

The following is the text of a letter with a summary of valuation and valuation certificate received from DTZ Debenham Tie Leung Limited, an independent property valuer, prepared for the purpose of inclusion in this prospectus in connection with its valuation as at 31st July, 2002 of the property interests of the Group in Hong Kong. The letter, summary of valuation and valuation certificate are available for inspection as referred to in the paragraph headed “Documents available for inspection” in Appendix 6 to this prospectus.



10th Floor
Jardine House
1 Connaught Place
Central
Hong Kong

30th October, 2002

The Directors
Grandtop International Holdings Limited
Unit 1110, 11th Floor,
Lippo Sun Plaza,
28 Canton Road,
Tsim Sha Tsui, Kowloon
Hong Kong

Dear Sirs,

In accordance with your instructions for us to carry out open market valuations of the property interests held by Grandtop International Holdings Limited and its subsidiaries (hereinafter referred as “the Group”) in Hong Kong, 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 the Group with our opinion of the values of those property interests as at 31st July, 2002.

Our valuation of each of the property interests represents its open market value which we would define as intended to mean “an opinion of the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration on the date of valuation, assuming:–

- (a) a willing seller;
- (b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- (d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- (e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion.”

Our valuations have been made on the assumption that the owners sell the property interests on the open market without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which could serve to affect the values of the property interests.

The property interest in Group I, which is rented by the Group in Hong Kong is considered to have no commercial value due to the prohibition against assignment of the property interest and the lack of substantial profit rent.

In undertaking the valuation of the property interest in Group II which is owned by the Group in Hong Kong, we have valued the property interest by direct comparison approach by making reference to comparable sales transactions as available in the relevant market.

The scope of valuation has been determined with reference to the property list provided by the Group. The Group has confirmed to us that it has no property interests other than those specified on the list supplied to us.

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 planning approvals, statutory notices, easements, tenure, completion dates, identification of properties, particulars of occupancy, tenancy details, site and floor areas and all other relevant matters.

Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us and are therefore only approximations. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuations. The Group also advises us that no material facts have been omitted from the information supplied.

We have caused searches to be made at the Land Registry for the property interests situated in Hong Kong and we have been provided by the Group copies of the tenancy agreements relating to the property interests. However, we have not searched the original documents to verify ownership or to ascertain any amendments which may not appear on the copies handed to us. We have relied on the advice given by the Group and its legal adviser regarding the interests of the Group in the properties.

We have inspected the exterior and, where possible, the interior of the properties. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not able to report whether the properties are free from rot, infestation or other structural defects. No tests were carried out on any of the services.

We have not been able to carry out detailed on-site measurements to verify the floor areas of the properties and we have assumed that the areas shown on the information or the copies of documents handed to us are correct.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the property interests nor any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

We enclose herewith a summary of valuations and our valuation certificate.

Yours faithfully,
for and on behalf of
DTZ Debenham Tie Leung Limited
K. B. Wong
Registered Professional Surveyor (General Practice Division)
M.R.I.C.S., A.H.K.I.S.
Director

Note: Mr. K. B. Wong is a Registered Professional Surveyor (General Practice Division) with 18 years of experience in property valuation in Hong Kong.

SUMMARY OF VALUATIONS

Property	Capital value in existing state as at 31st July, 2002
Group I – Property interest rented by the Group in Hong Kong	
1. Unit 1110, 11th Floor Lippo Sun Plaza 28 Canton Road Tsim Sha Tsui Kowloon Hong Kong	No commercial value
Group II – Property interest owned by the Group in the Hong Kong	
2. Flat B, 22nd Floor Hove Court and Car Parking Space No. 67 on 3rd Floor of Ilford Court, Hove Court and Garve Court, Perth Garden, 5-9 Perth Street, Homantin, Kowloon, Hong Kong	HK\$4,300,000
	<hr/> HK\$4,300,000 <hr/>

VALUATION CERTIFICATE

Group I – Property interest rented by the Group in Hong Kong

Property	Description and tenancy particulars	Capital value in existing state as at 31st July, 2002
1. Unit 10, 11th Floor, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	<p>The property comprises an office unit on the 11th floor of a 15-storey office block erected upon a 4-level (including 2 basement levels) commercial podium completed in 1988.</p> <p>The property has a gross floor area of approximately 130.53 sq.m. (1,405 sq.ft.) and is currently occupied by the Group as its office.</p> <p>The property is leased to the Group for a term of 2 years from 6th May, 2002 to 5th May, 2004 with one year thereof being a fixed term covering the period from 6th May, 2002 to 5th May, 2003 and an optional term covering the period from 6th May, 2003 to 5th May, 2004. The respective monthly rents of the property are HK\$22,480 for the period from 6th May, 2002 to 5th May, 2003 and HK\$24,587.5 for the period from 6th May, 2003 to 5th May, 2004. All monthly rents are exclusive of rates and management fees.</p>	No commercial value

Note: The property is currently subject to a mortgage. The landlord has not obtained the mortgagee's consent in entering the tenancy agreement. Until the requisite mortgagee's consent is obtained, there is a risk that the mortgagee, may pursuant to the power under the existing mortgage, exercise its rights to repossess the property.

Group II – Property interest owned by the Group in Hong Kong

Property	Description and tenancy	Particulars of occupancy	Capital value in existing state as at 31st July, 2002
2 Flat B, 22nd Floor, Hove Court and Car Parking Space No. 67 on 3rd Floor of Ilford Court, Hove Court, and Garve Court, Perth Garden, 5-9 Perth Street, Homantin, Kowloon, Hong Kong 10/4225th and 1/88 of 90/4225th of and in the Remaining Portions of Sections C, H and I and the Remaining Portion of Kowloon Inland Lot No. 3303	<p>The property comprises a domestic unit on the 22nd floor and a car parking space on the 3rd floor of a 21-storey residential block erected upon a 5-level car parking podium completed in 1980.</p> <p>The property has a saleable area of approximately 92.34 sq.m. (994 sq.ft.), excluding the carpark area.</p> <p>The property is held from the Government for a term of 75 years from 11th October, 1933 to 10th October, 2008 and renewable for a further term of 75 years from 11th October, 2008 to 10th October, 2083. The current Government rent payable for the whole of Kowloon Inland Lot No. 3303 is HK\$2,490 per annum.</p>	<p>The property is currently occupied by the Group as staff quarters.</p>	<p>HK\$4,300,000</p>

Note:

- (1) The registered owner of the property is Sun Tai Hing Garment Making Company Limited, which is a wholly-owned subsidiary of the Group.
- (2) The property falls within Kowloon Planning Area No.7 and is zoned under Ho Man Tin Outline Zoning Plan No. S/K7/16 dated 4th October, 2002 for “Residential (Group B)” purposes.