

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 Sallmanns (Far East) Limited, an independent valuer, in connection with its valuation as at 30 June 2006 of the property interests of the Group.



Sallmanns

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18 September 2006

The Board of Directors
China BlueChemical Ltd.
No. 1 Zhujiang South Street
Dongfang City
Hainan Province
The People's Republic of China

Dear Sirs,

In accordance with your instructions to value the properties in which China BlueChemical Ltd. (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 30 June 2006 (the "date of valuation").

Our valuations of the property interests represent 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".

Due to the nature of the buildings and structures of the properties in the PRC, there are no market sales comparables readily available, the property interests in Group I (except property Nos. 3, 6, 7 and 12) have been valued on the basis of their depreciated replacement cost.

Depreciated replacement cost is defined as "the current cost of replacement (reproduction) of a property 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 costs of the property interests are subject to adequate potential profitability of the concerned business.

In valuing the property interests in Group II, which are currently under construction, we have assumed that they will be developed and completed in accordance with the Group's latest development

proposal provided to us. In arriving at our opinion of value, we have taken into account the construction costs and professional fees relevant to the stage of construction as at the date of valuation and the remainder of the costs and fees to be expended to complete the developments.

We have valued the property interests in property Nos. 3, 6, 7 and 12 in Group I, Group III and portion of property No. 20 in Group IV by the direct comparison approach, assuming sale of the property interest in its existing state with the benefit of immediate vacant possession and by making reference to comparable sale transactions as available in the relevant market.

We have valued a portion of property No. 20 and property No. 21 in Group IV by the investment method by capitalizing the net rental income of the property derived from the existing tenancy with due allowance for the reversionary value of the property.

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

Our valuations have 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 charges, mortgages or amounts owing on any of the property interests valued nor for any expenses 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 the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Appraisal and Valuation Standards (5th Edition May 2003) published by the Royal Institution of Chartered Surveyors; and the HKIS Valuation Standards on Properties (1st Edition January 2005) published by the Hong Kong Institute of Surveyors.

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, and 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 titles to the property interests in the PRC and any material encumbrances that might be attached to the property interests or any lease amendments. We have relied considerably on the advice given by the Company's PRC legal advisers—Jun He Law Offices, concerning the validity of the Group's titles to the property interests.

We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the 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, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defects. 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 reach 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 valuations are summarized below and the valuation certificates are attached.

Yours faithfully,
for and on behalf of
Sallmanns (Far East) Limited
Paul L. Brown
B.Sc. FRICS FHKIS
Director

Note: Paul L. Brown is a Chartered Surveyor who has 23 years' experience in the valuation of properties in the PRC and 26 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 30 June 2006	Interest attributable to the Group	Capital value attributable to the Group as at 30 June 2006
		RMB		RMB
1.	Land, various buildings and structures No. 1 Zhujiang South Street Dongfang City Hainan Province The PRC	334,887,000	100%	334,887,000
2.	Land, various buildings and structures No.16 Yong An Road Dongfang City Hainan Province The PRC	117,467,000	100%	117,467,000
3.	18 residential units Entrance No.2 of Block 4 Da Hua Xin Cun No.79 Haixiu Road Haikou City Hainan Province The PRC	No commercial value	100%	No commercial value
4.	Land, various buildings and structures located at Zhujiang South Street Dongfang City Hainan Province The PRC	186,304,000	100%	186,304,000
5.	Land, various buildings and structures located at Basuo Gangqu Dongfang City Hainan Province The PRC	342,634,000	72.5%	248,410,000
6.	14 residential units located at the junction of Youyi Road West and Jiefang Road South Basuo Town Dongfang City Hainan Province The PRC	2,739,000	72.5%	1,986,000

APPENDIX IV	PROPERTY VALUATION
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No.	Property	Capital value in existing state as at 30 June 2006	Interest attributable to the Group	Capital value attributable to the Group as at 30 June 2006
		RMB		RMB
7.	23 residential units located at the western side of Youyi Road Basuo Town Dongfang City Hainan Province The PRC	834,000	72.5%	605,000
8.	12 residential units of a residential building located at Zhendong District Haikou City Hainan Province The PRC	No commercial value	72.5%	No commercial value
9.	Land, various buildings and structures located at Jinhe Town Saihan District Huhhot City Inner Mongolia Autonomous Region The PRC	567,520,000	90%	510,768,000
10.	Land, various buildings and structures located at the northern side of Provincial Roadway 102 Saihan District Huhhot City Inner Mongolia Autonomous Region The PRC	98,050,000	90%	88,245,000
11.	Land and various structures located at Jinhe Town Saihan District Huhhot City Inner Mongolia Autonomous Region The PRC	5,780,000	90%	5,202,000
12.	Rooms 701, 702 and 703 Block B of Caifu Jiayuan No.19 Xiaoying Road Chaoyang District Beijing The PRC	5,076,000	90%	4,568,000
Sub-total:		1,661,291,000		1,498,442,000

GROUP II—PROPERTY INTERESTS HELD UNDER DEVELOPMENT BY THE GROUP IN THE PRC

No.	Property	Capital value in existing state as at 30 June 2006	Interest attributable to the Group	Capital value attributable to the Group as at 30 June 2006
		RMB		RMB
13.	Various buildings and structures under construction located at Zhujiang South Street Dongfang City Hainan Province The PRC	No commercial value	60%	No commercial value
14.	Land, various buildings and structures under construction located at Basuo Town Dongfang City Hainan Province The PRC	81,427,000	72.5%	59,035,000
Sub-total:		81,427,000		59,035,000

GROUP III—PROPERTY INTERESTS HELD FOR FUTURE DEVELOPMENT BY THE GROUP IN THE PRC

No.	Property	Capital value in existing state as at 30 June 2006	Interest attributable to the Group	Capital value attributable to the Group as at 30 June 2006
		RMB		RMB
15.	A parcel of land located at the western side of Haiwan Road Basuo Town Dongfang City Hainan Province The PRC	25,723,000	100%	25,723,000
16.	A parcel of land located at the eastern side of Shugang Road Central Dongfang City Hainan Province The PRC	9,189,000	100%	9,189,000
17.	A parcel of land located at the western side of Donghai Road Basuo Town Dongfang City Hainan Province The PRC	56,000	72.5%	41,000
18.	Three parcels of land located at the northern side of Shisuo Village Luodai County Dongfang City Hainan Province The PRC	2,205,000	72.5%	1,599,000
19.	A parcel of land located at Xinyingzi Village Jinhe Town Saihan District Huhhot City Inner Mongolia Autonomous Region The PRC	24,921,000	90%	22,429,000
Sub-total:		62,094,000		58,981,000

GROUP IV—PROPERTY INTERESTS HELD FOR INVESTMENT BY THE GROUP IN THE PRC

No.	Property	Capital value in existing state as at 30 June 2006	Interest attributable to the Group	Capital value attributable to the Group as at 30 June 2006
		RMB		RMB
20.	Level 1 of a residential building No.118 Jun Yao Xin Cun Zhendong District Haikou City Hainan Province The PRC	No commercial value	72.5%	No commercial value
21.	A parcel of land located at the western side of Donghai Road South Basuo Town Dongfang City Hainan Province The PRC	137,000	72.5%	99,000
Sub-total:		137,000		99,000

