

## APPENDIX IV

## PROPERTY VALUATION

*The following is the text of a letter, summary of values and valuation certificate prepared for the purpose of incorporation in this document received from Savills Valuation and Professional Services Limited, an independent valuer, in connection with their valuations as at 30 June 2009 of the property interests of the Group.*



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[●], 2009

The Directors  
Powerlong Real Estate Holdings Limited  
3rd Floor  
Powerlong Center  
305 Jiahe Road  
Xiamen  
Fujian Province  
China

Dear Sirs,

In accordance with your instructions for us to value the properties situated in the People's Republic of China (the “PRC”) in which Powerlong Real Estate Holdings Limited (the “Company”) and its subsidiaries (hereinafter referred to as the “Group”) have interests, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of values of such property interests as at 30 June 2009 (the “Date of Valuation”) for the purpose of incorporation in [●].

Our valuation of each of the property interests is our opinion of its 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”.

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management

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agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of a property is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

In the course of our valuation of the properties in the PRC, unless otherwise stated, we have assumed that transferable land use rights of the properties for their respective specific terms at nominal annual land use fees have been granted and that any land grant premium payable has already been fully paid. In valuing the properties, unless otherwise stated, we have assumed that the Group has enforceable titles to the properties and has free and uninterrupted right to use, occupy or assign the properties for the whole of the respective unexpired terms as granted.

In valuing the property interest in Group I, which is held by the Group for investment in the PRC, we have valued it by the investment method by capitalizing the net rental incomes of the property derived from the existing tenancies with due allowance for the reversionary income potential of the property.

In respect of the property interests in Groups II and III, which are held by the Group under development and for future development respectively in the PRC, we have valued such properties on the basis that they will be developed and completed in accordance with the Group's latest development proposals provided to us. We have assumed that all consents, approvals and licenses from relevant government authorities for these proposals have been obtained without onerous conditions or delays. In arriving at our opinion of values, we have adopted the direct comparison approach by making reference to the comparable sales transactions as available in the relevant market and have also taken into account the construction costs that will be expended to complete the development to reflect the quality of the completed development.

In valuing the property interests in Group IV, which are leased by the Group in the PRC, we have attributed no commercial values to these property interests due either to the short-term nature of the leases or the prohibition against assignments or sub-lettings or otherwise due to the lack of substantial profit rent.

We have been provided with extracts of documents in relation to the titles to the properties. However, we have not inspected the original documents to ascertain any amendments which may not appear on the copies handed to us. In the course of our valuation, we have relied to a very considerable extent on the information given by the Group and its PRC's legal advisor on PRC laws, Jingtian & Gongcheng, regarding the titles to the properties. We have also accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, particulars of occupancy, development proposals, estimated construction costs, estimated completion dates, site and floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation certificate are based on the information provided to us and are therefore only approximations. No on-site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to our valuation. We were also advised by the Group that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information to reach an informed view.

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We have inspected the exterior and, where possible, the interior of the properties. During the course of our inspection, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the properties are free from rot, infestation or any other defects. No tests were carried out on any of the services. We have also not carried out investigations on site to determine the suitability of the ground conditions and the services etc., for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and no extraordinary expenses or delay will be incurred during the development period.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on any property or 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 properties, we have complied with the requirements set out in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the Valuation Standards on Properties (First Edition 2005) published by The Hong Kong Institute of Surveyors.

Unless otherwise stated, all money amounts are stated in Renminbi.

We enclose herewith our summary of values and valuation certificates.

Yours faithfully,  
For and on behalf of  
**Savills Valuation and Professional Services Limited**

**Charles C K Chan**  
*MSc FRICS FHKIS MCI Arb RPS(GP)*  
*Managing Director*

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Note: Charles C K Chan, MSc, FRICS, FHKIS, MCI Arb, RPS(GP), has been a qualified valuer and has about 25 years' experience in the valuation of properties in Hong Kong and has about 20 years' experience in the valuation of properties in the PRC.

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### SUMMARY OF VALUES

#### Group I — Property interest held by the Group for investment in the PRC

| No.        | Property                                                                               | Market value<br>in existing<br>state as at<br>30 June 2009 | Interest<br>attributable<br>to the Group | Market value in existing<br>state attributable to<br>the Group as at<br>30 June 2009 |
|------------|----------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|
| 1.         | Fuzhou Powerlong City Plaza,<br>Taijiang Region,<br>Fuzhou,<br>Fujian Province,<br>PRC | 979,000,000                                                | 100%                                     | 979,000,000                                                                          |
| Sub-total: |                                                                                        | 979,000,000                                                |                                          | 979,000,000                                                                          |

#### Group II — Property interests held by the Group under development in the PRC

|    |                                                                                                               |               |      |               |
|----|---------------------------------------------------------------------------------------------------------------|---------------|------|---------------|
| 2. | Portion of Phase I of Suzhou Taicang Powerlong City Plaza,<br>Taicang,<br>Suzhou,<br>Jiangsu Province,<br>PRC | 324,000,000   | 100% | 324,000,000   |
| 3. | Wuxi Powerlong City Plaza,<br>Wuxi New District,<br>Wuxi,<br>Jiangsu Province,<br>PRC                         | 1,240,000,000 | 80%  | 992,000,000   |
| 4. | Tai'an Powerlong City Plaza,<br>Tai'an,<br>Shandong Province,<br>PRC                                          | 1,018,000,000 | 100% | 1,018,000,000 |
| 5. | Portion of Phase I of Luoyang Powerlong City Plaza,<br>Luoyang,<br>Henan Province,<br>PRC                     | 1,292,000,000 | 100% | 1,292,000,000 |

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| No.        | Property                                                                                                                       | Market value<br>in existing<br>state as at<br>30 June 2009 | Interest<br>attributable<br>to the Group | Market value in existing<br>state attributable to<br>the Group as at<br>30 June 2009 |
|------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|
| 6.         | Bengbu Powerlong<br>City Plaza,<br>Bengbu,<br>Anhui Province,<br>PRC                                                           | 1,951,000,000                                              | 100%                                     | 1,951,000,000                                                                        |
| 7.         | Zhengzhou Powerlong<br>City Plaza,<br>Zhengdong District,<br>Zhengzhou,<br>Henan Province,<br>PRC                              | 1,869,000,000                                              | 100%                                     | 1,869,000,000                                                                        |
| 8.         | Qingdao Powerlong City<br>Plaza,<br>Chengyang District,<br>Qingdao,<br>Shandong Province,<br>PRC                               | 3,990,000,000                                              | 100%                                     | 3,990,000,000                                                                        |
| 9.         | Phase I of Wuxi Yuqi<br>Powerlong Riverside<br>Garden,<br>Yuqi Town,<br>Huishan District,<br>Wuxi,<br>Jiangsu Province,<br>PRC | 433,000,000                                                | 100%                                     | 433,000,000                                                                          |
| Sub-total: |                                                                                                                                | 12,117,000,000                                             |                                          | 11,869,000,000                                                                       |

### Group III — Property interests held by the Group for future development in the PRC

|     |                                                                                                        |             |      |             |
|-----|--------------------------------------------------------------------------------------------------------|-------------|------|-------------|
| 10. | Phase II of Suzhou Taicang<br>Powerlong City Plaza,<br>Taicang,<br>Suzhou,<br>Jiangsu Province,<br>PRC | 157,900,000 | 100% | 157,900,000 |
|-----|--------------------------------------------------------------------------------------------------------|-------------|------|-------------|

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| No. | Property                                                                                      | Market value<br>in existing<br>state as at<br>30 June 2009 | Interest<br>attributable<br>to the Group | Market value in existing<br>state attributable to<br>the Group as at<br>30 June 2009 |
|-----|-----------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|
| 11. | Portion of Phase I and Phase II of Luoyang Powerlong City Plaza, Luoyang, Henan Province, PRC | 1,161,000,000                                              | 100%                                     | 1,161,000,000                                                                        |
| 12. | Phase II of Wuxi Yuqi Powerlong Riverside Garden, Yuqi Town, Wuxi, Jiangsu Province, PRC      | 334,000,000                                                | 100%                                     | 334,000,000                                                                          |
| 13. | A site located at Haiyang County, Yantai, Shandong Province, PRC                              | 1,021,000,000                                              | 100%                                     | 1,021,000,000                                                                        |
| 14. | A site located at Fuxin District, Suqian, Jiangsu Province, PRC                               | 688,000,000                                                | 100%                                     | 688,000,000                                                                          |
| 15. | A site located at Youyi Road, Xinxiang, Henan Province, PRC                                   | 1,025,000,000                                              | 100%                                     | 1,025,000,000                                                                        |
| 16. | A site located at Qingnian Road South, Yancheng, Jiangsu Province, PRC                        | 870,000,000                                                | 100%                                     | 870,000,000                                                                          |
| 17. | A site located at south of Qingfeng Park, Changzhou, Jiangsu Province, PRC                    | 725,000,000                                                | 100%                                     | 725,000,000                                                                          |

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| No.        | Property                                                                       | Market value<br>in existing<br>state as at<br>30 June 2009 | Interest<br>attributable<br>to the Group | Market value in existing<br>state attributable to<br>the Group as at<br>30 June 2009 |
|------------|--------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|
| 18.        | A site located at<br>Licang District,<br>Qingdao,<br>Shandong Province,<br>PRC | 931,000,000                                                | 100%                                     | 931,000,000                                                                          |
| Sub-total: |                                                                                | 6,912,900,000                                              |                                          | 6,912,900,000                                                                        |

### Group IV — Property interests leased by the Group in the PRC

|     |                                                                                                                                         |                     |      |                     |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------|------|---------------------|
| 19. | Units Nos. 131 and 386,<br>Shifuer District<br>Taicang,<br>Suzhou,<br>Jiangsu Province,<br>PRC                                          | No commercial value | 100% | No commercial value |
| 20. | Unit No. 303 of Block 3 and<br>Unit 404 of Block 7,<br>Powerlong City Plaza,<br>Suzhou,<br>Jiangsu Province,<br>PRC                     | No commercial value | 100% | No commercial value |
| 21. | Units Nos. 102 and 202,<br>Unit 1 of Block 12,<br>Nanbei Miya Garden,<br>Bengbu,<br>Anhui Province,<br>PRC                              | No commercial value | 100% | No commercial value |
| 22. | Unit No. 406,<br>Unit 3 of Block 17,<br>Zijing Mingliu,<br>Bengbu,<br>Anhui Province,<br>PRC                                            | No commercial value | 100% | No commercial value |
| 23. | 17 units on Levels 2 and 3,<br>Powerlong Center Phase II,<br>305 Jiahe Road,<br>Kaiyuan District,<br>Xiamen,<br>Fujian Province,<br>PRC | No commercial value | 100% | No commercial value |

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| No.          | Property                                                                                                      | Market value<br>in existing<br>state as at<br>30 June 2009 | Interest<br>attributable<br>to the Group | Market value in existing<br>state attributable to<br>the Group as at<br>30 June 2009 |
|--------------|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|
| 24.          | Unit No. 602,<br>Unit 4 of Block 10,<br>Haitongyuan Garden,<br>Qingdao,<br>Shandong Province,<br>PRC          | No commercial value                                        | 100%                                     | No commercial value                                                                  |
| 25.          | Unit No. 201,<br>Unit 2 of Block 6,<br>Mingfu Garden,<br>Qingdao,<br>Shandong Province,<br>PRC                | No commercial value                                        | 100%                                     | No commercial value                                                                  |
| 26.          | Unit No. 301,<br>Unit 4 of Block 9,<br>Beifeng Residential District,<br>Qingdao,<br>Shandong Province,<br>PRC | No commercial value                                        | 100%                                     | No commercial value                                                                  |
| 27.          | Unit No. 401,<br>Unit 1 of Block 14,<br>Shengfu Garden,<br>Qingdao,<br>Shandong Province,<br>PRC              | No commercial value                                        | 100%                                     | No commercial value                                                                  |
| Sub-total:   |                                                                                                               | Nil                                                        |                                          | Nil                                                                                  |
| Grand total: |                                                                                                               | <u>20,008,900,000</u>                                      |                                          | <u>19,760,900,000</u>                                                                |



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### VALUATION CERTIFICATE

#### Group I — Property interest held by the Group for investment in the PRC

| Property                                                                      | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |           |         |            |            |           |                    |           |         |              |                   |                  |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                          |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|-----------|---------|------------|------------|-----------|--------------------|-----------|---------|--------------|-------------------|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| 1. Fuzhou Powerlong City Plaza, Taijiang Region, Fuzhou, Fujian Province, PRC | <p>Fuzhou Powerlong City Plaza (the “Development”) is a large-scale residential/commercial development standing on 4 parcels of land with a total site area of approximately 72,874.00 sq.m. (784,416 sq.ft.).</p> <p>The Development comprises two 12-storey residential buildings over-mounting a 7-storey commercial podium (including a 2-level basement), a night club building and a disco building which are close to the commercial podium. The property was completed in between 2006 and 2008.</p> <p>The property has a total gross floor area of approximately 190,183.49 sq.m. (2,047,135 sq.ft.), the breakdown of which is as follows:</p> <table><tr><th>Level</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>33,274.06</td><td>358,162</td></tr><tr><td>Commercial</td><td>141,740.06</td><td>1,525,690</td></tr><tr><td>Night Club &amp; Disco</td><td>15,169.37</td><td>163,283</td></tr><tr><td><b>Total</b></td><td><b>190,183.49</b></td><td><b>2,047,135</b></td></tr></table> <p>The land use rights of the property have been granted for terms of 40 years, 50 years and 70 years for commercial, office and residential uses respectively (See Note 1).</p> | Level                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 33,274.06 | 358,162 | Commercial | 141,740.06 | 1,525,690 | Night Club & Disco | 15,169.37 | 163,283 | <b>Total</b> | <b>190,183.49</b> | <b>2,047,135</b> | <p>Besides the portions which have been delivered to the purchasers, portion of the property with a total gross floor area of approximately 90,840.00 sq.m. was subject to various tenancies with the latest term expiring on 30 June 2027 yielding a total annual rental of approximately Rmb 42,993,000 whilst the remaining portion of the property was vacant as of the Date of Valuation.</p> | <p>Rmb 979,000,000</p> <p>(100% interest attributable to the Group: Rmb 979,000,000)</p> |
| Level                                                                         | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                          |                                                   |  |  |       |        |             |           |         |            |            |           |                    |           |         |              |                   |                  |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                          |
|                                                                               | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | sq.ft.                   |                                                   |  |  |       |        |             |           |         |            |            |           |                    |           |         |              |                   |                  |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                          |
| Residential                                                                   | 33,274.06                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 358,162                  |                                                   |  |  |       |        |             |           |         |            |            |           |                    |           |         |              |                   |                  |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                          |
| Commercial                                                                    | 141,740.06                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1,525,690                |                                                   |  |  |       |        |             |           |         |            |            |           |                    |           |         |              |                   |                  |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                          |
| Night Club & Disco                                                            | 15,169.37                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 163,283                  |                                                   |  |  |       |        |             |           |         |            |            |           |                    |           |         |              |                   |                  |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                          |
| <b>Total</b>                                                                  | <b>190,183.49</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>2,047,135</b>         |                                                   |  |  |       |        |             |           |         |            |            |           |                    |           |         |              |                   |                  |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                          |

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Notes:

- Pursuant to the following State-owned Land Use Certificates, the land use rights of the property with a total site area of approximately 72,874.00 sq.m. have been granted to Fuzhou Powerlong Real Estate Development Co., Ltd. (“Fuzhou Powerlong”), which is a wholly-owned subsidiary of the Company, details of which are listed below.

| <u>Certificate Nos.</u>              | <u>Site Area</u><br>(sq.m.) | <u>Land Use and Date of Expiry</u>                                                  |
|--------------------------------------|-----------------------------|-------------------------------------------------------------------------------------|
| Rong Guo Yong (2004) No. 00164000123 | 57,776.00                   | Commercial: 10 May 2044<br>Office: 10 May 2054<br>Residential: 10 May 2074          |
| Rong Guo Yong (2004) No. 00184000219 | 10,603.00                   | Commercial: 16 August 2044<br>Office: 16 August 2054<br>Residential: 16 August 2074 |
| Rong Guo Yong (2005) No. 00194000249 | 3,320.00                    | Commercial: 10 May 2044<br>Office: 10 May 2054<br>Residential: 10 May 2074          |
| Rong Guo Yong (2006) No. 31835000144 | 1,175.00                    | Ancillary facilities for commercial:<br>15 May 2046                                 |

- Pursuant to 19 Building Ownership Certificates, the building ownership for portion of the property with a gross floor area of approximately 87,035.12 sq.m. has been granted to Fuzhou Powerlong.

