and various structures under construction located at the western side of Shiju Road and the eastern side of Xiwai Ring Road Qinnan Industry Park Qinyang City Henan Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 108,382.9 sq.m., 5 buildings and various structures (the “CIPs”) which are being constructed thereon.</p> <p>The property is scheduled to be completed in August 2010. Upon completion, the buildings of the property will have a total gross floor area of approximately 71,177 sq.m.</p> <p>As advised by Henan Chaowei, the total construction cost of the property is estimated to be approximately RMB40,000,000, of which RMB23,000,000 had been paid up to the date of valuation.</p> <p>The land use rights of the property have been granted for a term of 50 year expiring on 5 October 2059 for industrial use.</p>	The property is currently under construction.	<p>60,563,000</p> <p>60% interest attributable to the Group: RMB36,338,000</p>

## Notes:

- Pursuant to a State-owned Land Use Rights Grant Contract – Yu Qin Yang Chu Rang (2009) No. 0030 dated 5 August 2009, entered into between the State-owned Land Resources Bureau of Qinyang County and Henan Chaowei Power Co., Ltd. (“**Henan Chaowei**”), a 60% interest owned subsidiary of the Company, the land use rights of a parcel of land of the property with a site area of approximately 108,382.9 sq.m. were contracted to be granted to Henan Chaowei for a term of 50 years for industrial use. The total land premium was RMB16,260,000.
- Pursuant to a State-owned Land Use Rights Certificate – Qin Guo Yong (2009) Di No. 03113, a parcel of land of the property with a site area of approximately 108,382.9 sq.m. have been granted to Henan Chaowei for a term of 50 years expiring on 5 October 2059 for industrial use.
- Pursuant to a Construction Work Planning Permit – Qin Jian Zi (2009) Di No. 32 in favour of Henan Chaowei, the CIPs have been approved for construction.

4. Pursuant to 3 Construction Work Commencement Permits – No. 410882200912090101, 410882200912090102 and 410882200912090103 in favour of Henan Chaowei, permission was issued to commence the construction work of the CIPs from the relevant local authority.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, Grandall Legal Group, which contains, *inter alia*, the following:
  - a. Henan Chaowei has paid in full payment and fees for obtaining the land use rights and has legally obtained the land use rights of the property. The land use rights are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions;
  - b. During the tenure stated in the State-owned Land Use Rights Certificate, Henan Chaowei is entitled to lease, transfer, mortgage or otherwise dispose of the land use rights of the property;
  - c. Henan Chaowei has obtained all requisite title documents and is entitled to occupy, utilize, transfer, mortgage or otherwise dispose of the CIPs, in which cases Henan Chaowei needs to register with relevant authorities; and
  - d. The CIPs are not subject to any guarantee, mortgage, seizure or any other types of third party encumbrance.

## VALUATION CERTIFICATE

## Group III – Property interest held for investment by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
9.	Units 1801 and 1802 on Level 18 of Hongshi Central Mansion No. 225 Chaowang Road Gongshu District Hangzhou City Zhejiang Province The PRC	<p>The property comprises 2 units on Level 18 of a 27-storey office building completed in about 2006.</p> <p>The property has a total gross floor area of approximately 1,039.53 sq.m.</p> <p>The land use rights of the property have been granted for a term of 50 years expiring on 22 May 2053 for composite use.</p>	The property is leased to an independent third party for office purpose.	<p>21,550,000</p> <p>100% interest attributable to the Group:</p> <p>RMB21,550,000</p>

## Notes:

1. Pursuant to 2 State-owned Land Use Rights Certificates – Hang Gong Guo Yong (2006) Di Nos. 008523 and 008525, the land use rights of the property with a total apportioned site area of approximately 87.2 sq.m. have been granted to Chaowei Power Company Limited (“**Chaowei Power**”), an indirect wholly-owned subsidiary of the Company, for a term of 50 years expiring on 22 May 2053 for composite use.
2. Pursuant to 2 Building Ownership Certificates – Hang Fang Quan Zheng Gong Yi Zi Di Nos. 06487484 and 06487485, 2 units of the property with a total gross floor area of approximately 1,039.53 are owned by Chaowei Power.
3. According to a Tenancy Agreement, the property with a gross floor area of approximately 1,039.53 sq.m. is leased to Minsheng Life Insurance Co., Ltd. Zhejiang Branch, an independent third party, for a term of 38 months commencing from 13 August 2009 and expiring on 12 October 2012 at an annual rent of RMB1,200,000, with a two months rent free period exclusive of management fees, water and electricity charges.
4. Pursuant to a Maximum Amount Mortgage Contract, the property is subject to a mortgage in favour of Bank of China Changxing Sub-branch (the “**Mortgagee**”) as security for a loan with a maximum amount of RMB16,000,000 for a term of 2 years expiring on 17 April 2011.
5. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
  - a. Chaowei Power has paid in full the payment and taxes for obtaining the land use rights and has legally obtained the land use rights of the property. The land use rights are not subject to eviction, lawsuit, dispute or any other substantial unfavorable legal conditions;
  - b. During the tenure stated in 2 State-owned Land Use Rights Certificates, Chaowei Power is entitled to lease, transfer, mortgage or otherwise dispose of the land use rights of the property;