GROUP V—PROPERTY INTERESTS RENTED AND OCCUPIED BY THE GROUP IN THE PRC

No.	Property	Capital value in existing state as at 30 June 2006	Capital value attributable to the Group as at 30 June 2006
		RMB	RMB
22.	Rooms 603 and 706 Offshore Oil Mansion No.25 Chaoyangmen Bei Street Beijing The PRC	No commercial value	No commercial value
23.	Levels 2 to 5 of Area B of Association Building of CNOOC No.98 Guanhai Road Haikou City Hainan Province The PRC	No commercial value	No commercial value
24.	Room 12D Block 19, 999 Nong Zhongshan Nan Er Road Xuhui District Shanghai The PRC	No commercial value	No commercial value
Sub-total:		Nil	Nil
Grand-Total:		1,804,949,000	1,616,557,000

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
				30 June 2006 RMB
1.	Land, various buildings and structures No. 1 Zhujiang South Street Dongfang City Hainan Province The PRC	<p>The property comprises 7 parcels of land with a total site area of approximately 760,755.37 sq.m. on which are erected 46 buildings and various structures completed in various stages between 1997 and 2005.</p> <p>The buildings have a total gross floor area of approximately 77,865.87 sq.m.</p> <p>The buildings mainly include industrial buildings, office buildings and guardhouses.</p> <p>The structures mainly comprise pools, boundary fences, roads and gates.</p> <p>The land use rights of the property were granted for terms of 50 and 70 years with the latest expiry date on 13 March 2067.</p>	The property is currently occupied by the Group for production and office purposes.	<p>334,887,000</p> <p>100% interest attributable to the Group:</p> <p>RMB334,887,000</p>

Notes:

- Pursuant to 6 State-owned Land Use Rights Certificates—Dong Fang Guo Yong (2002) Zi Di Nos. 275 and 276, Dong Fang Guo Yong (2004) Zi Di No. 404, Dong Fang Guo Yong (2006) Di Nos. 060, 063 and 064 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of 6 parcels of land with a total site area of approximately 723,205.37 sq.m. were granted to CNOOC Chemical Limited (the predecessor of the Company) for terms of 50 years respectively with the latest expiry date in August 2050 for industrial use. As advised by the Company, a parcel of land with a site area of approximately 185,660 sq.m. under the State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2002) Zi Di No. 275 is currently vacant and reserved for future development.
- Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2002) Zi Di No. 141 dated 18 March 2002 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 37,550 sq.m. were granted to the Company for a term of 70 years commencing from 1 March 1997 and expiring on 13 March 2067 for storage use.
- Pursuant to 43 Building Ownership Certificates—Fang Quan Zheng Dong Zi Di Nos. 04461 to 04463, 04571, 04577, 04588, 04591, 07230 to 07235, 07237 to 07240, 07251 to 07254, 07256 to 07261, 07263 to 07275, 07277, 07293, 07300 issued by the the People's Government of Dongfang City, 43 buildings with a total gross floor area of approximately 76,316.71 sq.m. are owned by the Company.
- According to a Land Tenancy Agreement dated 30 November 2003 entered into between the Company and CNOOC Kingboard Chemical Limited (a 60% interest owned subsidiary of the Company), a parcel of land under the State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2006) Di No.060 with a site area of approximately 123,293.99 sq.m. is rented to CNOOC Kingboard Chemical Limited for a term commencing from 30 November 2003 and expiring on 29 November 2023 which can be renewed upon

- signing of a new agreement for a term expiring on 23 August 2050. The total rent from 30 November 2003 to 23 August 2050 is RMB14,798,529. Erected on the leased land are various buildings and structures which are currently being constructed by CNOOC Kingboard Chemical Limited and are individually valued as Property no. 13.
5. According to a Land Tenancy Agreement dated 1 July 2002 entered into between the Company and Hainan CNOOC Plastic Company Limited (a wholly-owned subsidiary of the Company), a portion of the land of the property with a site area of approximately 13,826.74 sq.m. is rented to Hainan CNOOC Plastic Company Limited at an annual rent of RMB17,276 for a term commencing from 1 July 2002 and expiring on 30 June 2022. Erected on the leased land there are various buildings and structures with a total gross floor area of approximately 14,280.31 sq.m. which are also included in this property.
 6. According to a Tenancy Agreement dated 1 January 2006 entered into between the Company and Hainan CNOOC Plastic Company Limited (a wholly-owned subsidiary of the Company), the buildings under the Building Ownership Certificates—Fang Quan Zheng Dong Zi Di Nos. 07263, 07264, 07293 and 07300 with a total gross floor area of approximately 14,280.31 sq.m. is rented to Hainan CNOOC Plastic Company Limited for a term of 10 years commencing from 1 January 2006 and expiring on 31 December 2015 at a total rent of RMB6,601,228, exclusive of management fees, water and electricity charges.
 7. According to a Tenancy Agreement dated 1 January 2002 entered into between the Company and CNOOC Fudao Co., Ltd. (the predecessor of CNOOC Fudao Limited, a wholly-owned subsidiary of the Company), the buildings with a total gross floor area of approximately 4,098 sq.m. is rented to CNOOC Fudao Limited for a term of 20 years commencing from the effective date of the agreement at an annual rental of RMB500,000, exclusive of management fees, water and electricity charges.
 8. According to a Tenancy Agreement dated 1 January 2006 entered into between the Company and Hainan CNOOC Complex Fertilizer Co., Ltd. (a wholly-owned subsidiary of the Company), the buildings with a total gross floor area of approximately 8,020.13 sq.m. is rented to Hainan CNOOC Complex Fertilizer Co., Ltd. for a term of 10 years commencing from 1 January 2006 and expiring on 31 December 2015 at a total rent of RMB2,347,196, exclusive of management fees, water and electricity charges.
 9. According to a Tenancy Agreement dated 1 January 2006 entered into between the Company and CNOOC (Hainan) E&P Gas Limited (a wholly-owned subsidiary of the Company), the buildings with a total gross floor area of approximately 1,321.9 sq.m. is rented to CNOOC (Hainan) E&P Gas Limited for a term of one year commencing from 1 January 2006 and expiring on 31 December 2006 at a total consideration of RMB400,000, exclusive of management fees, water and electricity charges.
 10. In the valuation of this property, we have attributed no commercial value to 3 buildings with a total gross floor area of approximately 1,549.16 sq.m. which have not obtained any proper title certificate. However, for reference purposes, we are of the opinion that the capital value of these buildings (excluding the land) as at the date of valuation would be RMB1,257,000 assuming all relevant title ownership certificates have been obtained and the buildings could be freely transferred.
 11. 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:
 - i) CNOOC Chemical Limited (the predecessor of the Company) has been reorganized into the Company, therefore the Company should apply to change the registered name of these land use rights certificates and building ownership certificates, and there will be no material legal impediment for such procedure;
 - ii) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - iii) The building ownership rights of the property as described in note 3 are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - iv) After obtaining the relevant title ownership certificates of the buildings as described in note 10, these buildings could be legally owned by the Group and could be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;

- v) The property (excluding the buildings as described in note 10) is not subject to seizure, mortgage or any other third party interest;
- vi) The Tenancy Agreements as described in notes 4 to 9 are valid, binding and protected by the PRC laws;
- vii) As advised by the Company, the title defects of the property which were especially disclosed in the legal opinion would have no material adverse effect on the operation of the Group's main business.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
2.	Land, various buildings and structures No.16 Yong An Road Dongfang City Hainan Province The PRC	<p>The property comprises 2 parcels of land with a total site area of approximately 183,791.671 sq.m. on which are erected 21 buildings and various structures completed in various stages between 1997 and 2005.</p> <p>The buildings have a total gross floor area of approximately 40,999.13 sq.m.</p> <p>The buildings mainly include residential buildings, a hospital and a nursery school.</p> <p>The structures mainly comprise a tennis court, boundary fences, roads and gates.</p> <p>The land use rights of the property were granted for terms of 60 and 70 years with the latest expiry date on 22 March 2075.</p>	The property is currently occupied by the Group for residential purpose.	<p>117,467,000</p> <p>100% interest attributable to the Group:</p> <p>RMB 117,467,000</p>