The Group is now in the process of obtaining the Building Ownership Certificates for the remaining portion of the property which are expected to be obtained on or before June 2010.

- Pursuant to 3 Pre-sale Permits — (2005) Rong Fang Xu Zi No. 2008, (2006) Rong Fang Xu Zi No. 2308 and (2006) Rong Fang Xu Zi No. 2250, portions of the property with a total gross floor area of approximately 155,722.60 sq.m. have been approved for pre-sale.
- Pursuant to 2 construction works completion inspection certificate (“certificate of completion”), portions of the property with a total gross floor area of approximately 180,542.50 sq.m. have been completed and are fit for occupation.

The Group has not obtained the certificate of completion for the remainder of the property (the “Remainder of the property”). As advised by the Group, construction works of such portion of the property were completed and are being examined by relevant local authorities.

- As advised by the Group, portions of the property with a total gross floor area of approximately 85,572.00 sq.m. were pre-sold and delivered to the purchasers as at 30 June 2009, we have not taken into account these portions of the property in our valuation.
- For reference purposes, the capital value of portions of the property with a total gross floor area of approximately 94,835.09 sq.m., which the Group has classified as investment properties for long term investment, was Rmb 974,000,000 as at 30 June 2009.
- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - the land use rights of the property are legally owned by Fuzhou Powerlong. Fuzhou Powerlong is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except the mortgaged portions, the pre-sold portions and the leased portion;

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- (ii) the land premium of the land (Rong Guo Rong (2006) No. 31835000144) with a site area of approximately 1,175.00 sq.m. has been paid in full and there is no requirement for payment of further land premium;
- (iii) pursuant to 2 Contracts for Grant of State-owned Land Use Rights Rong Di He (2003) Nos. 94 and 131 and their Supplemental Agreements, the total land premium of 3 parcels of land (Rong Guo Yong (2004) No. 00164000123, Rong Guo Yong (2004) No. 00184000219 and Rong Guo Yong (2005) No. 00194000249) with a total site area of approximately 71,699.00 sq.m. is Rmb 161,437,846. Based on the information provided by Fuzhou Powerlong, Fuzhou Powerlong has paid a lump sum of Rmb 108,301,121. According to a document (Rong Cai Zong (2004) No. 1400), Fuzhou Powerlong is awarded with an amount of Rmb 500,000 per mu of site area of the 3 parcels of land and the awarded amount can be used to offset the land premium of the 3 parcels of land. The outstanding land premium has been offset with the award at a total offset amount of approximately Rmb 53,834,000. However, Fuzhou Powerlong may have to settle the unpaid land premium upon request by other relevant authorities, and the PRC laws and regulations have not specified any timeframe for rescission or adjustment of the award agreement in such situation. Fuzhou Powerlong has not received any request for rescission or adjustment of the award agreement. Further, Fuzhou Powerlong will not be subject to administrative penalty in relation to the above offset;
- (iv) Fuzhou Powerlong has obtained 2 certificates of completion for portions of the property with a total gross floor area of approximately 180,542.50 sq.m.. There is no legal impediment for Fuzhou Powerlong to obtain the Building Ownership Certificates of such portions of the property;
- (v) regarding portion of the property which has obtained certificates of completion and has been leased, the tenancy agreements (“the Completed Tenancy Agreements”) were signed before the date of the mortgage as mentioned in (xvii) below and these tenancy agreements are legal, valid and binding on both parties;
- (vi) the Completed Tenancy Agreements have not been registered but this will not affect the validity of these tenancy agreements or the rights of Fuzhou Powerlong, as lessor, under the Completed Tenancy Agreements (including the right to collect rent);
- (vii) according to the PRC laws, Fuzhou Powerlong may be subject to administrative penalties for non-registration of the Completed Tenancy Agreements, however, the effective PRC laws and regulations have not set the amount of the penalties;
- (viii) for the portions which are now subject to the Completed Tenancy Agreements, Fuzhou Powerlong is not allowed to re-let or dispose of these portions of the property. Moreover, in the absence of special circumstances Fuzhou Powerlong is required to notify the lessees in a reasonable period before selling these leased properties and the lessees shall have first priority to purchase the leased properties under the same terms and conditions;
- (ix) since Fuzhou Powerlong has obtained the certificates of completion for the leased properties under the Completed Tenancy Agreements, Fuzhou Powerlong is in a position to deliver such properties to the lessees according to the Completed Tenancy Agreements;
- (x) regarding portion of the property which has not yet concluded the completion examination procedure and has been leased, the tenancy agreements (“the Other Tenancy Agreements”) were signed before the date of the mortgage as mentioned in (xvii) below and these tenancy agreements are legal, valid and binding on both parties;
- (xi) the Other Tenancy Agreements have not been registered but this will not affect the validity of these tenancy agreements or the rights of Fuzhou Powerlong, as lessor, under the Other Tenancy Agreements (including the right to collect rent);
- (xii) according to the PRC laws, Fuzhou Powerlong may be subject to administrative penalties for non-registration of the Other Tenancy Agreements, however, the effective PRC laws and regulations have not set the amount of the penalties;

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- (xiii) for the portions which are now subject to the Other Tenancy Agreements, Fuzhou Powerlong is not allowed to re-let or dispose of these portions of the property. Moreover, in the absence of special circumstances Fuzhou Powerlong is required to notify the lessees in a reasonable period before selling the leased properties and the lessees shall have first priority to purchase the leased properties under the same terms and conditions;
- (xiv) pending conclusion of the completion examination procedure of the leased properties under the Other Tenancy Agreements, Fuzhou Powerlong can deliver such properties to the lessees according to the Other Tenancy Agreements. However, Fuzhou Powerlong has delivered the leased properties to the lessees before concluding the completion examination procedure, according to the PRC laws, Fuzhou Powerlong may be required to conclude the completion examination procedure within the prescribed deadline and may also be subject to a maximum fine of Rmb 300,000 if Fuzhou Powerlong fails to do so. As advised by the Group, Fuzhou Powerlong has not been penalized as aforesaid;
- (xv) Fuzhou Powerlong has obtained the Pre-sale Permits for the pre-sold portions of the property and has the right to pre-sell the same;
- (xvi) Fuzhou Powerlong is not allowed to re-sell the pre-sold portions of the property. However, according to the pre-sale contracts, Fuzhou Powerlong is still entitled to develop and construct such portions of the property before delivery;
- (xvii) portions of the property with a total gross floor area of approximately 61,948.90 sq.m. and the apportioned land use rights are subject to 6 mortgages in favour of Bank of China Limited Fujian Branch for a total loan amount of Rmb 350,000,000;
- (xviii) for the portions which are now subject to mortgage, Fuzhou Powerlong has the right to transfer, lease, mortgage, or dispose of such portion of the property after obtaining consents from the mortgagee during the mortgage period whilst there is no legal impediment for Fuzhou Powerlong to transfer, lease, mortgage, or dispose of the remaining portion of the property excluding those that have been pre-sold or leased;
- (xix) except for the aforesaid mortgaged portions, leased portions and the pre-sold portions, the remaining portion of the property is free from any mortgages or other third party encumbrances; and
- (xx) all necessary authorizations and permits have been obtained in respect of the construction works of the Remainder of the property. Fuzhou Powerlong has the legal and complete right to develop the Remainder of the property.

## APPENDIX IV

## PROPERTY VALUATION

### Group II — Property interests held by the Group under development in the PRC

| Property                                                                                             | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |           |         |                                |           |         |              |                   |                  |                                                                                                                                                             |                                                                                          |
|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|-----------|---------|--------------------------------|-----------|---------|--------------|-------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| 2. Portion of Phase I of Suzhou Taicang Powerlong City Plaza, Taicang, Suzhou, Jiangsu Province, PRC | <p>The property comprises portion of phase I of Suzhou Taicang Powerlong City Plaza (the “Proposed Development”) erected on 3 parcels of land with a total site area of approximately 118,116.60 sq.m. (1,271,407 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a residential/ commercial development in 2 phases. Upon completion, the total gross floor area of the property will be approximately 198,551.51 sq.m. (2,137,208 sq.ft.) plus 394 car parking spaces with a total gross floor area of approximately 14,970.81 sq.m. (161,146 sq.ft.), the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>101,175.42</td><td>1,089,052</td></tr><tr><td>Commercial</td><td>43,624.29</td><td>469,572</td></tr><tr><td>Hotel and ancillary facilities</td><td>53,751.80</td><td>578,584</td></tr><tr><td><b>Total</b></td><td><b>198,551.51</b></td><td><b>2,137,208</b></td></tr></table> <p>The construction works of the property were commenced in July 2005 and are scheduled to be completed in December 2009.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years expiring on 27 May 2044 and 27 May 2074 for commercial and residential uses respectively.</p> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 101,175.42 | 1,089,052 | Commercial | 43,624.29 | 469,572 | Hotel and ancillary facilities | 53,751.80 | 578,584 | <b>Total</b> | <b>198,551.51</b> | <b>2,137,208</b> | <p>Portion of the property with a gross floor area of approximately 139,189.82 sq.m. was completed whilst the remaining portion was under construction.</p> | <p>Rmb 324,000,000</p> <p>(100% interest attributable to the Group: Rmb 324,000,000)</p> |
| Usage                                                                                                | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                          |                                                   |  |  |       |        |             |            |           |            |           |         |                                |           |         |              |                   |                  |                                                                                                                                                             |                                                                                          |
|                                                                                                      | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | sq.ft.                   |                                                   |  |  |       |        |             |            |           |            |           |         |                                |           |         |              |                   |                  |                                                                                                                                                             |                                                                                          |
| Residential                                                                                          | 101,175.42                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1,089,052                |                                                   |  |  |       |        |             |            |           |            |           |         |                                |           |         |              |                   |                  |                                                                                                                                                             |                                                                                          |
| Commercial                                                                                           | 43,624.29                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 469,572                  |                                                   |  |  |       |        |             |            |           |            |           |         |                                |           |         |              |                   |                  |                                                                                                                                                             |                                                                                          |
| Hotel and ancillary facilities                                                                       | 53,751.80                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 578,584                  |                                                   |  |  |       |        |             |            |           |            |           |         |                                |           |         |              |                   |                  |                                                                                                                                                             |                                                                                          |
| <b>Total</b>                                                                                         | <b>198,551.51</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>2,137,208</b>         |                                                   |  |  |       |        |             |            |           |            |           |         |                                |           |         |              |                   |                  |                                                                                                                                                             |                                                                                          |

#### Notes:

- Pursuant to 2 State-owned Land Use Certificates — Tai Guo Yong (2005) Nos. 501000286 and 501000287, the land use rights of 2 parcels of land with a total site area of approximately 105,605.10 sq.m. have been granted to Suzhou Powerlong Property Development Co., Ltd. ("Suzhou Powerlong"), which is a wholly-owned subsidiary of the Company, for terms of 40 years and 70 years expiring on 27 May 2044 and 27 May 2074 for commercial and residential uses respectively (please also refer to Note 2 below).

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2. Pursuant to a State-owned Land Use Certificate — Tai Guo Yong (2007) No. 501001527, the land use rights of another portion of the property with a site area of approximately 13,676.60 sq.m. (1,165.10 sq.m. from Tai Guo Yong (2005) No. 501000287 and 12,511.50 sq.m. from Tai Guo Yong (2005) No. 501000288) have been granted to Suzhou Taicang Powerlong Hotel Company Limited ("Suzhou Hotel"), which is a wholly owned subsidiary of the Company, for a term of 40 years commencing on 28 May 2004 and expiring on 27 May 2044 for commercial uses.
3. Pursuant to a construction land planning permit — Tai Cheng Gui (2004) No. 091, planned construction works of the property with a site area of approximately 177 mu (118,000.00 sq.m.) are permitted and applied to the site of the State-owned Land Use Certificates Nos. Tai Guo Yong (2005) Nos. 501000286 and 501000287 and Tai Guo Yong (2007) No. 501001527.
4. Pursuant to 5 construction works planning permits — Copy Nos. 137 and 073, Tai Cheng Gui (2007) No. 024, Tai Cheng Jian (2008) Nos. 006 and 70, construction works of phase I of Suzhou Taicang Powerlong City Plaza with a total planned gross floor area of approximately 353,416.74 sq.m. are in compliance with the requirements of urban construction and are approved to be built on the sites of both State-owned Land Use Certificates Nos. Tai Guo Yong (2005) Nos. 501000286 and 501000287.
5. Pursuant to a construction works planning permit — Tai Cheng (2006) No. 081, construction works of portion of the property with a planned gross floor area of approximately 53,751.80 sq.m. are in compliance with the requirements of urban construction and are approved to be built for the site of the State-owned Land Use Certificate No. Tai Guo Yong (2007) No. 501001527.
6. Pursuant to 8 construction works commencement permits ("construction permits") — Nos. 320522200507220101, 320522200509010201, 320522200506090101, 320522200509200101, 320522200512210201, 320522200512050301, 320585200705140301 and 320585200707050101, the construction works of portion of phase I of Suzhou Taicang Powerlong City Plaza with a total planned gross floor area of approximately 158,146.60 sq.m. are permitted to commence construction for the sites of both State-owned Land Use Certificates Nos. Tai Guo Yong (2005) Nos. 501000286 and 501000287.
7. Pursuant to a construction permit — No. 32052200611280101, the construction works of portion of the property with a total planned gross floor area of approximately 53,752.00 sq.m. are permitted to commence construction for the site of the State-owned Land Use Certificate No. Tai Guo Yong (2007) No. 501001527.
8. Pursuant to 10 Pre-sale Permits — Tai (2005) Yu Zhun Zi Nos. 047, 050, 054, 065, 062, 067 and 083, Tai (2006) Yu Zhun Zi No. 009 and Tai (2007) Yu Zhun Zi Nos. 017 and 021, portions of the property with a total gross floor area of approximately 145,770.82 sq.m. have been approved for pre-sale for the sites of both State-owned Land Use Certificates Tai Guo Yong (2005) Nos. 501000286 and 501000287.
9. Pursuant to 3 certificates of completions, portions of phase I of Suzhou Taicang Powerlong City Plaza with a total gross floor area of approximately 139,189.82 sq.m. have been completed and are fit for occupation.  
  