- c. Chaowei Power has legally obtained the building ownerships of the property, the buildings are not subject to eviction, lawsuit, dispute or any other substantial unfavorable conditions. Chaowei Power is also entitled to lease, transfer, mortgage or otherwise dispose of the buildings of the property;
- d. The Tenancy Agreement is valid, binding and enforceable. There is no other cause which will result in termination or cancellation of the Tenancy Agreement; and
- e. Transferring, leasing, remortgaging or otherwise disposing of the mortgaged property is subject to prior written consent from the Mortgagee.



## VALUATION CERTIFICATE

## Group IV – Property interest contracted to be acquired by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
10.	Units 1003 and 1004, Entrance 1 of Building 8 Lihumingju Mansion Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	The property comprises 2 units on Level 10 of a 26-storey residential building completed in 2009.  The 2 units have a total gross floor area of approximately 119.19 sq.m.	The property is currently vacant.	No commercial value

## Notes:

1. Chaowei Power Company Limited (“**Chaowei Power**”), an indirect wholly-owned subsidiary of the Company, has entered into 2 Commodity Property Sale & Purchase Contracts with Changxing Hongfa Real Estate Development Limited dated 13 May 2009 to purchase the 2 units of the property with a total gross floor area of 119.19 sq.m. at a total consideration of RMB597,069.
2. As at the date of valuation, the property had not been assigned to Chaowei Power and thus the title of the property has not yet been vested in Chaowei Power. Therefore we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the capital value of the property as at the date of valuation would be RMB758,000, on condition that the property is completed, the relevant title certificates have been obtained by Chaowei Power and Chaowei Power is entitled to freely transfer, lease, mortgage or otherwise dispose of the property.
3. As confirmed by Chaowei Power, the total consideration has been paid in full.
4. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
  - a. The 2 Commodity Property Sale & Purchase Contracts are valid, binding and enforceable; and
  - b. Chaowei Power will be entitled to occupy, use, profit from or dispose of the property and obtain relevant Building Ownership Certificates within a reasonable period of time after handing over the property.

## VALUATION CERTIFICATE

## Group V – Property interests rented and occupied by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
11.	An industrial building No. 74 Shangji Natural Village Zhongshan Administrative Village Xiaopu Town Changxing County Huzhou City Zhejiang Province The PRC	<p>The property comprises a single-storey industrial building completed in about 2004.</p> <p>The property has a lettable area of approximately 9,573 sq.m.</p> <p>The property is leased from 2 independent third parties for a term expiring on 8 November 2010 at an annual rent of RMB150,000, exclusive of management fees, water and electricity charges.</p>	The property is currently occupied by the Group for production purpose.	No commercial value

## Notes:

1. Pursuant to a Tenancy Agreement dated 8 November 2008, entered into between Zhejiang Chaowei Power Company Limited Xiaopu Branch (“**Xiaopu Branch**”), a wholly-owned subsidiary of the Group, and Changxing Chaoli Plastic Factory and Changxing Liutong Construction Material Limited Company (together the “**Lessors**”), 2 independent third parties, the property with a lettable area of approximately 9,573 sq.m. is leased to Xiaopu Branch from the Lessors for a term commencing from 8 November 2008 and expiring on 8 November 2010 at an annual rent of RMB150,000, exclusive of management fees, water and electricity charges.
2. We have been provided with a legal opinion on the legality of the Tenancy Agreement to the property issued by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
  - a. The Lessors have obtained the State Owned Land Use Rights Certificates and the Building Ownership Certificates of the property and are entitled to lease the property to Xiaopu Branch;
  - b. The Tenancy Agreement is valid, binding and enforceable. There is no other cause which will result in termination or cancellation of the Tenancy Agreement; and
  - c. The Tenancy Agreement has been properly registered with relevant governmental authorities.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
12.	Building Nos. 1 to 4 No. 9 Changhe Road Xinxing Industry Park Zhicheng Town Changxing County Huzhou City Zhejiang Province The PRC	<p>The property comprises 4 single-storey industrial buildings completed in various stages between 2002 and 2006.</p> <p>The property has a total lettable area of approximately 14,610.5 sq.m.</p> <p>The property is leased from 4 independent third parties for various 2-year terms with the commencement dates between 1 May 2009 and 5 June 2009 and expiry dates between 30 April 2011 and 4 June 2011, at a total annual rent of RMB1,479,190, exclusive of management fees, water and electricity charges.</p>	The property is currently occupied by the Group for production purpose.	No commercial value