Notes:

- Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2002) Zi Di No. 294 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 144,220.88 sq.m. were granted to the Company for a term of 60 years expiring in September 2061 for residential use.
- Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2006) Di No. 062 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 39,570.791 sq.m. were granted to the Company for a term of 70 years expiring on 22 March 2075 for residential use.
- Pursuant to 89 Building Ownership Certificates—Fang Quan Zheng Dong Zi Di Nos. 07236, 07255, 07262, 07276, 07278 to 07280, 07282 to 07292, 07294 to 07299, 07301 to 07324, 07326 to 07345, 07348 to 07358, 07364 to 07365, 04572 to 04575, 04580, 04593 to 04595 dated 3 March 2006 issued by the Real Estate Administration Bureau of Dongfang City, 21 buildings with a total gross floor area of approximately 40,999.13 sq.m. are owned by the Company.
- 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:
 - The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The building ownership rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The property is not subject to seizure, mortgage or any other third party interest.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
3.	18 residential units Entrance No.2 of Block 4 Da Hua Xin Cun No.79 Haixiu Road Haikou City Hainan Province The PRC	The property comprises 18 residential units of an 8-storey residential building completed in 1997. The property has a total gross floor area of approximately 1,664.31 sq.m.	The property is currently occupied by the Group for residential and office purposes.	No commercial value

Notes:

1. Pursuant to 18 Building Ownership Certificates—Hai Kou Shi Fang Quan Zheng Hai Fang Zi Di Nos. 43379 to 43396 issued by the Real Estate Administration Bureau of Haikou City, 18 residential units with a total gross floor area of approximately 1,664.31 sq.m. are owned by the Company.
2. In the valuation of this property, we have attributed no commercial value to it as the transferability of the property is unknown. However, for reference purpose, we are of the opinion that the capital value of the 18 residential units as at the date of valuation would be RMB2,496,000 assuming all relevant title ownership certificates have been obtained and the property could be freely transferred.
3. 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:
 - i) The building ownership rights of the property are legally owned by the Group and can be legally occupied and leased by the Group;
 - ii) The building ownership rights of the property could be legally transferred, mortgaged and otherwise disposed of by the Group under the condition that the corresponding granted land use rights of the property have been obtained by the Group;
 - iii) The property is not subject to seizure, mortgage or any other third party interest;
 - iv) As advised by the Company, the title defects of the property which were especially disclosed in the legal opinion would have no material adverse effect on the operation of the Group's main business.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
4.	Land, various buildings and structures located at Zhujiang South Street Dongfang City Hainan Province The PRC	<p>The property comprises 2 parcels of land with a total site area of approximately 367,038 sq.m. on which are erected 28 buildings and various structures completed in various stages between 1996 and 2005.</p> <p>The buildings have a total gross floor area of approximately 59,450.36 sq.m.</p> <p>The buildings mainly include office buildings, industrial buildings, a canteen and a guardhouse.</p> <p>The structures mainly comprise boundary fences, roads and gates.</p> <p>The land use rights of the property were granted for terms expiring on 1 January 2051 and 5 March 2066 respectively.</p>	<p>The property is currently occupied by the Group for production purpose, except for a portion of the buildings with a total lettable area of approximately 106 sq.m. which is currently rented to 2 independent third parties and a connected party respectively for commercial and office purposes respectively.</p>	<p>186,304,000</p> <p>100% interest attributable to the Group:</p> <p>RMB186,304,000</p>

Notes:

- Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2002) Zi Di No. 295 dated 6 June 2002 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 359,376 sq.m. were granted to CNOOC Fudao Co., Ltd. (the predecessor of CNOOC Fudao Limited, a wholly-owned subsidiary of the Company) for a term expiring on 5 March 2066 for industrial use.
- Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2002) Zi Di No. 297 dated 14 June 2002 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 7,662 sq.m. were granted to CNOOC Fudao Limited for a term of 50 years expiring on 1 January 2051 for industrial use.
- Pursuant to 28 Building Ownership Certificates—Fang Quan Zheng Dong Zi Di Nos. 04425 to 04437, 04465, 04578, 04582 to 04587, 04589, 04590, 04592, 04596 to 04598, 04600 issued by the the People's Government of Dongfang City, 28 buildings with a total gross floor area of approximately 59,450.36 sq.m. are owned by CNOOC Fudao Limited.
- According to a Tenancy Agreement dated 1 January 2006 entered into between CNOOC Fudao Limited and Hainan CNOOC Transportation Co., Ltd. ("Lessee A", a 90% interest owned subsidiary of Hainan Basuo Port Limited), a portion of the buildings with a lettable area of approximately 80 sq.m. is rented to Lessee A for a term of 3 years commencing from 1 January 2006 and expiring on 31 December 2008 at an annual rent of RMB43,200, inclusive of management fees, water and electricity charges for office purpose.
- According to a Tenancy Agreement dated 5 July 2003 entered into between CNOOC Fudao Limited and 中國聯合通信有限公司海南分公司 ("Lessee B"), a portion of the buildings with a lettable area of approximately 16 sq.m. is rented to Lessee B for a term of 5 years commencing from 1 July 2003 and expiring on 30 June 2008 at an annual rent of RMB7,500 exclusive of electricity charges.
- According to a Tenancy Agreement dated 16 October 2002 entered into between CNOOC Fudao Limited and 海南移動通信有限責任公司 ("Lessee C"), a portion of the buildings with a lettable area of approximately 10 sq.m. is rented to Lessee C for a term of 10 years commencing from 1 October 2002 and expiring on 1 October 2012 at an annual rent of RMB7,500 inclusive of management fees.

7. According to a Tenancy Agreement dated 1 January 2002 entered into between CNOOC Fudao Limited and the Company, a portion of the property with a gross floor area of approximately 1,600 sq.m. is rented to the Company for a term of 5 years commencing from the effective date of the agreement at an annual rent of RMB192,000 exclusive of management fees, water and electricity charges.
8. 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:
 - i) CNOOC Fudao Co., Ltd. has changed its registered name into CNOOC Fudao Limited, therefore CNOOC Fudao Limited should apply to change the registered name of these land use rights certificates and building ownership certificates, and there will be no material legal impediment for such procedure;
 - ii) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - iii) The building ownership rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - iv) The property is not subject to seizure, mortgage or any other third party interest;
 - v) The Tenancy Agreement as described in notes 4 and 7 is valid, binding and protected by the PRC laws.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
5.	Land, various buildings and structures located at Basuo Gangqu Dongfang City Hainan Province The PRC	<p>The property comprises 11 parcels of land with a total site area of approximately 704,588.6 sq.m. on which are erected 160 buildings and units and various structures completed in various stages between 1964 and 2005.</p> <p>The buildings have a total gross floor area of approximately 57,160.62 sq.m.</p> <p>The buildings mainly include office buildings, industrial buildings, storage rooms, dormitories and a kindergarten.</p> <p>The structures mainly comprise a port, a railway, pools, boundary fences, roads and gates.</p> <p>The land use rights of the property were granted for terms of 40, 50 and 70 years with the latest expiry date in March 2076.</p>	The property is currently occupied by the Group for production, office and residential purposes.	342,634,000 72.5% interest attributable to the Group: RMB248,410,000