The Group is now in the process of obtaining the Building Ownership Certificates for the said portions which are expected to be obtained on or before June 2010.
10. As advised by the Group, portions of the property with a total gross floor area of approximately 128,297.00 sq.m. were pre-sold and delivered to the purchasers as at 30 June 2009, we have not taken into account these portions of the property in our valuation.
11. As advised by the Group, portions of the property with a total gross floor area of approximately 6,336.00 sq.m. were pre-sold at a total consideration of approximately Rmb 19,269,000 as at 30 June 2009, which has been taken into account in our valuation.
12. As advised by the Group, the outstanding construction cost to be spent to complete the property as at 30 June 2009 was approximately Rmb 56,308,000. In the course of our valuation, we have taken into account the said cost.
13. The capital value of the property as if completed as at 30 June 2009 was Rmb 449,000,000.

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## PROPERTY VALUATION

14. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:

for State-owned Land Use Certificates Tai Guo Yong (2005) Nos. 501000286 and 501000287

- (i) the land use rights of the property are legally owned by Suzhou Powerlong. Suzhou Powerlong is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except the pre-sold portions;
- (ii) all land premium has been paid in full and there is no requirement for payment of further land premium;
- (iii) Suzhou Powerlong has obtained the certificates of completion for portion of the property with a gross floor area of approximately 139,189.82 sq.m.. There is no legal impediment for Suzhou Powerlong to obtain the Building Ownership Certificates of such portion of the property;
- (iv) regarding portion of the property which have obtained certificates of completion and has been leased, the tenancy agreements are legal, valid and binding on both parties;
- (v) Suzhou Powerlong has obtained the Pre-sale Permits for the pre-sold portions of the property and has the right to pre-sell the same;
- (vi) Suzhou Powerlong is not allowed to re-sell the pre-sold portions of the property. However, according to the pre-sale contracts, Suzhou Powerlong is still entitled to develop and construct such portions of the property before delivery;
- (vii) except for the pre-sold portions, the remaining portion of the property is free from any mortgages or other third party encumbrances;
- (viii) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Suzhou Powerlong has the legal and complete right to develop the property;

for State-owned Land Use Certificate Tai Guo Yong (2007) No. 501001527

- (ix) the land use rights of the property are legally owned by Suzhou Hotel. Suzhou Hotel is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except the mortgaged portions;
- (x) all land premium has been paid in full and there is no requirement for payment of further land premium;
- (xi) portions of the property with a total gross floor area of approximately 53,751.80 sq.m. and the apportioned land use rights are subject to a mortgage in favour of Chinese Mercantile Bank for a loan amount of Rmb 100,000,000;
- (xii) for the portions which are now subject to mortgage, Suzhou Hotel has the rights to transfer, lease, mortgage, or dispose of such portion of the property after obtaining consents from the mortgagee;
- (xiii) except for the aforesaid mortgaged portions, the remaining portion of the property is free from any mortgages or other third party encumbrance; and
- (xiv) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Suzhou Hotel has the legal and complete rights to develop the property.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                     | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |           |           |         |            |            |           |              |                   |                  |                                     |                                                                                    |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-----------|-----------|---------|------------|------------|-----------|--------------|-------------------|------------------|-------------------------------------|------------------------------------------------------------------------------------|
| 3. Wuxi Powerlong City Plaza, Wuxi New District, Wuxi, Jiangsu Province, PRC | <p>The property under consideration is known as Wuxi Powerlong City Plaza (the “Proposed Development”) and erected on 2 parcels of land with a total site area of approximately 77,020.20 sq.m. (829,045 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a commercial development. Upon completion, the total gross floor area of the property will be approximately 234,131.61 sq.m. (2,520,192 sq.ft.) plus 1,600 car parking spaces with a total gross floor area of approximately 50,055.18 sq.m. (538,794 sq.ft.), the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><th></th><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Apartment</td><td>82,905.36</td><td>892,393</td></tr><tr><td>Commercial</td><td>151,226.25</td><td>1,627,799</td></tr><tr><td><b>Total</b></td><td><b>234,131.61</b></td><td><b>2,520,192</b></td></tr></table> <p>The construction works of the property were commenced in May 2007 and are scheduled to be completed in December 2010.</p> <p>The land use rights of the property have been granted for a term of 40 years expiring on 29 December 2046 for commercial use.</p> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Apartment | 82,905.36 | 892,393 | Commercial | 151,226.25 | 1,627,799 | <b>Total</b> | <b>234,131.61</b> | <b>2,520,192</b> | The property is under construction. | Rmb 1,240,000,000<br><br>(80% interest attributable to the Group: Rmb 992,000,000) |
| Usage                                                                        | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |                                                   |  |  |       |        |           |           |         |            |            |           |              |                   |                  |                                     |                                                                                    |
|                                                                              | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | sq.ft.                   |                                                   |  |  |       |        |           |           |         |            |            |           |              |                   |                  |                                     |                                                                                    |
| Apartment                                                                    | 82,905.36                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 892,393                  |                                                   |  |  |       |        |           |           |         |            |            |           |              |                   |                  |                                     |                                                                                    |
| Commercial                                                                   | 151,226.25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1,627,799                |                                                   |  |  |       |        |           |           |         |            |            |           |              |                   |                  |                                     |                                                                                    |
| <b>Total</b>                                                                 | <b>234,131.61</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>2,520,192</b>         |                                                   |  |  |       |        |           |           |         |            |            |           |              |                   |                  |                                     |                                                                                    |

### Notes:

- Pursuant to 2 State-owned Land Use Certificates — Xi Xin Guo Yong (2007) Nos. 10 and 11, the land use rights of the property with a total site area of approximately 77,020.20 sq.m. have been granted to Wuxi Powerlong Real Estate Development Co., Ltd. ("Wuxi Powerlong"), in which the Company has an attributable interest of 80%, for a term of 40 years expiring on 29 December 2046 for commercial use.
- Pursuant to a construction land planning permit — Xi Xin Gui Di Xu (2006) No. 159, planned construction works of the property with a total site area of approximately 77,020.20 sq.m. are permitted.
- Pursuant to 2 construction works planning permits — Xi Xin Gui Jian Xu (2007) No. 46 and Jian Zi No. 3202012008X0096, the construction works of the property with a total planned gross floor area of approximately 276,583.58 sq.m. are in compliance with the requirements of urban construction and are approved to be built.



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4. Pursuant to 2 construction permits Nos. 3202992007051500001A and 3202992008060600001A, the construction works of the property with a total planned gross floor area of approximately 276,583.58 sq.m. are permitted to commence construction.
5. Pursuant to 2 Pre-sale Permits — (2007) Yu Xiao Zhun Zi No. (053) and (2008) Yu Xiao Zhun Zi No. 125, the property with a total gross floor area of approximately 233,522.74 sq.m. has been approved for pre-sale.
6. Pursuant to a certificate of completion, portions of the property with a gross floor area of approximately 10,300.40 sq.m. have been completed and are fit for occupation.

The Group is now in the process of obtaining the Building Ownership Certificates for the said portion which is expected to be obtained on or before June 2010.

7. As advised by the Group, portions of the property with a total gross floor area of approximately 15,244.00 sq.m. were pre-sold at a total consideration of Rmb 184,611,000 as at 30 June 2009, which has been taken into account in our valuation.
8. As advised by the Group, portions of the property with a total gross floor area of approximately 10,000.00 sq.m. were pre-sold and delivered as at 30 June 2009, we have not taken into account these portions of the property in our valuation.
9. As advised by the Group, the outstanding construction cost to be spent to complete the property as at 30 June 2009 was approximately Rmb 402,117,000. In the course of our valuation, we have taken into account the said cost.
10. The capital value of the property as if completed as at 30 June 2009 was Rmb 2,281,000,000.
11. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of the property are legally owned by Wuxi Powerlong. Wuxi Powerlong is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except the mortgaged portions and the pre-sold portions;
  - (ii) all land premium has been paid in full and there is no requirement for payment of further land premium;
  - (iii) Wuxi Powerlong has obtained a certificate of completion with a gross floor area of approximately 10,300.40 sq.m.. There is no legal impediment for Wuxi Powerlong to obtain the Building Ownership Certificate of such portion of the property;
  - (iv) Wuxi Powerlong has obtained the Pre-sale Permit for the pre-sold portions of the property and has the right to pre-sell the same;
  - (v) Wuxi Powerlong is not allowed to re-sell the pre-sold portions of the property. However, according to the pre-sale contracts, Wuxi Powerlong is still entitled to develop and construct such portions of the property before delivery;
  - (vi) portion of the property with a site area of approximately 71,960.30 sq.m. is subject to a mortgage in favour of Agricultural Bank of China, Wuxi Taihu Branch for a loan amount of Rmb 140,000,000;
  - (vii) for the portions which are now subject to mortgages, Wuxi Powerlong has the rights to transfer, lease mortgage or dispose of such portions of the property after obtaining consents from the mortgage during the mortgaged period;

## **APPENDIX IV**

## **PROPERTY VALUATION**

- (viii) except for the aforesaid mortgaged and pre-sold portions, the remaining portion of the property is free from any mortgages or other third party encumbrances; and
- (ix) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Wuxi Powerlong has the legal and complete right to develop the property.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                       | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Particulars of occupancy            | Market value in existing state as at 30 June 2009                                            |
|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------------------------------------------------------------------|
| 4. Tai'an Powerlong City Plaza, Tai'an, Shandong Province, PRC | <p>The property under consideration is known as Tai'an Powerlong City Plaza (the "Proposed Development") and erected on 7 parcels of land with a total site area of approximately 237,515.00 sq.m. (2,556,611 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a commercial/residential composite development and is scheduled to be developed in 2 phases.</p> <p>Upon completion, the total gross floor area of Phase I of the property will be approximately 68,924.67 sq.m. (741,906 sq.ft.) and Phase II of the property will be approximately 219,653.18 sq.m. (2,364,347 sq.ft.) plus 364 car parking spaces with a total gross floor area of approximately 13,366.81 sq.m. (143,880 sq.ft.), the breakdown of which is as follows:</p> | The property is under construction. | <p>Rmb 1,018,000,000</p> <p>(100% interest attributable to the Group: Rmb 1,018,000,000)</p> |

### Phase I

| Usage       | Approximate gross floor area |         |
|-------------|------------------------------|---------|
|             | sq.m.                        | sq.ft.  |
| Residential | 61,329.67                    | 660,153 |
| Commercial  | 7,595.00                     | 81,753  |
| Sub-total   | 68,924.67                    | 741,906 |

### Phase II

| Usage                           | Approximate gross floor area |           |
|---------------------------------|------------------------------|-----------|
|                                 | sq.m.                        | sq.ft.    |
| Residential                     | 55,634.44                    | 598,849   |
| Commercial                      | 114,335.74                   | 1,230,710 |
| Hotel with ancillary facilities | 49,683.00                    | 534,788   |
| Sub-total                       | 219,653.18                   | 2,364,347 |

|              |                          |                         |
|--------------|--------------------------|-------------------------|
| <b>Total</b> | <b><u>288,577.85</u></b> | <b><u>3,106,253</u></b> |
|--------------|--------------------------|-------------------------|

The construction works of the property are scheduled to be fully completed in May 2010.

Out of the 7 parcels of land of the property, the land use rights of 5 parcels of land with a total site area of approximately 112,468.00 sq.m. have been granted for terms of 70 years expiring on 21 March 2076 and 17 July 2076 for residential use whilst the remaining 2 parcels of land with a total site area of approximately 125,047.00 sq.m. have been granted for terms of 40 years commencing on 18 July 2006 and expiring on 17 July 2046 for commercial services use.

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## PROPERTY VALUATION

### Notes:

1. Pursuant to 7 State-owned Land Use Certificates — Tai Tu Guo Yong (2006) Nos. T-0014 and T-0032 to T-0037, the land use rights of the property with a total site area of approximately 237,515.00 sq.m. have been granted to Shandong Powerlong Industry Development Co., Ltd. (“Shandong Powerlong”), which is a wholly owned subsidiary of the Company, for terms of 70 years expiring on 21 March 2076 and 17 July 2076 for residential uses and 40 years expiring on 17 July 2046 for commercial services uses.
2. Pursuant to 2 construction land planning permits — (2006) Lu 09-00-0021 and (2006) Lu 09-00-0050, planned construction works of the property with a total site area of approximately 237,515.00 sq.m. are permitted.
3. Pursuant to 4 construction works planning permits — (2006) Lu 09-00-0067, (2007) Lu 09-00-0036, 09-00-0038 and 09-00-0039, the construction works of the property with a total planned gross floor area of approximately 296,707.66 sq.m. are in compliance with the requirements of urban construction and are approved to be built.
4. Pursuant to 4 construction permits — 2006-00-0067, 2007-00-0066, 2007-00-065 and 2007-00-049, the construction works of the property with a total planned gross floor area of approximately 296,707.66 sq.m. are permitted to commence construction.
5. Pursuant to 15 Pre-sale Permits — Tai Fang Shou Zheng Nos. (2006) 031, (2007) 002, (2007) 008, (2007) 017, (2007) 019, (2007) 028, (2007) 029, (2007) 031, (2007) 032 and Tai Fang Yu Shou Zheng No. (2008) 002, (2008) 007, (2008) 011, (2008) 015, (2008) 025 and (2008) 031, portions of the property with a total gross floor area of approximately 224,808.11 sq.m. have been approved for pre-sale.
6. As advised by the Group, portions of the property with a total gross floor area of approximately 54,280.00 sq.m. were pre-sold at a total consideration of Rmb 268,902,000 as at 30 June 2009, which has been taken into account in our valuation.
7. As advised by the Group, portions of the property with a total gross floor area of approximately 62,729.00 sq.m. were pre-sold and delivered to the purchasers as at 30 June 2009, we have not taken into account these portions of the property in our valuation.
8. As advised by the Group, the outstanding construction cost to be spent to complete the property as at 30 June 2009 was approximately Rmb 310,943,000. In the course of our valuation, we have taken into account the said cost.
9. The capital value of the property as if completed as at 30 June 2009 was Rmb 1,629,000,000.
10. For reference purposes, the capital value of portions of the property with a total gross floor area of approximately 56,331.10 sq.m., which the Group has classified as investment properties for long term investment, as if completed and assuming all the construction costs (including the professional fees and interest costs) have been fully settled as at 30 June 2009 was Rmb 480,000,000.
11. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of the property are legally owned by Shandong Powerlong. Shandong Powerlong is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except the mortgaged and pre-sold portions;
  - (ii) all land premium has been paid in full and there is no requirement for payment of further land premium;

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## PROPERTY VALUATION

- (iii) portion of the property with a total site area of approximately 70,586.00 sq.m. is subject to a mortgage in favour of Industrial and Commercial Bank of China, Tai'an Train Station Branch for a loan amount of Rmb 60,000,000 whilst another portion of the property with a total site area of 103,288.18 sq.m. is subject to a mortgage in favour of China Construction Bank, Tai'an Branch for a loan amount of Rmb 90,000,000;
- (iv) for the portions which are now subject to mortgage, Shandong Powerlong has the right to transfer, lease, mortgage or dispose of such portion of the property after obtaining consents from the mortgagee during the mortgage period;
- (v) Shandong Powerlong has obtained the Pre-sale Permits for the pre-sold portions of the property and has the right to pre-sell the same;
- (vi) Shandong Powerlong is not allowed to re-sell the pre-sold portions of the property. However, according to the pre-sale contracts, Shandong Powerlong is still entitled to develop and construct such portions of the property before delivery;
- (vii) except for the aforesaid mortgaged portions and the pre-sold portions, the remaining portion of the property is free from any mortgages or other third party encumbrances; and
- (viii) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Shandong Powerlong has the legal and complete right to develop the property.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                            | Description and tenure                                                                                                                                                                                                                                    | Particulars of occupancy            | Market value in existing state as at 30 June 2009                                                          |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------------------------|
| 5. Portion of Phase I of Luoyang Powerlong City Plaza, Luoyang, Henan Province, PRC | <p>The property comprises portion of phase I (also known as Districts D and E) of Luoyang Powerlong City Plaza (the "Proposed Development") erected on 2 parcels of land with a total site area of approximately 115,242.60 sq.m. (1,249,471 sq.ft.).</p> | The property is under construction. | <p>Rmb 1,292,000,000</p> <p>(100% interest attributable to the Group: Rmb 1,292,000,000) (See Note 10)</p> |

The Proposed Development is planned to be developed into a residential/ commercial development comprising hardware and construction material markets. Upon completion, the total gross floor area of the property will be approximately 342,678.13 sq.m. (3,688,587 sq.ft.) plus 1,226 car parking spaces with a total gross floor area of approximately 29,584.65 sq.m. (318,449 sq.ft.), the breakdown of which is as follows:

| Usage        | Approximate gross floor area |                  |
|--------------|------------------------------|------------------|
|              | sq.m.                        | sq.ft.           |
| Residential  | 101,377.86                   | 1,091,231        |
| Commercial   | 241,300.27                   | 2,597,356        |
| <b>Total</b> | <b>342,678.13</b>            | <b>3,688,587</b> |

The construction works of the property were commenced in November 2006 and are scheduled to be completed in October 2009.