## Notes:

1. Pursuant to 4 Tenancy Agreements, entered into between Chaowei Power Company Limited (“**Chaowei Power**”), an indirect wholly-owned subsidiary of the Company, and 4 independent third parties, Changxing Lingzhou Textile Limited, Changxing Weiye Clothing Material Limited, Changxing Huayuan Textile Limited and Changxing Ronghua Textile Limited (together the “**Lessors**”), the property with a total lettable area of approximately 14,610.5 sq.m. is leased to Chaowei Power from the Lessors for various 2-year terms with the commencement dates between 1 May 2009 and 5 June 2009 and expiry dates between 30 April 2011 and 4 June 2011, at a total annual rent of RMB1,479,190, exclusive of management fees, water and electricity charges
2. We have been provided with a legal opinion on the legality of the Tenancy Agreement to the property issued by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
  - a. The Lessors have obtained the State Owned Land Use Rights Certificates and the Building Ownership Certificates of the property and are entitled to lease the property to Chaowei Power;
  - b. The Tenancy Agreements are valid, binding and enforceable. There is no other cause which will result in termination or cancellation of the Tenancy Agreements; and
  - c. The Tenancy Agreements have been properly registered with relevant governmental authorities.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB
13.	30 buildings and various structures located at Huatai Road Binhu Huasong Tech-industry Park the southern side of Dingzi River Dongkan Town Binhai County Yancheng City Jiangsu Province The PRC	<p>The property comprises 30 industrial buildings completed in 2005 and 2006 erected on a parcel of land with site area of approximately 166,623.4 sq.m..</p> <p>The 30 buildings have a total lettable area of approximately 36,764 sq.m.</p> <p>The 30 buildings mainly include industrial buildings and office buildings, etc.</p> <p>The structures mainly include fences, roads, water recycling pools, etc.</p> <p>The property is leased from an independent third party for a term of 10 years expiring on 31 December 2015, at a total annual rent of RMB1,392,399.4, exclusive of management fees, water and electricity charges.</p>	The property is currently occupied by the Group for production and office purposes.	No commercial value

## Notes:

- Pursuant to a Tenancy Agreement entered into between Jiangsu Chaowei Power Company Limited (“**Jiangsu Chaowei**”), an indirect wholly-owned subsidiary of the Company and Binhu Huasong Tech-industry Economy Development Limited (the “**Lessor**”), an independent third party, 28 buildings of the property with a total lettable area of approximately 33,949 sq.m. are leased to Jiangsu Chaowei from the Lessor for a term of 10 years commencing from 1 January 2006 and expiring on 31 December 2015, at an annual rent of RMB1,293,874.4, exclusive of management fees, water and electricity charges.
- Pursuant to a Supplementary Tenancy Agreement entered into between Jiangsu Chaowei and the lessor, a building with a lettable area of approximately 2,222 sq.m. is leased to Jiangsu Chaowei from the Lessor for a term of 10 years commencing from 2 August 2006 and expiring on 31 December 2015, at an annual rent of RMB77,770, exclusive of management fees, water and electricity charges.

3. Pursuant to a Supplementary Tenancy Agreement entered into between Jiangsu Chaowei and the Lessor, a building with a lettable area of approximately 593 sq.m. is leased to Jiangsu Chaowei from the Lessor for a term of 10 years commencing from 1 January 2009 and expiring on 31 December 2015, at an annual rent of RMB20,755, exclusive of management fees, water and electricity charges.
4. We have been provided with a legal opinion on the legality of the 3 Tenancy Agreements to the property issued by the Company's PRC legal advisers, which contains, *inter alia*, the following:
  - a. The Lessor has legally obtained the State Owned Land Use Rights Certificates and the Building Ownership Certificates of the property and is entitled to lease the property to Jiangsu Chaowei;
  - b. The Tenancy Agreement and the Supplementary Tenancy Agreements are valid, binding and enforceable. There is no other cause which will result in termination or cancellation of the Tenancy Agreements; and
  - c. The Tenancy Agreement and the Supplementary Tenancy Agreements have been properly registered with relevant governmental authorities.