- Notes:
1. Hainan Basuo Port Limited is a 72.5% interest owned subsidiary of the Company.
 2. Pursuant to 2 State-owned Land Use Rights Certificates—Dong Fang Guo Yong (Ba Suo) Di Nos. 2467 and 2472 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of 2 parcels of land with a total site area of approximately 574,699 sq.m. were granted to Hainan Basuo Port Limited for a term of 50 years expiring in March 2056 for industrial use.
 3. Pursuant to 7 State-owned Land Use Rights Certificates—Dong Fang Guo Yong (2006) Di Nos. 066, 067 and 070 and Dong Fang Guo Yong (Ba Suo) Di Nos. 2468, 2469, 2470 and 2473 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of 7 parcels of land with a total site area of approximately 88,147.15 sq.m. were granted to Hainan Basuo Port Limited for a term of 70 years expiring in March 2076 for residential use.
 4. Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2006) Di No. 074 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 3,458.45 sq.m. were granted to Hainan Basuo Port Limited for a term of 50 years expiring in March 2056 for educational use.
 5. Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong Ba Suo Di No. 2474 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 38,284 sq.m. were granted to Hainan Basuo Port Limited for a term of 40 years expiring in March 2046 for tour use.
 6. Pursuant to 158 Building Ownership Certificates—Fang Quan Zheng (Dong) Zi Di Nos. 07210, 07212 to 07229, 07241 to 07245, 07247 to 07250, 07366, 07371, 07411 to 07419, 07421 to 07445, 07451 to 07462, 07464 to 07468, 07470 to 07478, 07480, 07482 to 07492, 07495, 07496, 07498 to 07500, 07505 to 07507, 07510 to 07517, 07519 to 07521, 07524 to 07528, 07530 to 07534, 07539 to 07541, 07543, 07551 to 07567, 07569, 07570, 07576 to 07578 and 07649 issued by the People’s Government of Dongfang City, 158

buildings and units with a total gross floor area of approximately 57,027.65 sq.m. are owned by Hainan Basuo Port Limited.

7. The property also comprises a storage ground which is currently under construction and is scheduled to be completed in October 2006. The planned area of the storage ground upon completion will be 20,000 sq.m. The total construction cost of it is about RMB2,520,000, of which the construction cost paid up to the date of valuation is approximately RMB1,346,700.
8. Pursuant to 2 Building Ownership Certificates—Fang Quan Zheng Dong Zi Di Nos. 07529 and 07542 issued by the People's Government of Dongfang City, 2 residential units with a total gross floor area of approximately 132.97 sq.m. are owned by Hainan Basuo Port Limited. As advised by Hainan Basuo Port Limited, the 2 residential units are erected on land adjoining the above 11 parcels of land. The relevant land use rights of the 2 residential units were allocated, therefore we have attributed no commercial value to them. However, for reference purpose, we are of the opinion the capital value of the buildings (excluding the land) would be RMB20,000 assuming all relevant title certificates have been obtained and the buildings could be freely transferred.
9. 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:
 - i) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - ii) The building ownership rights of the buildings as described in note 6 are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - iii) The building ownership rights of the units as described in note 8 are legally owned by the Group and the buildings can be legally occupied and leased by the Group; the building ownership rights could only be legally transferred or mortgaged by the Group under the condition that the relevant granted land use rights have been obtained;
 - iv) The property is not subject to seizure, mortgage or any other third party interest;
 - v) As advised by the Company, the title defects of the property which were especially disclosed in the legal opinion would have no material adverse effect on the operation of the Group's main business.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
6.	14 residential units located at the junction of Youyi Road West and Jiefang Road South Basuo Town Dongfang City Hainan Province The PRC	<p>The property comprises 14 residential units with a total gross floor area of approximately 3,680.75 sq.m., which were completed in various stages between 1970 and 2004.</p> <p>The land use rights regarding the 14 units with a total apportioned land area of approximately 2,906.93 sq.m. were granted for a term of 70 years expiring in March 2076.</p>	<p>The property is occupied by the Group for residential purpose.</p>	<p>2,739,000</p> <p>72.5% interest attributable to the Group:</p> <p>RMB1,986,000</p>

Notes:

- Pursuant to 2 State-owned Land Use Rights Certificates—Dong Fang Guo Yong (2006) Di Nos. 075 and 076 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights regarding the 14 units with a total apportioned land area of approximately 2,906.93 sq.m. were granted to Hainan Basuo Port Limited (a 72.5% interest owned subsidiary of the Company) for a term of 70 years expiring in March 2076 for residential use.
- Pursuant to 14 Building Ownership Certificates—Fang Quan Zheng (Dong) Zi Di Nos. 07360, 07362, 07363, 07406, 07407, 07408, 07409, 07501, 07502, 07503, 07580, 07581, 07589 and 07596 issued by the People's Government of Dongfang City, the units with a total gross floor area of approximately 3,680.75 sq.m. are owned by Hainan Basuo Port Limited.
- 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:
 - The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The building ownership rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The property is not subject to seizure, mortgage or any other third party interest.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
7.	23 residential units located at the western side of Youyi Road Basuo Town Dongfang City Hainan Province The PRC	The property comprises 23 residential units with a total gross floor area of approximately 1,373.83 sq.m. in 12 residential buildings, which were completed in various stages between 1970 and 1999. The land use rights of the property were granted for a term of 70 years expiring in March 2076.	The property is currently occupied by the Group for residential purpose.	834,000 72.5% interests attributable to the Group: RMB605,000

Notes:

- Pursuant to 2 State-owned Land Use Rights Certificates—Dong Fang Guo Yong (Ba Suo) Di No. 2477 and Dong Fang Guo Yong (2006) Di No. 080 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of the land on which the property is erected with a total site area of approximately 20,041 sq.m. were granted to Hainan Basuo Port Limited (a 72.5% interest owned subsidiary of the Company) for a term expiring in March 2076 for residential use. As advised by Hainan Basuo Port Limited, other than the 23 residential units of the property, erected on the 2 parcels of land are various residential buildings which had been sold to its staffs, therefore do not constitute the property and are excluded from our valuation.
- Pursuant to 21 Building Ownership Certificates—Fang Quan Zheng (Dong) Zi Di Nos. 07211, 07405, 07410, 07446, 07447, 07508, 07509, 07537, 07538, 07544 to 07550, 07571, 07572, 07574, 07575 and 07582 issued by the People's Government of Dongfang City, 21 units with a total gross floor area of approximately 1,283.89 sq.m. are owned by Hainan Basuo Port Limited.
- Pursuant to 2 Building Ownership Certificates—Fang Quan Zheng (Dong) Zi Di Nos. 07497 and 07650 issued by the People's Government of Dongfang City, 2 residential units with a total gross floor area of approximately 89.94 sq.m. are owned by Hainan Basuo Port Limited. As advised by Hainan Basuo Port Limited, the 2 residential units are erected on land adjoining the above 2 parcels of land. The relevant land use rights of them are allocated, therefore we have attributed no commercial value to them. However, for reference purposes, we are of the opinion that the capital value of them is RMB56,000 as at the date of valuation assuming all relevant title ownership certificates had been obtained and the 2 units could be freely transferred.
- 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:
 - The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The building ownership rights of the property as described in note 2 are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The building ownership rights of the units as described in note 3 are legally owned by the Group and the units can be legally occupied and leased the Group; the building ownership rights could only be legally transferred or mortgaged by the Group under the condition that the relevant granted land use rights have been obtained;
 - The property is not subject to seizure, mortgage or any other third party interest;
 - As advised by the Company, the title defects of the property which were especially disclosed in the legal opinion would have no material adverse effect on the operation of the Group's main business.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
8.	12 residential units of a residential building located at Zhendong District Haikou City Hainan Province The PRC	<p>The property comprises 12 residential units of a 5-storey residential building completed in 1980.</p> <p>The property has a total gross floor area of approximately 446.67 sq.m.</p> <p>The land use rights of the property were allocated.</p>	The property is currently occupied by the Group for residential purpose.	No commercial value