The land use rights of the property have been granted for terms of 40 years and 70 years expiring on 1 February 2046 and 1 February 2076 for commercial and residential uses respectively.

### Notes:

- Pursuant to 2 State-owned Land Use Certificates — Luo Shi Guo Yong (2006) Nos. 05001234 and 05001235, the land use rights of the property with a total site area of approximately 115,242.60 sq.m. have been granted to Luoyang Powerlong Property Development Company Limited ("Luoyang Powerlong"), which is a wholly owned subsidiary of the Company, for terms of 40 years and 70 years expiring on 1 February 2046 and 1 February 2076 for commercial and residential uses respectively.
- Pursuant to a construction land planning permit — Luo Cheng Gui Zheng Zi (2006) No. 052, planned construction works of Luoyang Powerlong City Plaza with a total site area of approximately 543,301.643 sq.m. (including 187,694.201 sq.m. for public roads) are permitted.

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## PROPERTY VALUATION

3. Pursuant to 6 construction works planning permits — Luo Cheng Gui Zheng (2006) Nos. 841 to 845 and 2007064, the construction works of Phase I of Luoyang Powerlong City Plaza with a total planned gross floor area of approximately 449,186.00 sq.m. are in compliance with the requirements of urban construction and are approved to be built.
4. Pursuant to a construction permit No. 28, the construction works of the property are approved.
5. Pursuant to 3 Pre-sale Permits — Luo Fang Shi Shang Yu Zi Nos. Y07-055, Y06-099 and 07-012, portions of the property with a total gross floor area of approximately 426,286.00 sq.m. have been approved for pre-sale.
6. As advised by the Group, portions of the property with a total gross floor area of approximately 142,583.00 sq.m. were pre-sold at a total consideration of Rmb 555,939,000 as at 30 June 2009, which has been taken into account in our valuation.
7. As advised by the Group, the outstanding construction cost to be spent to complete the property as at 30 June 2009 was approximately Rmb 349,993,000. In the course of our valuation, we have taken into account the said cost.
8. The capital value of the property as if completed as at 30 June 2009 was Rmb 1,875,000,000.
9. For reference purposes, the capital value of portions of the property with a total gross floor area of approximately 63,200.21 sq.m., which the Group has classified as investment properties for long term investment, as if completed and assuming all the construction costs (including the professional fees and interest costs) have been fully settled as at 30 June 2009 was Rmb 265,000,000.
10. As advised by the Group, an outstanding land premium of the 6 parcels of land of Luoyang Powerlong City Plaza as at 30 June 2009 with an amount of approximately Rmb 89,599,964 has not been paid. In the course of our valuation, we have not taken into account the said land premium and have assumed that the land premium for this property has been fully paid.
11. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of the property are legally owned by Luoyang Powerlong. Luoyang Powerlong is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings erected thereon except the mortgaged and pre-sold portions;
  - (ii) the land premium of the Proposed Development has not been paid in full. As at 30 June 2009, the outstanding land premium of the Proposed Development was approximately Rmb 89,599,964.
  - (iii) portions of the property with a total gross floor area of approximately 60,552.96 sq.m. and the apportioned land use rights are subject to a mortgage in favour of Agricultural Bank of China, Luoyang Branch for a loan amount of Rmb 50,000,000;
  - (iv) for the portions which are now subject to a mortgage, Luoyang Powerlong has the rights to transfer, lease, mortgage, or dispose of such portion of the property after obtaining consents from the mortgagee during the mortgage period;
  - (v) Luoyang Powerlong has obtained the Pre-sale Permits for the pre-sold portions of the property and has the rights to pre-sell the same;
  - (vi) Luoyang Powerlong is not allowed to re-sell the pre-sold portions of the property. However, according to the pre-sale contracts, Luoyang Powerlong is still entitled to develop and construct such portions of the property before delivery;

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- (vii) except for the aforesaid mortgaged portions and the pre-sold portions, the remaining portion of the property is free from any mortgages or other third party encumbrances; and
- (viii) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Luoyang Powerlong has the legal and complete right to develop the property.



## APPENDIX IV

## PROPERTY VALUATION

| Property                                                             | Description and tenure                                                                                                                                                                                                     | Particulars of occupancy                                                                                                                                    | Market value in existing state as at 30 June 2009 |
|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 6. Bengbu Powerlong City Plaza,<br>Bengbu,<br>Anhui Province,<br>PRC | <p>The property under consideration is known as Bengbu Powerlong City Plaza (the "Proposed Development") and erected on 4 parcels of land with a total site area of approximately 192,312.70 sq.m. (2,070,054 sq.ft.).</p> | <p>Portion of the property with a gross floor area of approximately 145,691.97 sq.m. was completed whilst the remaining portion was under construction.</p> | <p>Rmb 1,951,000,000</p>                          |

(100]% interest attributable to the Group:  
Rmb 1,951,000,000)

The Proposed Development is planned to be developed into a commercial/residential development. Upon completion, the total gross floor area of the property will be approximately 403,239.05 sq.m. (4,340,465 sq.ft.) plus 1,781 car parking spaces with a total gross floor of approximately 87,970.00 sq.m. (946,909 sq.ft.), the breakdown of which is as follows:

Amongst the completed portion and besides the portions which have been delivered to the purchasers, 43,311.93 sq.m. was subject to various tenancies with the latest term expiring in 2029 at a monthly rental of approximately Rmb 1,332,000 whilst the remaining portion was vacant as of the Date of Valuation.

### Phase I

| Usage       | Approximate gross floor area |                |
|-------------|------------------------------|----------------|
|             | sq.m.                        | sq.ft.         |
| Residential | 130,935.26                   | 1,409,387      |
| Commercial  | <u>52,048.68</u>             | <u>560,252</u> |
| Sub-total   | 182,983.94                   | 1,969,639      |

### Phase II

|              |                          |                         |
|--------------|--------------------------|-------------------------|
| Commercial   | <u>220,255.11</u>        | <u>2,370,826</u>        |
| Sub-total    | 220,255.11               | 2,370,826               |
| <b>Total</b> | <b><u>403,239.05</u></b> | <b><u>4,340,465</u></b> |

The construction works of the property were commenced in September 2006 and are scheduled to be fully completed in February 2010.

The land use rights of the property have been granted for terms of 40 years and 70 years expiring in November 2043 and November 2073 for commercial and residential uses respectively.

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## PROPERTY VALUATION

### Notes:

1. Pursuant to 4 State-owned Land Use Certificates — Beng Guo Yong (Chu Rang) Nos. 07232, 07236, 07237 and 07238, the land use rights of the Development with a total site area of approximately 192,312.70 sq.m. have been granted to Bengbu Powerlong Real Estate Co., Ltd. ("Bengbu Powerlong"), which is a wholly-owned subsidiary of the Company for terms of 40 years and 70 years expiring in November 2043 and November 2073 for commercial and residential uses respectively.
2. Pursuant to 11 Building Ownership Certificates, the building ownership for portion of the property with a gross floor area of approximately 88,812.97 sq.m. has been granted to Bengbu Powerlong.
3. Pursuant to a construction land planning permit — 2006 Yong No. 14, planned construction works of the property with a site area of 288.47 mu (192,312.06 sq.m.) are permitted.
4. Pursuant to 4 construction works planning permits — Jing Fang Jian Zi No. (2006) 003–005 and 008, the construction works of the property with a total planned gross floor area of approximately 437,627.00 sq.m. are in compliance with the requirements of urban construction and are approved to be built.
5. Pursuant to 13 construction permits Nos. 030006100037, 030006090024, 030006090028 to 030006090030 and 030006090033 to 030006090039, the construction works of the property with a total planned gross floor area of approximately 101,162.00 sq.m. are permitted to commence construction.
6. Pursuant to 8 Pre-sale Permits — (Shang Pin) Fang Yu Shou Zheng Nos. 385 (2007), 415 (2007), 413 (2007), 377 (2007), 0299 (2006), 411 (2006), 490 (2007) and 507 (2007), portions of the property with a total gross floor area of 406,037.00 sq.m. have been approved for pre-sale.
7. As advised by the Group, portions of the property with a total gross floor area of approximately 26,017.00 sq.m. were pre-sold at a total consideration of Rmb 202,328,000 as at 30 June 2009, which has been taken into account in our valuation.
8. As advised by the Group, portions of the property with a total gross floor area of approximately 141,999.00 sq.m. were pre-sold and delivered to the purchasers as at 30 June 2009, we have not taken into account these portions of the property in our valuation.
9. Pursuant to a certificate of completion, portions of the property with a gross floor area of approximately 56,879.00 sq.m. have been completed and are fit for occupation.  
  
The Group is now in the process of obtaining the Building Ownership Certificates for the said portion of the property which are expected to be obtained on or before June 2010.
10. As advised by the Group, Bengbu Powerlong has entered into tenancy agreements of portions of the property with third parties.
11. As advised by the Group, the outstanding construction cost to be spent to complete the property as at 30 June 2009 was approximately Rmb 288,253,000. In the course of our valuation, we have taken into account the said cost.
12. The capital value of the property as if completed as at 30 June 2009 was Rmb 2,635,000,000.
13. For reference purposes, the capital value of portions of the property with a total gross floor area of approximately 106,854.60 sq.m. of which 21,827.97 sq.m. and 85,026.63 sq.m. are attributable to phase I and phase II respectively and 254 car parking spaces which the Group has classified as investment properties for long term investment, as if completed and assuming all the construction costs (including the professional fees and interest costs) have been fully settled as at 30 June 2009 was Rmb 803,000,000, breakdown values of phase I together with the car parking spaces and phase II are Rmb 140,000,000 and Rmb 663,000,000 respectively.

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14. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
- (i) the land use rights of the property are legally owned by Bengbu Powerlong. Bengbu Powerlong is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except the mortgaged portions, the pre-sold portions and the leased portions;
  - (ii) all land premium has been paid in full and there is no requirement for payment of further land premium;
  - (iii) besides a portion of Bengbu Powerlong City Plaza with a total area of approximately 88,812.97 sq.m. which has passed the Completed Construction Works Examination and obtained relevant Building Ownership Certificates, Bengbu Powerlong has also obtained the Completed Construction Works Examination Certificate for portion of the property with a gross floor area of approximately 9,148 sq.m. There is no legal impediment for Bengbu Powerlong to obtain the Building Ownership Certificates of such portion of the property;
  - (iv) regarding portions of the property which has been leased, the tenancy agreements are legal, valid and binding on both parties;
  - (v) the tenancy agreements have not been registered but this will not affect the validity of the tenancy agreements or the rights of Bengbu Powerlong, as lessor, under the tenancy agreements (including the right to collect rent);
  - (vi) according to the PRC laws, Bengbu Powerlong may be subject to administrative penalties for non-registration of the tenancy agreements, however, the effective PRC laws and regulations have not set the amount of the penalties;
  - (vii) Bengbu Powerlong has obtained the relevant consent from the mortgagee under the mortgage as mentioned in (x) below for the entering into of the tenancy agreements prior to 16 June 2008;
  - (viii) for the portions which are now subject to tenancy agreements, Bengbu Powerlong is not allowed to re-let or dispose of these portions of the property. Moreover, in the absence of special circumstances Bengbu Powerlong is required to notify the lessees in a reasonable period before selling the leased properties and the lessees shall have first priority to purchase the leased properties under the same terms and conditions;
  - (ix) pending conclusion of the completed examination procedure of the leased properties, Bengbu Powerlong can deliver such properties to the lessees according to the tenancy agreement;
  - (x) portions of the property with a total site area of approximately 101,791.10 sq.m. are subject to two mortgages in favour of Huishang Bank, Bengbu Branch for a total loan amount of Rmb 122,000,000;
  - (xi) for the portions which are now subject to mortgages, Bengbu Powerlong have the right to transfer, lease, mortgage or dispose of such portions of the property after obtaining consents from the mortgagee during the mortgage period whilst there is no legal impediment for Bengbu Powerlong to transfer, lease, mortgage or dispose of the remaining portion of the property excluding those that have been pre-sold and the leased portions;
  - (xii) Bengbu Powerlong has obtained the Pre-sale Permits for the pre-sold portions and has the right to pre-sell the same;
  - (xiii) Bengbu Powerlong is not allowed to re-sell the pre-sold portions of the property. However, according to the pre-sale contracts, Bengbu Powerlong is still entitled to develop and construct such portions of the property before delivery;

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- (xiv) except for the aforesaid mortgaged portions, the pre-sold portions and the leased portions, the remaining portion of the property is free from any mortgages or other third party encumbrances; and
- (xv) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Bengbu Powerlong has the legal and complete right to develop the property.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                              | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Particulars of occupancy                                                                                                                                                                                                                                                                                                                                                                                                                                      | Market value in existing state as at 30 June 2009                                            |
|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 7. Zhengzhou Powerlong City Plaza, Zhengdong District, Zhengzhou, Henan Province, PRC | <p>The property is known as Zhengzhou Powerlong City Plaza (the "Proposed Development") and erected on 2 parcels of land with a total site area of approximately 113,983.90 sq.m. (1,226,923 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a commercial development. Upon completion, the total gross floor area of the property will be approximately 216,799.17 sq.m. (2,333,626 sq.ft.) plus 960 car parking spaces with a total gross floor area of approximately 30,395.39 sq.m. (327,176 sq.ft.), the breakdown of which is as follows:</p> | <p>The construction works of the property were basically completed in December 2008 and are being examined by relevant local authorities.</p> <p>Portion of the property with a total gross floor area of approximately 22,287.51 sq.m. was subject to various tenancies with the latest term expiring on 30 May 2019 yielding a total monthly rental of approximately Rmb 1,008,000 whilst the remaining portion was vacant as of the Date of Valuation.</p> | <p>Rmb 1,869,000,000</p> <p>(100% interest attributable to the Group: Rmb 1,869,000,000)</p> |

| Usage        | Approximate gross floor area |                  |
|--------------|------------------------------|------------------|
|              | sq.m.                        | sq.ft.           |
| Apartment    | 15,197.32                    | 163,584          |
| Commercial   | 201,601.85                   | 2,170,042        |
| <b>Total</b> | <b>216,799.17</b>            | <b>2,333,626</b> |

The construction works of the property were commenced in July 2006 and were completed in December 2008.

