

The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this prospectus received from Jones Lang LaSalle Sallmanns Limited, an independent valuer, in connection with its valuation as of 30 April 2009 of the property interest of the Group.



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Licence No: C-030171

22 June 2009

The Directors
BaWang International (Group) Holding Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Dear Sirs,

In accordance with your instructions to value the property in which BaWang International (Group) Holding Limited ("the Company") and Bawang (Guangzhou) Company Limited ("Bawang Guangzhou", a wholly owned subsidiary of the Company, hereinafter together referred to as the "Group") have interest 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 value of the property interest as of 30 April 2009 (the "date of valuation").

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

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

Our valuation has been made on the assumption that the seller sells the property interest 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 value of the property interest.

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

In valuing the property interest, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation Standards (6th Edition) published by the Royal Institution of Chartered Surveyors; and the HKIS Valuation Standards on Properties (1st Edition 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, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of Real Estate Title Certificates relating to the property interest and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interest in the PRC and any material encumbrance that might be attached to the property interest or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal advisers – King & Wood Law Offices, concerning the validity of the property interest in the PRC.

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

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

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

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

The continued turmoil and instability in the financial markets is continuing to cause volatility and uncertainty in the world's capital markets and real estate markets. There are low levels of liquidity in the real estate market and transaction levels are significantly reduced, resulting in a lack of clarity as to pricing levels and the market drivers. This, combined with a general weakening of sentiment towards real estate, has resulted in a continued reappraised of local property prices. Many transactions that are occurring involve vendors who are more compelled to sell, or purchasers who will only buy at discounted prices. In this environment, prices and values are going through a period of heightened volatility whilst the market absorbs the various issues and reaches its conclusions. The period required to negotiate a sale may also extend considerably beyond the normally expected period, which would also reflect the nature and size of the property.

Our valuation certificate is attached.

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

Note: Paul L. Brown is a Chartered Surveyor who has 26 years' experience in the valuation of properties in the PRC and 29 years of property valuation experience in Hong Kong, the United Kingdom and the Asia-Pacific region.

VALUATION CERTIFICATE

Property interest rented and occupied by the Group in the PRC

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as of 30 April 2009</u> RMB value
A 6-storey office building and a 7-storey industrial building No.8 Hua'nán North Road Xinshi Town Baiyun District Guangzhou City Guangdong Province The PRC	The property comprises a 6-storey office building and a 7-storey industrial building both completed in 1999. The property has a total gross floor area of approximately 16,734.81 sq.m. The property is leased to Bawang Guangzhou from Guangzhou Bawang Cosmetic Company Limited for a term of 3 years expiring on 3 December 2010, at a monthly rent of RMB184,082.91.	The property is currently occupied by Bawang Guangzhou for office and production purposes.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement, the property is leased to Bawang Guangzhou from Guangzhou Bawang Cosmetic Company Limited ("Guangzhou Bawang"), a connected party, for a term of 3 years expiring on 3 December 2010 at a monthly rent of RMB184,082.91.
2. Pursuant to a Confirmation Letter issued by Bawang Guangzhou, the rent is exclusive of management fees, water and electricity charges and other fees.
3. Pursuant to a Supplemental Agreement, Bawang Guangzhou can terminate the Tenancy Agreement mentioned in note 1 prior to the expiry of the term by giving one month prior notice to Guangzhou Bawang without paying any compensation.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, *inter alia*, the following:
 - a. Guangzhou Bawang has obtained the Real Estate Title Certificates of the property and has the rights to lease the property;
 - b. The Tenancy Agreement with respect to the property is legal, valid and enforceable and the property could be legally used by Bawang Guangzhou during the lease term; and
 - c. The Tenancy Agreement has been registered in accordance with the PRC laws.