Notes:

- Pursuant to a State-owned Land Use Rights Certificate—Hai Kou Shi Guo Yong (Ji) Zi Di No.Q1381 dated 8 August 1995 issued by the Land Administration Bureau of Haikou City, the land use rights of the property with a total site area of approximately 2,415 sq.m. were allocated to 八所港務總公司 (a predecessor of Hainan Basuo Port Limited which is a 72.5% interest owned subsidiary of the Company) for composite use. As confirmed by Hainan Basuo Port Limited, only portion of the land use rights should be held by Hainan Basuo Port Limited (known as apportioned land use rights), however, the certificate of the apportioned land use rights has not been obtained.
- Pursuant to 12 Building Ownership Certificates—Hai Kou Shi Fang Quan Zheng Hai Fang Zi Di Nos. HK115217 to 115228 issued by the Building Administration Bureau of Haikou City, 12 units with a total gross floor area of approximately 446.67 sq.m. is owned by Hainan Basuo Port Limited.
- In the valuation of this property, we have attributed no commercial value to the property as the land use rights of the property are allocated. However, for reference purposes, we are of the opinion that the capital value of the 12 units as at the date of valuation would be RMB268,000 assuming all relevant title ownership certificates had been obtained and the 12 units could be freely transferred.
- 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:
 - The apportioned land use rights of the property could only be obtained by way of grant or other ways of consideration, otherwise the Group has no right to handle the land use rights of the property by way of transfer, lease or mortgage;
 - The building ownership rights of the property are legally owned by the Group and the units can be legally occupied and leased by the Group; the property could only be legally transferred or mortgaged by the Group under the condition that the relevant granted land use rights have been obtained by the Group;
 - The property is not subject to seizure, mortgage or any other third party interest;
 - As advised by the Company, the title defects of the property which were especially disclosed in the legal opinion would have no material adverse effect on the operation of the Group's main business.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
9.	Land, various buildings and structures located at Jinhe Town Saihan District Huhhot City Inner Mongolia Autonomous Region The PRC	<p>The property comprises 5 parcels of land with a total site area of approximately 1,264,406.928 sq.m. on which are erected 93 buildings and various structures completed in various stages between 1992 and 2005.</p> <p>The buildings have a total gross floor area of approximately 107,359.83 sq.m.</p> <p>The buildings mainly include industrial buildings, office buildings and a canteen.</p> <p>The structures mainly comprise boundary fences, roads and gates.</p> <p>The land use rights of the property were granted for a term of 50 years expiring on 15 February 2056.</p>	<p>The property is currently occupied by the Group for production and office purposes.</p>	<p>567,520,000</p> <p>90% interest attributable to the Group:</p> <p>RMB510,768,000</p>

Notes:

- Pursuant to 4 State-owned Land Use Rights Certificates—Hu Guo Yong (2006) Nos.00122 to 00125 issued by the State-owned Land Resources Administration Bureau of Huhhot City, the land use rights of 4 parcels of land with a total site area of approximately 965,076.08 sq.m. were granted to Inner Mongolia Tianye Chemical Industry Limited (a 90% interest owned subsidiary of the Company) by way of capital injection for industrial use.
- Pursuant to 77 Building Ownership Certificates—Hu Fang Quan Zheng Sai Han Qu Zi Di Nos. 2006011478, 2006011496, 2006011514, 2006011528, 2006011538, 2006011544, 2006011557, 2006011571, 2006011597, 2006011608, 2006011658, 2006011660, 2006011665 to 2006011671, 2006011677 to 2006011683, 2006011700, 2006011725 to 2006011733, 2006011735 to 2006011744, 2006011746 to 2006011749, 2006011751, 2006011762, 2006011764, 2006011784, 2006011790, 2006011800, 2006011810, 2006011842, 2006011877, 2006011882, 2006011884 to 2006011887, 2006012043 to 2006012046, 2006012050, 2006012379, 2006012380, 2006012382, 2006012383, 2006012436, 2006012450, 2006012454 and Hu Fang Quan Zheng Xin Cheng Qu Zi No. 2006011760 issued by the Building Administration Bureau of Huhhot City, 77 buildings with a total gross floor area of approximately 96,821.88 sq.m. are owned by Inner Mongolia Tianye Chemical Industry Limited.
- We have not been provided with the land use rights certificate of the remaining one parcel of land with a site area of approximately 299,330.848 sq.m. Therefore, we have attributed no commercial value to the land. Pursuant to a State-owned Land Use Rights Grant Contract dated 30 June 2006 entered into between Inner Mongolia Tianye Chemical Industry Limited and the State-owned Land Resources Bureau of Huhhot City, a parcel of land with a site area of approximately 299,330.848 sq.m. is granted to Inner Mongolia Tianye Chemical Industry Limited for a term of 50 years for industrial use. Based on the State-owned Land Use Rights Grant Contract, the land premium is RMB13,774,054 and the amount was subsequent revised to RMB14,372,717 by the Land Administration Bureau of Huhhot City. As confirmed by Inner Mongolia Tianye Chemical Industry Limited, the land premium has been paid up and the land use rights certificate is currently under application. However, for reference purpose, we are of the opinion that the capital value of this parcel of land would be RMB37,416,000 assuming all relevant title ownership certificates have been obtained and the land could be freely transferred.

4. In the valuation of this property, we have attributed no commercial value to the 16 buildings with a total gross floor area of approximately 10,537.95 sq.m. which have not obtained any proper title certificate. As confirmed by Group, the building ownership rights of the buildings are under application. However, for reference purposes, we are of the opinion that the capital value of the buildings and structures (excluding the land) as at the date of valuation would be RMB80,178,000 assuming all relevant title ownership certificates have been obtained and the buildings could be freely transferred.
5. According to a Tenancy Agreement dated 29 June 2006 entered into between Inner Mongolia Tianye Chemical Industry Limited and Inner Mongolia Hong Feng Packaging Co., Ltd. (a subsidiary of Inner Mongolia Tianye Chemical Industry Limited), a portion of the buildings with a total gross floor area of approximately 1,808.51 sq.m. is rented to Inner Mongolia Hong Feng Packaging Co., Ltd. for a term commencing from 1 January 2006 and expiring on 9 December 2009 at an annual rent of RMB120,000, exclusive of management fees, water and electricity charges.
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:
 - i) The land use rights of the property as described in note 1 are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - ii) The land use rights of the property as described in note 3 are under application. Under the condition that all land premium has been paid off, there would be no legal impediment for Inner Mongolia Tianye Chemical Industry Limited to obtain the land use rights by way of grant. After obtaining the State-owned Land Use Rights Certificate by way of grant, the land can be legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - iii) The building ownership rights of the property as described in note 2 are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - iv) After obtaining the relevant title certificates of the buildings as described in note 4, these buildings could be legally owned by the Group and could be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - v) The property (excluding the land as described in note 3 and the buildings as described in note 4) is not subject to seizure, mortgage or any other third party interest;
 - vi) The Tenancy Agreement as described in note 5 is valid, binding and protected by the PRC laws;
 - vii) As advised by the Company, the title defects of the property which were especially disclosed in the legal opinion would have no material adverse effect on the operation of the Group's main business.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
10.	Land, various buildings and structures located at the northern side of Provincial Roadway 102 Saihan District Huhhot City Inner Mongolia Autonomous Region The PRC	<p>The property comprises 6 parcels of land with a total site area of approximately 315,823.68 sq.m. on which are erected 28 buildings and various structures completed in various stages between 1992 and 2005.</p> <p>The buildings have a total gross floor area of approximately 39,036.32 sq.m.</p> <p>The buildings mainly include dormitories, garages and a kindergarten.</p> <p>The structures mainly comprise boundary fences, roads and gates.</p> <p>The land use rights of the property were granted for a term of 50 years expiring on 15 February 2056.</p>	<p>The property is currently occupied by the Group for residential purpose.</p>	<p>98,050,000</p> <p>90% interest attributable to the Group:</p> <p>RMB88,245,000</p>