The land use rights of the property have been granted for a term of 40 years expiring on 30 April 2046 for commercial use.

### Notes:

- Pursuant to 2 State-owned Land Use Certificates — Zheng Guo Yong (2006) Nos. 0268 and 0269, the land use rights of the property with a total site area of approximately 113,983.90 sq.m. have been granted to Zhengzhou Pou Long Real Estate Development Co., Ltd. ("Zhengzhou Powerlong"), which is a wholly owned subsidiary of the Company, for a term of 40 years expiring on 30 April 2046 for commercial uses.
- Pursuant to a construction land planning permit — (2005) Zheng Dong Gui Di Guan Xu Zi No. (0027), planned construction works of the property with a site area of approximately 189,129.70 sq.m. (including public roads and green plot) are permitted.

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## PROPERTY VALUATION

3. Pursuant to 3 construction works planning permits — (2006) Zheng Dong Gui Jian Guan Xu Zi No. 0041, (2006) Zheng Dong Gui Gong Guan Xu Zi No. (0031) and (2007) Zheng Dong Gui Gong Guan Xu Zi No. (0063), the main construction works of the property with a total planned gross floor area of approximately 255,805.00 sq.m. and some ancillary construction works with a total gross floor area of approximately 4,909.00 sq.m. are in compliance with the requirements of urban construction and are approved to be built.
4. Pursuant to a construction permit No. 410105200607220101, the construction works of the property with a total planned gross floor area of approximately 255,543.00 sq.m. are permitted to commence construction.
5. Pursuant to 3 Pre-sale Permit — (2007) Zheng Fang Guan Yu Zi No. D0108, (2008) Zheng Fang Guan Yu Zi No. D0238 and (2008) Zheng Fang Guan Yu Zi No. D0254, portions of the property with a total gross floor area of approximately 217,943.71 sq.m. have been approved for pre-sale.
6. As advised by the Group, portions of the property with a total gross floor area of approximately 63,647.00 sq.m. were pre-sold and delivered to the purchasers as at 30 June 2009, we have not taken into account these portions of the property in our valuation.
7. As advised by the Group, Zhengzhou Powerlong has entered into tenancy agreements of portions of the property with third parties.
8. As advised by the Group, the outstanding construction cost to be spent to complete the property as at 30 June 2009 was approximately Rmb 57,223,000. In the course of our valuation, we have taken into account the said cost.
9. The capital value of the property as if completed as at 30 June 2009 was Rmb 1,927,000,000.
10. For reference purposes, the capital value of portions of the property with a total gross floor area of approximately 88,359.17 sq.m. and 960 car parking spaces which the Group has classified as investment properties for long term investment, as if completed and assuming all the construction costs (including the professional fees and interest costs) have been fully settled as at 30 June 2009 was Rmb 1,134,000,000.
11. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of the property are legally owned by Zhengzhou Powerlong. Zhengzhou Powerlong is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except the mortgaged portions, the pre-sold portions and the leased portions;
  - (ii) all land premium has been paid in full and there is no requirement for payment of further land premium;
  - (iii) regarding portions of the property which have been leased, some of the tenancy agreements have been registered and the registered tenancy agreements are legal, valid and binding on both parties;
  - (iv) the remaining tenancy agreements have not been registered but this will not affect the validity of such tenancy agreements and the rights enjoyed by Zhengzhou Powerlong according to such tenancy agreements (including the rights of collecting rental payment according to such tenancy agreements). As advised by the Group, Zhengzhou Powerlong will apply for the registrations of such tenancy agreements;
  - (v) regarding the non-registered tenancy agreements, Zhengzhou Powerlong may be required to proceed with the registrations and may also be subject to a fine. However, there are no definite regulations about the amount of the fine to be payable;

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- (vi) for the portions which are now subject to tenancy agreements, Zhengzhou Powerlong is not allowed to re-let or dispose of these portions of the property. Moreover, in the absence of special circumstances, Zhengzhou Powerlong is required to notify the lessees in a reasonable period before selling the leased properties and the lessees shall have first priority to purchase the leased properties under the same terms and conditions;
- (vii) pending conclusion of the completion examination procedure, Zhengzhou Powerlong can deliver such properties to the lessees according to the tenancy agreements. However, Zhengzhou Powerlong has delivered the leased properties to the lessees before concluding the completion examination procedure, according to the PRC laws, Zhengzhou Powerlong may be required to proceed with the completion examination procedure within the prescribed deadline and may also be subject to a maximum fine of Rmb 300,000 in the event Zhengzhou Powerlong fails to do so. As advised by the Group, Zhengzhou Powerlong has not been penalized as aforesaid;
- (viii) portions of the Proposed Development with a total planned gross floor area of approximately 173,353.30 sq.m. are subject to a mortgage in favour of The Bank of East Asia (China) Ltd., Qingdao Branch for a loan amount of Rmb 180,000,000;
- (ix) Zhengzhou Powerlong has obtained the relevant consent from the mortgagee under the mortgage as mention in (viii) above for the entering into of the tenancy agreements;
- (x) for the portions which are now subject to a mortgage, Zhengzhou Powerlong has the rights to transfer, lease, mortgage, or dispose of such portions of the property after obtaining consents from the mortgagee during the mortgage period;
- (xi) Zhengzhou Powerlong has obtained the Pre-sale Permit for the pre-sold portions and has the right to pre-sell the same;
- (xii) Zhengzhou Powerlong is not allowed to re-sell the pre-sold portions of the property. However, according to the pre-sale contracts, Zhengzhou Powerlong is still entitled to develop and construct such portions of the property before delivery;
- (xiii) except for the aforesaid mortgaged portions, the pre-sold portions and the leased portions, the remaining portion of the property is free from any mortgages or other third party encumbrances; and
- (xiv) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Zhengzhou Powerlong has the legal and complete right to develop the property.

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## PROPERTY VALUATION

| Property                                                                             | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |       |        |                                            |            |           |             |           |         |  |                   |                  |              |                          |                         |                                     |                                                                                       |
|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|-------|--------|--------------------------------------------|------------|-----------|-------------|-----------|---------|--|-------------------|------------------|--------------|--------------------------|-------------------------|-------------------------------------|---------------------------------------------------------------------------------------|
| 8. Qingdao Powerlong City Plaza, Chengyang District, Qingdao, Shandong Province, PRC | <p>The property under consideration is known as Qingdao Powerlong City Plaza (the "Proposed Development") and erected on 2 parcels of land with a total site area of approximately 319,808.00 sq.m. (3,442,413 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a large-scale residential/commercial development with an indoor theme park and is scheduled to be developed in 2 phases.</p> <p>As planned, Phase I of the property will provide a 3-storey (plus basement) shopping mall incorporated with a theme park, a 5-star hotel and serviced apartments whilst Phase II of the property will comprise residential units and villas as well as some commercial units. The construction works of Phase I and Phase II were commenced in April 2007 and are scheduled to be completed in May 2010.</p> <p>Upon completion, the gross floor area of the property will be approximately 558,079.98 sq.m. (6,007,173 sq.ft.) plus 3,364 car parking spaces with a total gross floor area of approximately 147,445.74 sq.m. (1,587,106 sq.ft.).</p> <p>The breakdown areas of the property are listed as follows:</p> <table><tr><th rowspan="2">Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Commercial Hotel with ancillary facilities</td><td>329,394.60</td><td>3,545,603</td></tr><tr><td>Residential</td><td>39,711.33</td><td>427,453</td></tr><tr><td></td><td><u>188,974.05</u></td><td><u>2,034,117</u></td></tr><tr><td><b>Total</b></td><td><b><u>558,079.98</u></b></td><td><b><u>6,007,173</u></b></td></tr></table> <p>The land use rights of the property have been granted for terms of 40 years and 70 years expiring on 17 July 2046 and 17 July 2076 for commercial services and residential uses respectively.</p> | Usage                    | Approximate gross floor area                      |  | sq.m. | sq.ft. | Commercial Hotel with ancillary facilities | 329,394.60 | 3,545,603 | Residential | 39,711.33 | 427,453 |  | <u>188,974.05</u> | <u>2,034,117</u> | <b>Total</b> | <b><u>558,079.98</u></b> | <b><u>6,007,173</u></b> | The property is under construction. | Rmb 3,990,000,000<br><br>(100% interest attributable to the Group: Rmb 3,990,000,000) |
| Usage                                                                                | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |                                                   |  |       |        |                                            |            |           |             |           |         |  |                   |                  |              |                          |                         |                                     |                                                                                       |
|                                                                                      | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | sq.ft.                   |                                                   |  |       |        |                                            |            |           |             |           |         |  |                   |                  |              |                          |                         |                                     |                                                                                       |
| Commercial Hotel with ancillary facilities                                           | 329,394.60                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 3,545,603                |                                                   |  |       |        |                                            |            |           |             |           |         |  |                   |                  |              |                          |                         |                                     |                                                                                       |
| Residential                                                                          | 39,711.33                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 427,453                  |                                                   |  |       |        |                                            |            |           |             |           |         |  |                   |                  |              |                          |                         |                                     |                                                                                       |
|                                                                                      | <u>188,974.05</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <u>2,034,117</u>         |                                                   |  |       |        |                                            |            |           |             |           |         |  |                   |                  |              |                          |                         |                                     |                                                                                       |
| <b>Total</b>                                                                         | <b><u>558,079.98</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b><u>6,007,173</u></b>  |                                                   |  |       |        |                                            |            |           |             |           |         |  |                   |                  |              |                          |                         |                                     |                                                                                       |



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## PROPERTY VALUATION

### Notes:

1. Pursuant to a State-owned Land Use Certificate — Cheng Guo Yong (2006) Zi No. 288, the land use rights of portion of the property with a site area of approximately 206,247.00 sq.m. have been granted to Powerlong Group (Qingdao) Property Development Co., Ltd. (“Qingdao Powerlong”) for a term expiring on 17 July 2046 for commercial services uses.
2. Pursuant to a State-owned Land Use Certificate — Qing Fang Di Quan Shi Zi No. 20082469, the land use rights of portion of the property with a site area of approximately 113,561.00 sq.m. have been granted to Qingdao Powerlong for a term commencing on 18 July 2006 and expiring on 17 July 2076 for residential uses.
3. Pursuant to 2 construction land planning permits — Qing Gui Cheng Yong Di Zi (2006) No. 35 and Qing Gui Cheng Yong Di Zi (2007) No. 9, planned construction works of the property with a total site area of approximately 319,808.00 sq.m. are permitted.
4. Pursuant to 4 construction works planning permits — Qing Gui Cheng Jian Guan Zi (2007) No. 30, Qing Gui Cheng Jian Guan Zi (2007) Nos. 40 and 49 and Jian Zi No. 370200200816010, the construction works of the property with a total planned gross floor area of approximately 714,868.60 sq.m. are in compliance with the requirements of urban construction and are approved to be built.
5. Pursuant to 4 construction permits — Qing Cheng Jian Shi Zi 370214200706260101, 370214200707170201, 370214200709180101 and 370214200807010101, the construction works of the property with a total planned gross floor area of approximately 714,868.60 sq.m. are permitted to commence construction.
6. Pursuant to 8 Pre-sale Permits — Qing Fang Zhu Zi (Cheng 07) Nos. 28, 45, 47 and 50, Qing Fang Zhu Zi (07)5 No. 3, Qing Fang Zhu Zi (Cheng 08) Nos. 01 and 42 and Qing Fang Zhu Zi (Cheng 09) No. 26, portions of the property with a total gross floor area of approximately 372,305.43 sq.m. have been approved for pre-sale.
7. As advised by the Group, portions of the property with a total gross floor area of approximately 96,380.00 sq.m. were pre-sold at a total consideration of Rmb 631,994,000 as at 30 June 2009, which has been taken into account in our valuation.
8. As advised by the Group, portions of the property with a total gross floor area of approximately 125,530.00 sq.m. were delivered as at 30 June 2009, we have not taken into account these portions of the property in our valuation.
9. As advised by the Group, the outstanding construction cost to be spent to complete the property as at 30 June 2009 was approximately Rmb 381,357,000. In the course of our valuation, we have taken into account the said cost.
10. The capital value of the property as if completed as at 30 June 2009 was Rmb 5,360,000,000.
11. For reference purposes, the capital value of portions of the property with a total gross floor area of approximately 127,105.91 sq.m., which the Group has classified as investment properties for long term investment, as if completed and assuming all the construction costs (including the professional fees and interest costs) have been fully settled as at 30 June 2009 was Rmb 1,783,000,000.

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## PROPERTY VALUATION

12. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
- (i) the land use rights of the property are legally owned by Qingdao Powerlong. Qingdao Powerlong is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except mortgaged and pre-sold portions;
  - (ii) all land premium has been paid in full and there is no requirement for payment of further land premium;
  - (iii) portions of the Proposed Development with a planned gross floor area of approximately 504,912.60 sq.m. and the apportioned land use rights are subject to a mortgage in favour of The Bank of East Asia (China) Ltd., Qingdao Branch for a loan amount of Rmb 250,000,000 whilst the proposed hotel of the Proposed Development with a planned gross floor area of approximately 31,907.00 sq.m. and the apportioned land use rights are subject to a mortgage in favour of Qingdao Chengyang Nongcun Corporation Bank and Qingdao Huafeng Nongcun Corporation Bank for a loan amount of Rmb 80,000,000;
  - (iv) for the portions which are now subject to mortgages, Qingdao Powerlong has the right to transfer, lease, mortgage or dispose of such portions of the property after obtaining consents from the mortgagee during the mortgage period whilst there is no legal impediment for Qingdao Powerlong to transfer, lease, mortgage or dispose of the remaining portion of the property except the pre-sold portions;
  - (v) Qingdao Powerlong has obtained the Pre-sale Permits for the pre-sold portions and has the right to pre-sell the same;
  - (vi) Qingdao Powerlong is not allowed to re-sell the pre-sold portions of the property. However, according to the pre-sale contracts, Qingdao Powerlong is still entitled to develop and construct such portions of the property before delivery;
  - (vii) except for the aforesaid mortgaged portions and the pre-sold portions, the remaining portion of the property is free from any mortgages or other third party encumbrances; and
  - (viii) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Qingdao Powerlong has the legal and complete right to develop the property.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |        |           |         |             |           |         |            |                  |                |              |                          |                         |                                     |                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|--------|-----------|---------|-------------|-----------|---------|------------|------------------|----------------|--------------|--------------------------|-------------------------|-------------------------------------|-----------------------------------------------------------------------------------|
| 9. Phase I of Wuxi Yuqi Powerlong Riverside Garden, Yuqi Town, Huishan District, Wuxi, Jiangsu Province, PRC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>The property under consideration is known as Wuxi Yuqi Powerlong Riverside Garden (the "Proposed Development") and erected on 4 parcels of land with a total site area of approximately 64,809.90 sq.m. (697,614 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a residential/ commercial development. Upon completion, the total gross floor area of the property will be approximately 108,566.05 sq.m. (1,168,606 sq.ft.) plus 555 car parking spaces with a total gross floor area of approximately 19,538.62 sq.m. (210,314 sq.ft.), the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Office</td><td>26,457.87</td><td>284,793</td></tr><tr><td>Residential</td><td>53,633.48</td><td>577,311</td></tr><tr><td>Commercial</td><td><u>28,474.70</u></td><td><u>306,502</u></td></tr><tr><td><b>Total</b></td><td><b><u>108,566.05</u></b></td><td><b><u>1,168,606</u></b></td></tr></table> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Office | 26,457.87 | 284,793 | Residential | 53,633.48 | 577,311 | Commercial | <u>28,474.70</u> | <u>306,502</u> | <b>Total</b> | <b><u>108,566.05</u></b> | <b><u>1,168,606</u></b> | The property is under construction. | Rmb 433,000,000<br><br>(100% interest attributable to the Group: Rmb 433,000,000) |
| Usage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                                                   |  |  |       |        |        |           |         |             |           |         |            |                  |                |              |                          |                         |                                     |                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | sq.ft.                   |                                                   |  |  |       |        |        |           |         |             |           |         |            |                  |                |              |                          |                         |                                     |                                                                                   |
| Office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 26,457.87                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 284,793                  |                                                   |  |  |       |        |        |           |         |             |           |         |            |                  |                |              |                          |                         |                                     |                                                                                   |
| Residential                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 53,633.48                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 577,311                  |                                                   |  |  |       |        |        |           |         |             |           |         |            |                  |                |              |                          |                         |                                     |                                                                                   |
| Commercial                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <u>28,474.70</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <u>306,502</u>           |                                                   |  |  |       |        |        |           |         |             |           |         |            |                  |                |              |                          |                         |                                     |                                                                                   |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b><u>108,566.05</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b><u>1,168,606</u></b>  |                                                   |  |  |       |        |        |           |         |             |           |         |            |                  |                |              |                          |                         |                                     |                                                                                   |
| <p>The construction works of the property were commenced in October 2007 and are scheduled to be completed in September 2009.</p> <p>Out of the 4 parcels of land of the property, the land use rights of 2 parcels of land with a total site area of approximately 17,944.50 sq.m. have been granted for terms of 40 years and 50 years expiring on 4 December 2046 and 4 December 2056 for commercial and other uses respectively whilst the land use rights of the remaining 2 parcels of land with a total site area of approximately 46,865.40 sq.m. have been granted for terms of 40 years, 50 years and 70 years expiring on 4 December 2046, 4 December 2056 and 4 December 2076 for commercial, others and residential uses respectively.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                                                   |  |  |       |        |        |           |         |             |           |         |            |                  |                |              |                          |                         |                                     |                                                                                   |

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## PROPERTY VALUATION

### Notes:

1. Pursuant to 4 State-owned Land Use Certificates — Xi Hui Guo Yong (2007) Nos. 1115 to 1118, the land use rights of the property with a total site area of 64,809.90 sq.m. have been granted to Wuxi Yuqi Powerlong Property Co., Ltd. (“Wuxi Yuqi”), which is a wholly owned subsidiary of the Company, for terms of 40 years, 50 years and 70 years expiring on 4 December 2046, 4 December 2056 and 4 December 2076 for commercial, others and residential uses respectively.
2. Pursuant to a construction land planning permit — Xi Gui Hui Di Xu (2007) No. 052, planned construction works of the property with a total site area of 64,900.00 sq.m. are permitted.
3. Pursuant to 4 construction works planning permits — Xi Gui Hui Jian Xu (2007) Nos. 228, 229, 230 and 237, the construction works of the property with a total planned gross floor area of approximately 129,910.00 sq.m. are in compliance with the requirements of urban construction and are approved to be built.
4. Pursuant to 2 construction permits Nos. 3202062007122500001A and 3202062007122500002A, the construction works of the property with a total planned gross floor area of approximately 129,910.00 sq.m. are permitted to commence construction.
5. Pursuant to a Pre-sale Permit — (2008) Hui Yu Xiao Zhun Zi No.12, portions of the property with a total gross floor area of approximately 108,943.00 sq.m. have been approved for pre-sale.
6. As advised by the Group, portions of the property with a total gross floor area of approximately 66,189.00 sq.m. were pre-sold at a total consideration of Rmb 260,311,000 as at 30 June 2009, which has been taken into account in our valuation.
7. As advised by the Group, the outstanding construction cost to be spent to complete the property as at 30 June 2009 was approximately Rmb 29,536,000. In the course of our valuation, we have taken into account the said cost.
8. The capital value of the property as if completed as at 30 June 2009 was Rmb 513,000,000.
9. For reference purposes, the capital value of portions of the property with a total gross floor area of approximately 8,086.70 sq.m., which the Group has classified as investment properties for long term investment, as if completed and assuming all the construction costs (including the professional fees and interest costs) have been fully settled as at 30 June 2009 was Rmb 60,400,000.
10. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of the property are legally owned by Wuxi Yuqi. Wuxi Yuqi is entitled to use and occupy and to legally own the land use rights of the property and the buildings legally erected thereon, and is entitled to transfer, lease, mortgage or dispose of the land use rights of the property and the buildings legally erected thereon except the mortgaged portions;
  - (ii) portions of the Proposed Development with a total site area of approximately 156,572.50 sq.m. and the buildings/structures erected thereon are subject to 2 mortgages in favour of Agricultural Bank of China, Wuxi Xishan Branch for a total loan amount of Rmb 200,000,000 whilst another portions of the Proposed Development with a gross floor area of approximately 55,886.00 sq.m. are subject to a mortgage in favour of China CITIC Bank Corporation Limited, Xiamen Branch for a loan amount of Rmb 80,000,000;
  - (iii) for the portions which are now subject to a mortgage, Wuxi Yuqi has the rights to transfer, lease, mortgage, or dispose of such portion of the property after obtaining consents from the mortgagee during the mortgage period;

## **APPENDIX IV**

## **PROPERTY VALUATION**

- (iv) all land premium has been paid in full and there is no requirement for payment of further land premium;
- (v) Wuxi Yuqi has obtained the Pre-sale Permit for part of the property and has the right to pre-sell the same;
- (vi) except for the aforesaid mortgaged portions, the property is free from any mortgages or other third party encumbrances; and
- (vii) all necessary authorizations and permits have been obtained in respect of the construction works of the property. Wuxi Yuqi has the legal and complete right to develop the property.

## APPENDIX IV

## PROPERTY VALUATION

### Group III — Property interests held by the Group for future development in the PRC

| Property                                                                                                                                                                                                                                                                                                                                      | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |           |         |            |           |         |        |                  |                |              |                         |                       |                              |                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|-----------|---------|------------|-----------|---------|--------|------------------|----------------|--------------|-------------------------|-----------------------|------------------------------|-----------------------------------------------------------------------------------|
| 10. Phase II of Suzhou Taicang Powerlong City Plaza, Taicang, Suzhou, Jiangsu Province, PRC                                                                                                                                                                                                                                                   | <p>The property comprises a parcel of land for the development of phase II of Suzhou Taicang Powerlong City Plaza (the “Proposed Development”) with a site area of approximately 12,634.40 sq.m. (135,997 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a residential/ commercial development. Upon completion, the total gross floor area of the property will be approximately 50,014.50 sq.m. (538,355 sq.ft.) plus a total gross floor area of approximately 4,208.00 sq.m. (45,295 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>14,079.00</td><td>151,546</td></tr><tr><td>Commercial</td><td>12,516.00</td><td>134,722</td></tr><tr><td>Office</td><td><u>23,419.50</u></td><td><u>252,087</u></td></tr><tr><td><b>Total</b></td><td><b><u>50,014.50</u></b></td><td><b><u>538,355</u></b></td></tr></table> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 14,079.00 | 151,546 | Commercial | 12,516.00 | 134,722 | Office | <u>23,419.50</u> | <u>252,087</u> | <b>Total</b> | <b><u>50,014.50</u></b> | <b><u>538,355</u></b> | The property is a bare site. | Rmb 157,900,000<br><br>(100% interest attributable to the Group: Rmb 157,900,000) |
| Usage                                                                                                                                                                                                                                                                                                                                         | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          |                                                   |  |  |       |        |             |           |         |            |           |         |        |                  |                |              |                         |                       |                              |                                                                                   |
|                                                                                                                                                                                                                                                                                                                                               | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | sq.ft.                   |                                                   |  |  |       |        |             |           |         |            |           |         |        |                  |                |              |                         |                       |                              |                                                                                   |
| Residential                                                                                                                                                                                                                                                                                                                                   | 14,079.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 151,546                  |                                                   |  |  |       |        |             |           |         |            |           |         |        |                  |                |              |                         |                       |                              |                                                                                   |
| Commercial                                                                                                                                                                                                                                                                                                                                    | 12,516.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 134,722                  |                                                   |  |  |       |        |             |           |         |            |           |         |        |                  |                |              |                         |                       |                              |                                                                                   |
| Office                                                                                                                                                                                                                                                                                                                                        | <u>23,419.50</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <u>252,087</u>           |                                                   |  |  |       |        |             |           |         |            |           |         |        |                  |                |              |                         |                       |                              |                                                                                   |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                  | <b><u>50,014.50</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b><u>538,355</u></b>    |                                                   |  |  |       |        |             |           |         |            |           |         |        |                  |                |              |                         |                       |                              |                                                                                   |
| <p>The construction works of the property are planned to be commenced in May 2010 and are scheduled to be completed in December 2011.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years expiring on 15 November 2047 and 15 November 2077 for commercial and residential uses respectively.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                   |  |  |       |        |             |           |         |            |           |         |        |                  |                |              |                         |                       |                              |                                                                                   |

#### Notes:

- Pursuant to a State-owned Land Use Certificate — Tai Guo Yong (2007) No. 2015914, the land use rights of the property with a site area of approximately 12,634.40 sq.m. have been granted to Suzhou Powerlong Property Development Co., Ltd. ("Suzhou Powerlong"), which is a wholly owned subsidiary of the Company, for terms of 40 years and 70 years expiring on 15 November 2047 and 15 November 2077 for commercial and residential uses respectively.

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2. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of the property are legally owned by Suzhou Powerlong. Suzhou Powerlong is entitled to use and occupy and to transfer, lease, mortgage or dispose of the land use rights of the property;
  - (ii) all land premium has been paid in full and there is no requirement for payment of further land premium; and
  - (iii) the property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                          | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |                   |                  |              |                          |                         |                                     |                                                                                                           |
|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|-------------------|------------------|--------------|--------------------------|-------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------|
| 11. Portion of Phase I and Phase II of Luoyang Powerlong City Plaza, Luoyang, Henan Province, PRC | <p>The property comprises 4 parcels of land for the development of portion of Phase I and Phase II (also known as Districts A, B, C and F) of Luoyang Powerlong City Plaza (the “Proposed Development”) with a total site area of approximately 240,364.80 sq.m. (2,587,287 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a residential/ commercial development comprising hardware and construction material markets. Upon completion, the total gross floor area of the property will be approximately 447,383.00 sq.m. (4,815,631 sq.ft.) plus a total gross floor area of approximately 55,322.00 sq.m. (595,486 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>299,568.00</td><td>3,224,550</td></tr><tr><td>Commercial</td><td><u>147,815.00</u></td><td><u>1,591,081</u></td></tr><tr><td><b>Total</b></td><td><b><u>447,383.00</u></b></td><td><b><u>4,815,631</u></b></td></tr></table> <p>The construction works of the property are planned to be commenced in March 2010 and are scheduled to be completed in December 2012.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years expiring on 1 February 2046 and 1 February 2076 for commercial and residential uses respectively.</p> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 299,568.00 | 3,224,550 | Commercial | <u>147,815.00</u> | <u>1,591,081</u> | <b>Total</b> | <b><u>447,383.00</u></b> | <b><u>4,815,631</u></b> | <p>The property is a bare site.</p> | <p>Rmb 1,161,000,000</p> <p>(100% interest attributable to the Group: Rmb 1,161,000,000) (see Note 6)</p> |
| Usage                                                                                             | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |                                                   |  |  |       |        |             |            |           |            |                   |                  |              |                          |                         |                                     |                                                                                                           |
|                                                                                                   | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | sq.ft.                   |                                                   |  |  |       |        |             |            |           |            |                   |                  |              |                          |                         |                                     |                                                                                                           |
| Residential                                                                                       | 299,568.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 3,224,550                |                                                   |  |  |       |        |             |            |           |            |                   |                  |              |                          |                         |                                     |                                                                                                           |
| Commercial                                                                                        | <u>147,815.00</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <u>1,591,081</u>         |                                                   |  |  |       |        |             |            |           |            |                   |                  |              |                          |                         |                                     |                                                                                                           |
| <b>Total</b>                                                                                      | <b><u>447,383.00</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b><u>4,815,631</u></b>  |                                                   |  |  |       |        |             |            |           |            |                   |                  |              |                          |                         |                                     |                                                                                                           |

### Notes:

- Pursuant to 4 State-owned Land Use Certificates — Luo Shi Guo Yong (2006) Nos. 05001233 and 05001564, Luo Shi Guo Yong (2007) Nos. 05000288 and 05000289, the land use rights of the property with a total site area of approximately 240,364.80 sq.m. have been granted to Luoyang Powerlong Property Development Company Limited ("Luoyang Powerlong"), which is a wholly owned subsidiary of the Company, for terms of 40 years and 70 years expiring on 1 February 2046 and 1 February 2076 for commercial and residential uses respectively.
- Pursuant to a construction land planning permit — Luo Cheng Gui Zheng Zi (2006) No. 052, planned construction works of Luoyang Powerlong City Plaza with a total site area of approximately 543,301.643 sq.m. (including 187,694.201 sq.m. for public roads) are permitted.