Notes:

- Pursuant to 6 State-owned Land Use Rights Certificates—Hu Guo Yong (2006) Nos.00117 to 00121 and 00128 issued by the State-owned Land Resources Administration Bureau of Huhhot City, the land use rights of 6 parcels of land with a total site area of approximately 315,823.68 sq.m. were granted to Inner Mongolia Tianye Chemical Industry Limited (a 90% interest owned subsidiary of the Company) by way of capital injection for industrial use.
- Pursuant to 24 Building Ownership Certificates—Hu Fang Quan Zheng Sai Han Qu Zi Di Nos. 2006011053, 2006011750, 2006011759, 2006011761, 2006011763, 2006011821, 2006011895, 2006011896, 2006011932, 2006011939, 2006011940, 2006011955 to 2006011957, 2006012034 to 2006012036, 2006012244, 2006012271 to 2006012273, 2006012332, 2006012333, 200612335 issued by the Building Administration Bureau of Huhhot City, 24 buildings with a total gross floor area of approximately 37,916.28 sq.m. are owned by Inner Mongolia Tianye Chemical Industry Limited.
- In the valuation of this property, we have attributed no commercial value to the remaining 4 buildings with a total gross floor area of approximately 1,120.04 sq.m. which have not obtained any proper title certificate. As confirmed by Group, the building ownership rights of the buildings are under application. However, for reference purposes, we are of the opinion that the capital value of the buildings (excluding the land) as at the date of valuation would be RMB310,000 assuming all relevant title ownership certificates have been obtained and the buildings could be freely transferred.
- 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:
 - The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The building ownership rights of the property as described in note 2 are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - After obtaining the relevant title document of the buildings as described in note 3, these buildings could be legally owned by the Group and could be legally occupied, transferred, leased, mortgaged or disposed of by the Group;

- iv) The property (excluding the buildings as described in note 3) is not subject to seizure, mortgage or any other third party interest;
- v) As advised by the Company, the title defects of the property which were especially disclosed in the legal opinion would have no material adverse effect on the operation of the Group's main business.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
11.	Land and various structures located at Jinhe Town Saihan District Huhhot City Inner Mongolia Autonomous Region The PRC	<p>The property comprises 12 parcels of land with a total site area of approximately 36,258.4 sq.m. on which are erected various structures completed in 1995.</p> <p>The structures mainly are wells.</p> <p>The land use rights of the property were granted for a term of 50 years expiring on 15 February 2056.</p>	The property is currently occupied by the Group for production purpose.	<p>5,780,000</p> <p>90% interest attributable to the Group:</p> <p>RMB5,202,000</p>

- Notes:
- 1. Pursuant to 12 State-owned Land Use Rights Certificates—Hu Guo Yong (2006) Nos. 00126, 00127, 00129 to 00138 issued by the State-owned Land Resources Administration Bureau of Huhhot City, the land use rights of 12 parcels of land with a total site area of approximately 36,258.4 sq.m. were granted to Inner Mongolia Tianye Chemical Industry Limited (a 90% interest owned subsidiary of the Company) by way of capital injection for industrial use.
 - 2. 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:
 - i) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or disposed of by the Group;
 - ii) The property is not subject to seizure, mortgage or any other third party interest.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
12.	Rooms 701, 702 and 703 Block B of Caifu Jiayuan No. 19 Xiaoying Road Chaoyang District Beijing The PRC	The property comprises 3 units on Level 7 of a 16-storey office building completed in 2004. The property has a total gross floor area of approximately 629.48 sq.m.	The property is currently vacant.	5,076,000 90% interest attributable to the Group: RMB4,568,000

Notes:

1. Pursuant to a Real Estate Sales Contract dated 30 April 2004 entered into between Inner Mongolia Tianye Chemical Industry Limited and He Xiao Qin, the property with a total gross floor area of approximately 629.17 sq.m. are transferred to Inner Mongolia Tianye Chemical Industry Limited (a 90% interest owned subsidiary of the Company) at a consideration of RMB4,938,984.
2. Pursuant to a Building Ownership Certificate—Jing Fang Quan Zheng Chao Qi 05 Zi Di No. 001235 dated 16 August 2005 issued by The Construction Committee of Chaoyang District of Beijing, the property with a total gross floor area of approximately 629.48 sq.m. is owned by Inner Mongolia Tianye Chemical Industry Limited.
3. Pursuant to 2 building ownership transfer contracts dated 8 June 2006 entered into between Inner Mongolia Tianye Chemical Industry Limited and 2 individual persons, the property was contracted to be transferred to Gao Hongwei and Zhang Xufeng respectively at a total consideration of RMB5,035,840.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers that the purchase price of property has not been paid and the procedure for transfer of title has not been processed, the building ownership rights of the property are still legally owned by the Group and can be legally transferred to the 2 individual persons by the Group.

VALUATION CERTIFICATE

GROUP II—PROPERTY INTERESTS HELD UNDER DEVELOPMENT BY THE GROUP IN THE PRC

<u>No.</u>	<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Capital value in existing state as at 30 June 2006
				RMB
13.	Various buildings and structures under construction located at Zhujiang South Street Dongfang City Hainan Province The PRC	<p>The property comprises 6 buildings and various structures which are currently under construction.</p> <p>The development is scheduled to be completed in October 2006. The total planned gross floor area of the buildings upon completion will be approximately 7,798.84 sq.m.</p> <p>The property mainly includes an office building, a storeroom and various ancillary structures.</p> <p>The total construction cost of the buildings and structures is estimated to be approximately RMB36,165,129, of which the construction cost paid up to the date of valuation is approximately RMB18,832,188.</p> <p>The property is erected on a parcel of land with a site area of approximately 123,293.99 sq.m., which is rented to CNOOC Kingboard Chemical Limited from the Company for a term expiring on 23 August 2050.</p>	The property is currently under construction.	No commercial value

Notes:

1. CNOOC Kingboard Chemical Limited was established as a Sino-foreign joint venture company under the PRC Sino-Foreign Venture Law and relevant regulations. The Company has 60% equity interest. The entitlements of joint venture partners in profits, dividends and other distributions of CNOOC Kingboard Chemical Limited is in the proportion to their capital contribution ratio.
2. Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2006) Di No. 060 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 123,293.99 sq.m. were granted to the Company for a term of 50 years expiring in August 2050 for industrial use, which has been included in the valuation of Property no.1.
3. According to a Land Tenancy Agreement dated 30 November 2003 entered into between the Company and CNOOC Kingboard Chemical Limited, a parcel of land as described in note 2 with a site area of approximately 123,293.99 sq.m. is rented to CNOOC Kingboard Chemical Limited, at a total rent of RMB14,798,529 for a term commencing from 30 November 2003 and expiring on 23 August 2050.
4. We have attributed no commercial value to the buildings and structures which are currently under construction. However, for reference purposes, we are of the opinion that the capital value of these buildings and structures (excluding the land) as at the date of valuation would be RMB36,021,000 assuming all

relevant construction permits have been obtained and the construction works have been approved.