## APPENDIX IV

## PROPERTY VALUATION

3. Pursuant to 6 construction works planning permits — Luo Cheng Gui Zheng (2006) Nos. 841 to 845 and No. 2007064, the construction works of Phase I of Luoyang Powerlong City Plaza with a total planned gross floor area of approximately 449,186.00 sq.m. are in compliance with the requirements of urban construction and are approved to be built.
4. Pursuant to a construction permit No. 2007005, construction works of portion of the property are approved.
5. Pursuant to a Pre-sale Permit — Luo Fong Shi Shang Yu Zi No. 07–12, portion of the property with a gross floor area of approximately 68,887.00 sq.m. has been approved for pre-sale.
6. As advised by the Group, an outstanding land premium of the 6 parcels of land of the Proposed Development as at 30 June 2009 with an amount of approximately Rmb 89,599,964 has not been paid and Luoyang Powerlong expects that such outstanding land premium will be fully settled on or before 2 February 2011. In the course of our valuation, we have not taken into account the said land premium and have assumed that the land premium for this property has been fully paid.
7. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of the property are legally owned by Luoyang Powerlong. Luoyang Powerlong is entitled to use and occupy and to transfer, lease, mortgage or dispose of the land use rights of the property except the mortgaged portions;
  - (ii) the land premium of the Proposed Development has not been paid in full. As at 30 June 2009, the outstanding land premium of the Proposed Development was approximately Rmb 89,599,964;
  - (iii) portions of the property with a site area of approximately 72,108.60 sq.m. are subject to a mortgage in favour of Fujian Qinqin Investment Co., Ltd. (福建親親投資有限公司) for a loan amount of Rmb 50,000,000;
  - (iv) for the portions which are now subject to mortgages, Luoyang Powerlong has the rights to transfer, lease, mortgage, or dispose of such portions of the property after obtaining consents from the mortgagees during the mortgage period; and
  - (v) except for the aforesaid mortgaged portions, the property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                     | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |          |        |              |                          |                         |                                     |                                                                                          |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|----------|--------|--------------|--------------------------|-------------------------|-------------------------------------|------------------------------------------------------------------------------------------|
| 12. Phase II of Wuxi Yuqi Powerlong Riverside Garden, Yuqi Town, Wuxi, Jiangsu Province, PRC | <p>The property comprises 4 parcels of land for the development of Phase II of Wuxi Yuqi Powerlong Riverside Garden (the “Proposed Development”) with a total site area of approximately 147,648.60 sq.m. (1,589,290 sq.ft.).</p> <p>The Proposed Development is planned to be developed into a residential/ commercial development. Upon completion, the total gross floor area of the property will be approximately 238,316.00 sq.m. (2,565,233 sq.ft.) plus a total gross floor area of approximately 24,612.00 sq.m. (264,924 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>232,105.00</td><td>2,498,378</td></tr><tr><td>Commercial</td><td>6,211.00</td><td>66,855</td></tr><tr><td><b>Total</b></td><td><b><u>238,316.00</u></b></td><td><b><u>2,565,233</u></b></td></tr></table> <p>The construction works of the property are planned to be commenced in August 2010 and are scheduled to be completed in August 2012.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years expiring on 4 December 2046 and 4 December 2076 for commercial and residential uses respectively.</p> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 232,105.00 | 2,498,378 | Commercial | 6,211.00 | 66,855 | <b>Total</b> | <b><u>238,316.00</u></b> | <b><u>2,565,233</u></b> | <p>The property is a bare site.</p> | <p>Rmb 334,000,000</p> <p>(100% interest attributable to the Group: Rmb 334,000,000)</p> |
| Usage                                                                                        | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                          |                                                   |  |  |       |        |             |            |           |            |          |        |              |                          |                         |                                     |                                                                                          |
|                                                                                              | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | sq.ft.                   |                                                   |  |  |       |        |             |            |           |            |          |        |              |                          |                         |                                     |                                                                                          |
| Residential                                                                                  | 232,105.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2,498,378                |                                                   |  |  |       |        |             |            |           |            |          |        |              |                          |                         |                                     |                                                                                          |
| Commercial                                                                                   | 6,211.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 66,855                   |                                                   |  |  |       |        |             |            |           |            |          |        |              |                          |                         |                                     |                                                                                          |
| <b>Total</b>                                                                                 | <b><u>238,316.00</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b><u>2,565,233</u></b>  |                                                   |  |  |       |        |             |            |           |            |          |        |              |                          |                         |                                     |                                                                                          |

### Notes:

- Pursuant to 4 State-owned Land Use Certificates — Xi Hui Guo Yong (2008) Nos. 1048 to 1051, the land use rights of the property with a total site area of approximately 147,648.60 sq.m. have been granted to Wuxi Yuqi Powerlong Property Co., Ltd. ("Wuxi Yuqi"), which is a wholly owned subsidiary of the Company, for terms of 40 years and 70 years expiring on 4 December 2046 and 4 December 2076 for commercial and residential uses respectively.
- Pursuant to 2 construction land planning permits — Xi Gui Hui Di Xu (2007) Nos. 117 and 118, planned construction works of the property with a total site area of approximately 147,600.00 sq.m. are permitted.

## APPENDIX IV

## PROPERTY VALUATION

3. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
- (i) Wuxi Yuqi has the rights to transfer, lease, mortgage, or dispose of the property after obtaining consents from the mortgagees during the mortgage period;
  - (ii) all land premium has been paid in full and there is no requirement for payment of further land premium;
  - (iii) portions of the Proposed Development with a total site area of approximately 156,572.50 sq.m. and the buildings/structures erected thereon are subject to 2 mortgages in favour of Agricultural Bank of China, Wuxi Xishan Branch for a total loan amount of Rmb 200,000,000 whilst another portions of the Proposed Development with a gross floor area of approximately 55,886.00 sq.m. are subject to a mortgage in favour of China CITIC Bank Corporation Limited, Xiamen Branch for a loan amount of Rmb 80,000,000;
  - (iv) for the portions which are now subject to a mortgage, Wuxi Yuqi has the rights to transfer, lease, mortgage, or dispose of such portion of the property after obtaining consents from the mortgagee during the mortgage period; and
  - (v) except for the aforesaid mortgaged portion, the Property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                                                                                                                                                                                                                                       | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |            |           |                                 |           |         |              |                   |                   |                              |                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|------------|-----------|---------------------------------|-----------|---------|--------------|-------------------|-------------------|------------------------------|-----------------------------------------------------------------------------------------------------------|
| 13. A site located at Haiyang County, Yantai, Shandong Province, PRC                                                                                                                                                                                                                                           | <p>The property comprises 3 parcels of land with a total site area of approximately 668,249.33 sq.m. (7,193,036 sq.ft.).</p> <p>The property is planned to be developed into a residential/commercial development with other parcels of land. Upon completion, the total planned gross floor area of the property will be approximately 930,000.00 sq.m. (10,010,520 sq.ft.) plus a total gross floor area of approximately 20,472.00 sq.m. (220,361 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>630,000.00</td><td>6,781,320</td></tr><tr><td>Commercial</td><td>265,000.00</td><td>2,852,460</td></tr><tr><td>Hotel with ancillary facilities</td><td>35,000.00</td><td>376,740</td></tr><tr><td><b>Total</b></td><td><b>930,000.00</b></td><td><b>10,010,520</b></td></tr></table> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 630,000.00 | 6,781,320 | Commercial | 265,000.00 | 2,852,460 | Hotel with ancillary facilities | 35,000.00 | 376,740 | <b>Total</b> | <b>930,000.00</b> | <b>10,010,520</b> | The property is a bare site. | <p>Rmb 1,021,000,000</p> <p>(100% interest attributable to the Group: Rmb 1,021,000,000) (see Note 2)</p> |
| Usage                                                                                                                                                                                                                                                                                                          | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                          |                                                   |  |  |       |        |             |            |           |            |            |           |                                 |           |         |              |                   |                   |                              |                                                                                                           |
|                                                                                                                                                                                                                                                                                                                | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | sq.ft.                   |                                                   |  |  |       |        |             |            |           |            |            |           |                                 |           |         |              |                   |                   |                              |                                                                                                           |
| Residential                                                                                                                                                                                                                                                                                                    | 630,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 6,781,320                |                                                   |  |  |       |        |             |            |           |            |            |           |                                 |           |         |              |                   |                   |                              |                                                                                                           |
| Commercial                                                                                                                                                                                                                                                                                                     | 265,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2,852,460                |                                                   |  |  |       |        |             |            |           |            |            |           |                                 |           |         |              |                   |                   |                              |                                                                                                           |
| Hotel with ancillary facilities                                                                                                                                                                                                                                                                                | 35,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 376,740                  |                                                   |  |  |       |        |             |            |           |            |            |           |                                 |           |         |              |                   |                   |                              |                                                                                                           |
| <b>Total</b>                                                                                                                                                                                                                                                                                                   | <b>930,000.00</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>10,010,520</b>        |                                                   |  |  |       |        |             |            |           |            |            |           |                                 |           |         |              |                   |                   |                              |                                                                                                           |
| <p>The construction works of the property are planned to be commenced in November 2010 and are scheduled to be completed in September 2012.</p> <p>The land use rights of the property have been granted for terms of 40 years expiring on 24 January 2048 for commercial, tourism and entertainment uses.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          |                                                   |  |  |       |        |             |            |           |            |            |           |                                 |           |         |              |                   |                   |                              |                                                                                                           |

### Notes:

- Pursuant to 2 Contracts for Grant of State-owned Land Use Rights — Hai Tu Gua He Zi 2007 Nos. 30 and 31 and their supplementary agreements entered into between Haiyang State-owned Land Use Resource Bureau and Yantai Powerlong Real Estate Co., Ltd. ("Yantai Powerlong"), the land use rights of the property with a total site area of 668,249.33 sq.m. have been granted to Yantai Powerlong at a total land premium of Rmb 180,427,319 for terms of 40 and 70 years for residential, commercial, tourism and entertainment uses respectively.
- As advised by the Group, an outstanding land premium of the property as at 30 June 2009 with an amount of Rmb 45,449,000 has not been paid. In the course of our valuation, we have not taken into account the said land premium and have assumed that the land premium for this property has been fully paid.

## APPENDIX IV

## PROPERTY VALUATION

3. Pursuant to 3 State-owned Land Use Certificates — Hai Guo Yong (2008) Nos. 668 to 670, the land use rights of 3 parcels of land with a total site area of approximately 427,392.01 sq.m. have been granted to Yantai Powerlong, which is a wholly-owned subsidiary of the Company, for terms of 40 years expiring on 24 January 2048 for commercial/tourism/entertainment uses.
4. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisors, which contains, *inter alias*, the following information:
  - (i) the land use rights of portions of the property are legally owned by Yantai Powerlong. Yantai Powerlong is entitled to use and occupy and to transfer, lease, mortgage or dispose of the land use rights of such portions of the property except portions as mentioned in (iii) below;
  - (ii) the land premium of the property has not been paid in full. As at 30 June 2009, the outstanding land premium of the property was approximately Rmb 45,449,000;
  - (iii) portions of the property with a total site area of approximately 199,660.45 sq.m. and buildings/structures erected thereon are subject to a mortgage in favour of China Citic Bank, Xiamen Branch for a loan amount of Rmb 80,000,000;
  - (iv) for the portions which are now subject to mortgages, Yantai Powerlong has the rights to transfer, lease, mortgage, or dispose of such portion of the property after obtaining consents from the mortgagees during the mortgage period;
  - (v) there is no legal impediments for Yantai Powerlong to obtain the State-owned Land Use Certificate for the land use rights of the remaining portion of the property after the outstanding land premium has been fully settled on schedule; and
  - (vi) except for the aforesaid mortgaged portions, the property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                            | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |            |           |              |                   |                  |                                     |                                                                                                       |
|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|------------|-----------|--------------|-------------------|------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------|
| 14. A site located at Fuxin District, Suqian, Jiangsu Province, PRC | <p>The property comprises a parcel of land with a total site area of approximately 220,201.00 sq.m. (2,370,244 sq.ft.).</p> <p>The property is planned to be developed into a residential/commercial development with other parcels of land. Upon completion, the total gross floor area of the property will be approximately 454,153.00 sq.m. (4,888,503 sq.ft.) plus a total gross floor area of approximately 63,725.00 sq.m. (685,936 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><th></th><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>246,750.00</td><td>2,656,017</td></tr><tr><td>Commercial</td><td>207,403.00</td><td>2,232,486</td></tr><tr><td><b>Total</b></td><td><b>454,153.00</b></td><td><b>4,888,503</b></td></tr></table> <p>The construction works of the property are planned to be commenced in October 2009 and are scheduled to be completed in July 2012.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years and expiring on 20 November 2048 and 20 November 2078 for commercial and residential uses respectively.</p> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 246,750.00 | 2,656,017 | Commercial | 207,403.00 | 2,232,486 | <b>Total</b> | <b>454,153.00</b> | <b>4,888,503</b> | <p>The property is a bare site.</p> | <p>Rmb 688,000,000</p> <p>(100% interest attributable to the Group: Rmb 688,000,000) (see Note 2)</p> |
| Usage                                                               | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                   |  |  |       |        |             |            |           |            |            |           |              |                   |                  |                                     |                                                                                                       |
|                                                                     | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | sq.ft.                   |                                                   |  |  |       |        |             |            |           |            |            |           |              |                   |                  |                                     |                                                                                                       |
| Residential                                                         | 246,750.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2,656,017                |                                                   |  |  |       |        |             |            |           |            |            |           |              |                   |                  |                                     |                                                                                                       |
| Commercial                                                          | 207,403.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2,232,486                |                                                   |  |  |       |        |             |            |           |            |            |           |              |                   |                  |                                     |                                                                                                       |
| <b>Total</b>                                                        | <b>454,153.00</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>4,888,503</b>         |                                                   |  |  |       |        |             |            |           |            |            |           |              |                   |                  |                                     |                                                                                                       |

### Notes:

- Pursuant to a Contract for Grant of State-owned Land Use Rights — Su Guo Tu Jing No. (07G-Su Cheng-31-02) and its supplementary agreement entered into between Suqian State-owned Land Resource Bureau of Jiangsu Province, PRC and Suqian Powerlong Property Development Company Limited ("Suqian Powerlong"), the land use rights of the property with a total site area of approximately 220,201.00 sq.m. have been granted to Suqian Powerlong at a land premium of Rmb 388,434,564 for terms of 40 years and 70 years for commercial and residential uses respectively.
- As advised by the Group, an outstanding land premium of the property as at 30 June 2009 with an amount of Rmb 209,499,564 has not been paid. In the course of our valuation, we have not taken into account the said outstanding land premium and have assumed that the land premium for this property has been fully paid.

## APPENDIX IV

## PROPERTY VALUATION

3. Pursuant to a State-owned Land Use Certificate — Su Guo Yong (2008) No. 0154, the land use rights of a parcel of land with a site area of approximately 79,983.00 sq.m. has been granted to Suqian Powerlong for terms of 40 years and 70 years expiring on 20 November 2048 and 20 November 2078 for commercial and residential use respectively.
4. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of portions of the property are legally owned by Suqian Powerlong. Suqian Powerlong is entitled to use and occupy and to transfer, lease, mortgage or dispose of the land use rights of such portions of the property except portions as mentioned in (iii) below;
  - (ii) the land premium of the property has not been paid in full. As at 30 June 2009, the outstanding land premium of the property was approximately Rmb 209,499,564;
  - (iii) portions of the property with a total site area of approximately 79,983.00 sq.m. are subject to a mortgage in favour of Suqian Nongcun Credit Cooperative Association (宿遷市區農村信用合作聯社) for a loan amount of Rmb 50,000,000;
  - (iv) for the portions which are now subject to a mortgage, Suqian Powerlong has the rights to transfer, lease, mortgage, or dispose of such portion of the property after obtaining consents from the mortgagees during the mortgage period;
  - (v) there is no legal impediments for Suqian Powerlong to obtain the State-owned Land Use Certificate for the land use rights of the remaining portions of the property after the outstanding land premium has been fully settled on schedule; and
  - (vi) except for the aforesaid mortgaged portions, the property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                                                                                                                                                                                                                                                                            | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|------------|-----------|--------|-----------|---------|-------|--------|---------|--------------|-------------------|------------------|------------------------------|-----------------------------------------------------------------------------------------------------------|
| 15. A site located at Youyi Road, Xinxiang, Henan Province, PRC                                                                                                                                                                                                                                                                                     | <p>The property comprises 2 parcels of land with a total site area of approximately 299,980.49 sq.m. (3,228,990 sq.ft.).</p> <p>The property is planned to be developed into a residential/commercial development with other parcels of land. Upon completion, the total gross floor area of the property will be approximately 720,000.00 sq.m. (7,750,080 sq.ft.) plus a total gross floor area of approximately 80,000.00 sq.m. (861,120 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>470,000.00</td><td>5,059,080</td></tr><tr><td>Commercial</td><td>180,000.00</td><td>1,937,520</td></tr><tr><td>Office</td><td>60,000.00</td><td>645,840</td></tr><tr><td>Hotel</td><td>10,000</td><td>107,640</td></tr><tr><td><b>Total</b></td><td><b>720,000.00</b></td><td><b>7,750,080</b></td></tr></table> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 470,000.00 | 5,059,080 | Commercial | 180,000.00 | 1,937,520 | Office | 60,000.00 | 645,840 | Hotel | 10,000 | 107,640 | <b>Total</b> | <b>720,000.00</b> | <b>7,750,080</b> | The property is a bare site. | <p>Rmb 1,025,000,000</p> <p>(100% interest attributable to the Group: Rmb 1,025,000,000) (see Note 2)</p> |
| Usage                                                                                                                                                                                                                                                                                                                                               | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                          |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |
|                                                                                                                                                                                                                                                                                                                                                     | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | sq.ft.                   |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |
| Residential                                                                                                                                                                                                                                                                                                                                         | 470,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 5,059,080                |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |
| Commercial                                                                                                                                                                                                                                                                                                                                          | 180,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1,937,520                |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |
| Office                                                                                                                                                                                                                                                                                                                                              | 60,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 645,840                  |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |
| Hotel                                                                                                                                                                                                                                                                                                                                               | 10,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 107,640                  |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                        | <b>720,000.00</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>7,750,080</b>         |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |
| <p>The construction works of the property are planned to be commenced in November 2009 and are scheduled to be completed in September 2012.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years and expiring on 7 January 2048 and 7 January 2078 for commercial and residential uses respectively.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                          |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |        |         |              |                   |                  |                              |                                                                                                           |

### Notes:

- Pursuant to a Contract for Grant of State-owned Land Use Rights No. 2007-92 Gua, its 3 Supplemental Agreements and its modification agreement entered into between Xinxiang State-owned Land Resource Bureau and Xinxiang Powerlong Real Estate Development Co., Ltd. ("Xinxiang Powerlong"), the land use rights of the property with a total site area of approximately 299,980.49 sq.m. have been granted to Xinxiang Powerlong at a land premium of Rmb 269,982,441 for terms of 70 years and 40 years for residential and commercial uses respectively.
- As advised by the Group, an outstanding land premium of the property as at 30 June 2009 with an amount of Rmb 132,984,197 has not been paid. In the course of our valuation, we have not taken into account the said outstanding land premium and have assumed that the land premium for this property has been fully paid.