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:
- i) CNOOC Kingboard Chemical Limited has obtained a Construction Land Planning Permit issued by the Construction Bureau of Dongfang City, Hainan Province relating to the property but has not obtained the Construction Planning Permit and Construction Work Permit;
 - ii) There would be no material legal impediment for the transfer of the land use rights of the property to CNOOC Kingboard Chemical Limited by the Company. After obtaining all necessary authorizations, permits and the land use rights certificate under the name of CNOOC Kingboard Chemical, there will be no material legal impediment of the Group for obtaining building title certificates;
 - iii) The Land Tenancy Agreement is valid, binding and enforceable;
 - iv) There would have no material effect on the operation of CNOOC Kingboard Chemical Limited without the relevant permit described in note 5-i.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
14.	Land, various buildings and structures under construction located at Basuo Town Dongfang City Hainan Province The PRC	<p>The property comprises various buildings and structures of a hazardous cargo wharf, which are currently under construction on a parcel of land with a site area of approximately 157,123 sq.m.</p> <p>The development is scheduled to be completed in September 2006. The total planned gross floor area of the buildings upon completion will be approximately 442.8 sq.m.</p> <p>The buildings mainly include a controlling building and a guardhouse.</p> <p>The structures mainly include a berth, roads, boundary fences and two levees.</p> <p>The total construction cost is estimated to be approximately RMB120,000,000, of which the construction cost paid up to the date of valuation is approximately RMB49,992,907.</p> <p>The land use rights of the property were granted for a term of 50 years expiring on 18 May 2056.</p>	The property is currently under construction.	<p>81,427,000</p> <p>72.5% interest attributable to the Group:</p> <p>RMB59,035,000</p>

Notes:

- Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2006) Di No. 101 dated 19 May 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 157,123 sq.m. were granted to the Hainan Basuo Port Limited for a term of 50 years expiring on 18 May 2056 for industrial use.
- Pursuant to a Transportation Administrative Permit issued by the Hainan Provincial Department of Transportation in favor of Hainan Basuo Port Limited dated 1 June 2006, the construction of the property has been approved.
- 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:
 - The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The relevant authorizations and permits have been obtained and there will be no legal impediment to commence the construction works.

VALUATION CERTIFICATE

GROUP III—PROPERTY INTERESTS HELD FOR FUTURE DEVELOPMENT BY THE GROUP IN THE PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
15.	A parcel of land located at the western side of Haiwan Road Basuo Town Dongfang City Hainan Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 408,300 sq.m.</p> <p>The land use rights of the property were granted for a term of 50 years expiring on 28 November 2053.</p>	The property is currently vacant.	<p>25,723,000</p> <p>100% interest attributable to the Group:</p> <p>RMB25,723,000</p>

- Notes:
- 1. Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2003) Di No. 496 dated 28 November 2003 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 408,300 sq.m. were granted to the Company for a term of 50 years expiring on 28 November 2053 for industrial use.
 - 2. 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:
 - i) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - ii) The property is not subject to seizure, mortgage or any other third party interest.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
16.	A parcel of land located at the eastern side of Shugang Road Central Dongfang City Hainan Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 145,860 sq.m.</p> <p>The land use rights of the property were granted for a term of 70 years expiring on 13 March 2067.</p>	The property is currently vacant.	<p>9,189,000</p> <p>100% interest attributable to the Group:</p> <p>RMB9,189,000</p>

- Notes:
- 1. Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2002) Zi Di No. 142 dated 18 March 2002 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 145,860 sq.m. were granted to the Company for a term expiring on 13 March 2067 for storage use.
 - 2. 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:
 - i) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - ii) The property is not subject to seizure, mortgage or any other third party interest.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
17.	A parcel of land located at the western side of Donghai Road Basuo Town Dongfang City Hainan Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 507.5 sq.m.</p> <p>The land use rights of the property were granted for a term of 50 years expiring on March 2056.</p>	The property is currently vacant.	<p>56,000</p> <p>72.5% interest attributable to the Group:</p> <p>RMB41,000</p>

- Notes:
- 1. Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (2002) Di No. 281 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 507.5 sq.m. were granted to Hainan Basuo Port Limited (a 72.5% interest owned subsidiary of the Company) for a term of 50 years expiring in March 2056 for industrial use.
 - 2. 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:
 - i) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - ii) The property is not subject to seizure, mortgage or any other third party interest.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
18.	Three parcels of land located at the northern side of Shisuo Village Luodai County Dongfang City Hainan Province The PRC	<p>The property comprises 3 parcels of land with a total site area of approximately 36,089 sq.m.</p> <p>The land use rights of the property were granted for a term of 50 years expiring in March 2056.</p>	The property is currently vacant.	<p>2,205,000</p> <p>72.5% interest attributable to the Group:</p> <p>RMB1,599,000</p>

- Notes:
- 1. Pursuant to 3 State-owned Land Use Rights Certificates—Dong Fang Guo Yong (Ba Suo) Di Nos. 2481, 2482 and 2483 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of 3 parcels of land with a total site area of approximately 36,089 sq.m. were granted to Hainan Basuo Port Limited (a 72.5% interest owned subsidiary of the Company) for a term of 50 years expiring in March 2056 for industrial use.
 - 2. 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:
 - i) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - ii) The property is not subject to seizure, mortgage or any other third party interest.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at
				30 June 2006
				RMB
19.	A parcel of land located at Xinyingzi Village Jinhe Town Saihan District Huhhot City Inner Mongolia Autonomous Region The PRC	<p>The property comprises a parcel of land with a site area of approximately 202,613.6 sq.m.</p> <p>The land use rights of the property were granted for a term of 50 years expiring on 15 February 2056.</p>	The property is currently vacant.	24,921,000 90% interest attributable to the Group: RMB22,429,000

- Notes:
- 1. Pursuant to a State-owned Land Use Rights Certificate—Hu Guo Yong (2006) Di No. 00116 issued by the State-owned Land Resources Administration Bureau of Huhhot City, the land use rights of the property with a site area of approximately 202,613.6 sq.m. were granted to Inner Mongolia Tianye Chemical Industry Limited (a 90% interest owned subsidiary of the Company) by way of capital injection.
 - 2. 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:
 - i) The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - ii) The property is not subject to seizure, mortgage or any other third party interest.

VALUATION CERTIFICATE

GROUP IV—PROPERTY INTERESTS HELD FOR INVESTMENT BY THE GROUP IN THE PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
20.	Level 1 of a residential building No. 118 Jun Yao Xin Cun Zhendong District Haikou City Hainan Province The PRC	<p>The property comprises Level 1 of a 9-storey residential building completed in 2004.</p> <p>The property has a gross floor area of approximately 444.31 sq.m.</p> <p>The land use rights of the property were allocated.</p>	The property is currently rented to 7 independent third parties for commercial purposes, except for a portion of the property with a gross floor area of approximately 142.31 sq.m. which is currently occupied by the Group for office purpose.	No commercial value

Notes:

- Pursuant to a State-owned Land Use Rights Certificate—Hai Kou Shi Guo Yong (Ji) Zi Di No. Q1381 dated 8 August 1995 issued by the Land Administration of Haikou City, the land use rights of the property with a site area of approximately 2,415 sq.m. were allocated to 八所港務總公司 (a predecessor of Hainan Basuo Port Limited which is a 72.5% interest owned subsidiary of the Company) for composite use. As confirmed by Hainan Basuo Port Limited, only portion of the land use rights should be held by Hainan Basuo Port Limited (known as apportioned land use rights), however the certificate of the apportioned land use rights has not been obtained.
- Pursuant to 9 Building Ownership Certificates—Hai Kou Shi Fang Quan Zheng Hai Fang Zi Di HK Nos. 065492, 065494, 065497, 065499, 065502, 065504, 065506, 065508, 065510 dated 23 November 2005 issued by the Building Administration Bureau of Haikou City, the property with a total gross floor area of approximately 444.31 sq.m. are owned by Hainan Basuo Port Limited.
- According to 7 Tenancy Agreements entered into between Hainan Basuo Port Limited and 7 independent parties, the property with a total gross floor area of approximately 302 sq.m. is rented to the 7 independent third parties for terms commencing from 1 January 2006 and expiring on 16 February 2007 at a total monthly rental of RMB3,590, exclusive of management fees, water and electricity charges. Thereafter, the tenancy agreements will be renewed on monthly basis.
- The remaining portion of the property is occupied by the Group for office use.
- In the valuation of this property, we have not attributed any commercial value to the property due to the nature of allocated land. However, for reference purposes, we are of the opinion that the capital value of the property as at the date of valuation would be RMB524,000 assuming all relevant title ownership certificates had been obtained and the buildings could be freely transferred.
- 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:
 - The apportioned land use rights of the property can be only obtained by way of grant or other ways of consideration, otherwise the Group has no right to disposed of the land use rights of the property by way of transfer, lease or mortgage;

- ii) The building ownership rights of the property are legally owned by the Group and the unit could be legally occupied and leased by the Group; the unit could only be legally transferred or mortgaged by the Group under the condition that the relevant granted land use rights have been obtained by the Group;
- iii) The unit is not subject to seizure, mortgage or any other third party interest;
- iv) As advised by the Company, the title defects of the property which were especially disclosed in the legal opinion would have no material adverse effect on the operation of the Group's main business.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
21.	A parcel of land located at the western side of Donghai Road South Basuo Town Dongfang City Hainan Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 1,280.5 sq.m.</p> <p>The land use rights of the property were granted for a term of 50 years expiring in March 2056.</p>	The property is currently rented to an independent third party for production use.	<p>137,000</p> <p>72.5% interest attributable to the Group:</p> <p>RMB99,000</p>

- Notes:
- Pursuant to a State-owned Land Use Rights Certificate—Dong Fang Guo Yong (Ba Suo) Di No. 6221 dated 3 March 2006 issued by the State-owned Land Environment and Resources Bureau of Dongfang City, the land use rights of a parcel of land with a site area of approximately 1,280.5 sq.m. were granted to Hainan Basuo Port Limited (a 72.5% interest owned subsidiary of the Company) for a term of 50 years expiring in March 2056 for industrial use.
 - According to a Tenancy Agreement dated 6 February 2006 entered into between Hainan Basuo Port Limited and an independent third party, the property with a site area of approximately 1,280.5 sq.m. is rented to the independent third party for a term of 2 years commencing from 15 April 2005 and expiring on 15 April 2007 at an annual rent of RMB18,000.
 - 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:
 - The land use rights of the property are legally owned by the Group and can be legally occupied, transferred, leased, mortgaged or otherwise disposed of by the Group;
 - The property is not subject to seizure, mortgage or any other third party interest.

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 30 June 2006 RMB
22.	Rooms 603 and 706 Offshore Oil Mansion No. 25 Chaoyangmen Bei Street Beijing The PRC	The property comprises 2 office units on Levels 6 and 7 of an 18-storey office building completed in 2006. The property has a total gross floor area of approximately 100 sq.m. According to a Tenancy Agreement, the property is leased to the Company from CNOOC Industry Company (a connected party of the Company), for a term of 6 months at a monthly rent of RMB28,272.29 inclusive of management fees and exclusive of water, electricity charges.	The property is currently occupied by the Company for office purpose.	No commercial value

Notes:

1. According to a Tenancy Agreement dated 11 July 2006, entered into between the Company and CNOOC Industry Company (a connected party of the Company), the property with a gross floor area of approximately 100 sq.m. is leased to the Company for a term of 6 months from 19 June 2006 and expiring on 19 December 2006 at a monthly rent of RMB28,272.29 inclusive of management fees and exclusive of water, electricity charges.
2. We have been provided with a legal opinion on the legality of the tenancy agreements to the property issued by the Company's PRC legal advisers, which contains, inter alia, the following:
 - i) Although the Building Ownership Certificate is yet to be obtained, the Company can claim from the owner of the property under the PRC laws and the terms of the Tenancy Agreement if there is any opposition made by a third party in relation to use, building rights or the validity of the tenancy agreement;
 - ii) As advised by the Company, there would be no significant adverse effect for the operation and listing of the Company if the tenancy agreement has been opposed by third party or judged to be invalid.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
23.	Levels 2 to 5 of Area B of Association Building of CNOOC No. 98 Guanhai Road Haikou City Hainan Province The PRC	<p>The property comprises Levels 2 to 5 of a 5-storey office building completed in 2003.</p> <p>The property has a total gross floor area of approximately 2,604 sq.m.</p> <p>According to a tenancy agreement, the property is leased to the Company from CNOOC Pipeline Transportation Company Limited (a connected party of the Company), for a term of 3 years commencing from 1 January 2006 and expiring on 31 December 2008 at a monthly rent of RMB133,324.80 inclusive of management fees.</p>	The property is currently occupied by the Company for office purpose.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement, dated 20 October 2005 entered into between the Company and CNOOC Pipeline Transportation Company Limited, (a connected party of the Company), the property with a total gross floor area of approximately 2,604 sq.m. is leased to the Company for a term of 3 years commencing from 1 January 2006 and expiring on 31 December 2008 at a monthly rent of RMB133,324.80 inclusive of management fees. The rent for the year 2007 and 2008 is subject to review.
2. We have been provided with a legal opinion on the legality of the tenancy agreements to the property issued by the Company's PRC legal advisers, which contains, inter alia, the following:
 - i) Although the Building Ownership Certificate is yet to be obtained, the Company can claim from the owner of the property under the PRC laws and the terms of the Tenancy Agreement if there is any opposition made by a third party in relation to use, building rights or the validity of the tenancy agreement;
 - ii) As advised by the Company, there would be no significant adverse effect for the operation and listing of the Company if the tenancy agreement has been opposed by third party or judged to be invalid.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2006
				RMB
24.	Room 12D Block 19, 999 Nong Zhongshan Nan Er Road Xuhui District Shanghai The PRC	<p>The property comprises an office unit on Level 12 of a 20-storey office buildings completed in 1996.</p> <p>The property has a gross floor area of approximately 96.41 sq.m.</p> <p>According to a tenancy agreement, the property is leased to Shanghai Qiong Hua Trading Co., Ltd. from Wu Lin (an independent third party of the Company) at an annual rent of RMB48,000 for a term commencing from 1 February 2006 and expiring on 31 January 2009.</p>	<p>The property is currently occupied by Shanghai Qiong Hua Trading Co., Ltd. for office purpose.</p>	No commercial value

Notes:

- Shanghai Qiong Hua Trading Co., Ltd. is a 51% interest owned subsidiary of CNOOC Fudao Limited which is a wholly-owned subsidiary of the Company.
- Pursuant to a Tenancy Agreement dated 1 February 2006 entered into between Shanghai Qiong Hua Trading Co., Ltd. and Wu Lin (an independent third party of the Company), the property with a gross floor area of approximately 96.41 sq.m. is leased to Shanghai Qiong Hua Trading Co., Ltd. for a term of 3 years commencing from 1 February 2006 and expiring on 31 January 2009 at an annual rent of RMB48,000 exclusive of electricity, water charges and management fees for office purpose.
- We have been provided with a legal opinion on the legality of the tenancy agreements to the property issued by the Company's PRC legal advisers that the Tenancy Agreement is valid, binding and protected by the PRC laws.