## APPENDIX IV

## PROPERTY VALUATION

3. Pursuant to a State-owned Land Use Certificate — Xin Guo Yong (2008) No. (02) 013, the land use rights of a parcel of land with a total site area of approximately 106,666.80 sq.m. has been granted to Xinxiang Powerlong, which is a wholly-owned subsidiary of the Company, for terms of 40 years and 70 years expiring on 7 January 2048 and 7 January 2078 for commercial and residential uses respectively.
4. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of portions of the property are legally owned by Xinxiang Powerlong. Xinxiang Powerlong is entitled to use and occupy and to transfer, lease, mortgage or dispose of the land use rights of such portions of the property;
  - (ii) the land premium of the property has not been paid in full. As of 30 June 2009, the outstanding land premium of the property was approximately Rmb 132,984,197;
  - (iii) there is no legal impediments for Xinxiang Powerlong to obtain the State-owned Land Use Certificate for the land use rights of the remaining portions of the property after the outstanding land premium has been fully settled on schedule; and
  - (iv) the property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                                                                                                                                                                                                                                                                                                                              | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|------------|-----------|-------|-----------|---------|------------|-----------------|---------------|--------------|--------------------------|-------------------------|------------------------------|-------------------------------------------------------------------------------------------------------|
| 16. A site located at Qingnian Road South, Yancheng, Jiangsu Province, PRC                                                                                                                                                                                                                                                                                                                            | <p>The property comprises 2 parcels of land with a total site area of approximately 221,184.00 sq.m. (2,380,825 sq.ft.).</p> <p>The property is planned to be developed into a residential/commercial development with other parcels of land. Upon completion, the total gross floor area of the property will be approximately 409,952.00 sq.m. (4,412,722 sq.ft.) plus a total gross floor area of approximately 78,054.00 sq.m. (840,173 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><td></td><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>215,766.00</td><td>2,322,505</td></tr><tr><td>Commercial</td><td>181,867.00</td><td>1,957,616</td></tr><tr><td>Hotel</td><td>10,677.00</td><td>114,927</td></tr><tr><td>Facilities</td><td><u>1,642.00</u></td><td><u>17,674</u></td></tr><tr><td><b>Total</b></td><td><b><u>409,952.00</u></b></td><td><b><u>4,412,722</u></b></td></tr></table> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 215,766.00 | 2,322,505 | Commercial | 181,867.00 | 1,957,616 | Hotel | 10,677.00 | 114,927 | Facilities | <u>1,642.00</u> | <u>17,674</u> | <b>Total</b> | <b><u>409,952.00</u></b> | <b><u>4,412,722</u></b> | The property is a bare site. | <p>Rmb 870,000,000</p> <p>(100% interest attributable to the Group: Rmb 870,000,000) (see Note 2)</p> |
| Usage                                                                                                                                                                                                                                                                                                                                                                                                 | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                   |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |
|                                                                                                                                                                                                                                                                                                                                                                                                       | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | sq.ft.                   |                                                   |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |
| Residential                                                                                                                                                                                                                                                                                                                                                                                           | 215,766.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2,322,505                |                                                   |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |
| Commercial                                                                                                                                                                                                                                                                                                                                                                                            | 181,867.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 1,957,616                |                                                   |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |
| Hotel                                                                                                                                                                                                                                                                                                                                                                                                 | 10,677.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 114,927                  |                                                   |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |
| Facilities                                                                                                                                                                                                                                                                                                                                                                                            | <u>1,642.00</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <u>17,674</u>            |                                                   |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                          | <b><u>409,952.00</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b><u>4,412,722</u></b>  |                                                   |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |
| <p>The construction works of the property are planned to be commenced in October 2009 and are scheduled to be completed in April 2012.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years and expiring on 30 September 2048 and 30 September 2078 for commercial services (commercial, office, hotel) and residential (apartment) uses respectively.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |                                                   |  |  |       |        |             |            |           |            |            |           |       |           |         |            |                 |               |              |                          |                         |                              |                                                                                                       |

### Notes:

- Pursuant to a Contract for Grant of State-owned Land Use Rights — Yan Shi Guo Tu He Zi (2008) No. 5 and 2 supplemental agreements entered into between Yancheng State-owned Land Resource Bureau (the "Grantor"), Fuzhou Powerlong Real Estate Development Co., Ltd. and Powerlong Real Estate (Hong Kong) Holdings Limited (the "Original Grantees") and its Supplemental Agreement entered into between the Grantor, the Original Grantees and Yancheng Powerlong Real Estate Development Co., Ltd. ("Yancheng Powerlong"), the land use rights of the property with a site area of 221,184.00 sq.m. have been granted to Yancheng Powerlong at a land premium of Rmb 437,944,320 for terms of 40 years and 70 years for commercial services (commercial, office, hotel) and residential (apartment) uses respectively.
- As advised by the Group, an outstanding land premium of the property as at 30 June 2009 with an amount of Rmb 262,744,320 has not been paid. In the course of our valuation, we have not taken into account the said land premium and have assumed that the land premium for this property has been fully paid.

## APPENDIX IV

## PROPERTY VALUATION

3. Pursuant to a State-owned Land Use Certificate Yan Guo Yang (2009) No. 605188, the land use right of the property with a site area of approximately 86,665.30 sq.m. have been granted to Yanchang Powerlong for terms of 40 years and 70 years expiring on 30 September 2048 and 30 September 2078 for commercial services (commercial, office, hotel) and residential (apartment) uses respectively.
4. Pursuant to 3 construction works planning permits — Jian Zi Nos. 320901200950163–320901200950165, the construction works of the property with a total planned gross floor area of approximately 32,603.00 sq.m. are in compliance with the requirements of urban construction and are approved to be built.
5. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of portions of the property are legally owned by Yancheng Powerlong. Yancheng Powerlong is entitled to use and occupy and to transfer, lease, mortgage or dispose of the land use rights of such portions of the property;
  - (ii) the land premium of the property has not been paid in full. As of 30 June 2009, the outstanding land premium of the property was approximately Rmb 262,744,320;
  - (iii) there is no legal impediments for Yancheng Powerlong to obtain the State-owned Land Use Certificate for the land use rights of the remaining portions of the property after the outstanding land premium has been fully settled on schedule; and
  - (iv) the property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                       | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Particulars of occupancy | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |            |           |        |           |         |       |          |        |              |                   |                  |                              |                                                                                          |
|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|------------|-----------|--------|-----------|---------|-------|----------|--------|--------------|-------------------|------------------|------------------------------|------------------------------------------------------------------------------------------|
| 17. A site located at South of Qingfeng Park, Changzhou, Jiangou Province, PRC | <p>The property comprises 2 parcels of land with a total site area of approximately 270,120.00 sq.m. (2,907,572 sq.ft.).</p> <p>The property is planned to be developed into a residential/commercial development with other parcels of land. Upon completion, the total gross floor area of the property will be approximately 700,700.00 sq.m. (7,542,355 sq.ft.) plus a total gross floor area of approximately 80,000.00 sq.m. (861,120 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><th></th><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>486,000.00</td><td>5,231,304</td></tr><tr><td>Commercial</td><td>159,000.00</td><td>1,711,476</td></tr><tr><td>Office</td><td>47,000.00</td><td>505,908</td></tr><tr><td>Hotel</td><td>8,700.00</td><td>93,647</td></tr><tr><td><b>Total</b></td><td><b>700,700.00</b></td><td><b>7,542,335</b></td></tr></table> <p>The construction works of the property are planned to be commenced in December 2009 and are scheduled to be completed in December 2013.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years and expiring on 30 July 2048 and 30 July 2078 for commercial/office and residential uses respectively.</p> | Usage                    | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 486,000.00 | 5,231,304 | Commercial | 159,000.00 | 1,711,476 | Office | 47,000.00 | 505,908 | Hotel | 8,700.00 | 93,647 | <b>Total</b> | <b>700,700.00</b> | <b>7,542,335</b> | The property is a bare site. | <p>Rmb 725,000,000</p> <p>(100% interest attributable to the Group: Rmb 725,000,000)</p> |
| Usage                                                                          | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                          |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |          |        |              |                   |                  |                              |                                                                                          |
|                                                                                | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | sq.ft.                   |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |          |        |              |                   |                  |                              |                                                                                          |
| Residential                                                                    | 486,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 5,231,304                |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |          |        |              |                   |                  |                              |                                                                                          |
| Commercial                                                                     | 159,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1,711,476                |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |          |        |              |                   |                  |                              |                                                                                          |
| Office                                                                         | 47,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 505,908                  |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |          |        |              |                   |                  |                              |                                                                                          |
| Hotel                                                                          | 8,700.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 93,647                   |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |          |        |              |                   |                  |                              |                                                                                          |
| <b>Total</b>                                                                   | <b>700,700.00</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>7,542,335</b>         |                                                   |  |  |       |        |             |            |           |            |            |           |        |           |         |       |          |        |              |                   |                  |                              |                                                                                          |

### Notes:

- Pursuant to a Contract for Grant of State-owned Land Use Rights — Chang Guo Yong 2008 Chu Zi No. 087 and its supplementary agreement entered into between Changzhou State-owned Land Resource Bureau and Changzhou Powerlong Property Development Company Limited ("Changzhou Powerlong"), the land use rights of the property with a site area of approximately 270,120.00 sq.m. have been granted to Changzhou Powerlong at a land premium of Rmb 43,500,000 for terms of 40 years and 70 years for commercial/office and residential uses respectively.
- Pursuant to 2 State-owned Land Use Certificates — Chang Guo Yong (2009) Nos. 0319119 and 0319148, the land use rights of the property with a total site area of approximately 170,245.00 sq.m. have been granted to Changzhou Powerlong for terms of 40 years and 70 years and expiring on 30 July 2048 and 30 July 2078 for commercial and residential use respectively.

## APPENDIX IV

## PROPERTY VALUATION

3. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - (i) the land use rights of portions of the property are legally owned by Changzhou Powerlong. Changzhou Powerlong is entitled to use and occupy and to transfer, lease, mortgage or dispose of the land use rights of such portions of the property;
  - (ii) the land premium has been paid in full and there is no legal impediments for Changzhou Powerlong to obtain the State-owned Land Use Certificate for the land use rights of the remaining portions of the property; and
  - (iii) the property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                               | Description and tenure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Particulars of occupancy       | Market value in existing state as at 30 June 2009 |  |  |       |        |             |            |           |            |            |           |       |                 |               |              |                                 |                                |                              |                                                                                                |
|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------|--|--|-------|--------|-------------|------------|-----------|------------|------------|-----------|-------|-----------------|---------------|--------------|---------------------------------|--------------------------------|------------------------------|------------------------------------------------------------------------------------------------|
| 18. A site located at Licang District, Qingdao, Shandong Province, PRC | <p>The property comprises a parcel of land with a site area of approximately 107,150.20 sq.m. (1,153,365 sq.ft.).</p> <p>The property is planned to be developed into a residential/commercial development. Upon completion, the total gross floor area of the property will be approximately 278,044.00 sq.m. (2,992,866 sq.ft.) plus a total gross floor area of approximately 85,620.00 sq.m. (921,614 sq.ft.) for car parking spaces, the breakdown of which is as follows:</p> <table><tr><th>Usage</th><th colspan="2">Approximate gross floor area</th></tr><tr><th></th><th>sq.m.</th><th>sq.ft.</th></tr><tr><td>Residential</td><td>135,014.00</td><td>1,453,291</td></tr><tr><td>Commercial</td><td>136,556.00</td><td>1,469,889</td></tr><tr><td>Hotel</td><td><u>6,474.00</u></td><td><u>69,686</u></td></tr><tr><td><b>Total</b></td><td><b><u><u>278,044.00</u></u></b></td><td><b><u><u>2,992,866</u></u></b></td></tr></table> | Usage                          | Approximate gross floor area                      |  |  | sq.m. | sq.ft. | Residential | 135,014.00 | 1,453,291 | Commercial | 136,556.00 | 1,469,889 | Hotel | <u>6,474.00</u> | <u>69,686</u> | <b>Total</b> | <b><u><u>278,044.00</u></u></b> | <b><u><u>2,992,866</u></u></b> | The property is a bare site. | Rmb 931,000,000<br><br>(100% interest attributable to the Group: Rmb 931,000,000) (see Note 2) |
| Usage                                                                  | Approximate gross floor area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                |                                                   |  |  |       |        |             |            |           |            |            |           |       |                 |               |              |                                 |                                |                              |                                                                                                |
|                                                                        | sq.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | sq.ft.                         |                                                   |  |  |       |        |             |            |           |            |            |           |       |                 |               |              |                                 |                                |                              |                                                                                                |
| Residential                                                            | 135,014.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1,453,291                      |                                                   |  |  |       |        |             |            |           |            |            |           |       |                 |               |              |                                 |                                |                              |                                                                                                |
| Commercial                                                             | 136,556.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1,469,889                      |                                                   |  |  |       |        |             |            |           |            |            |           |       |                 |               |              |                                 |                                |                              |                                                                                                |
| Hotel                                                                  | <u>6,474.00</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>69,686</u>                  |                                                   |  |  |       |        |             |            |           |            |            |           |       |                 |               |              |                                 |                                |                              |                                                                                                |
| <b>Total</b>                                                           | <b><u><u>278,044.00</u></u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b><u><u>2,992,866</u></u></b> |                                                   |  |  |       |        |             |            |           |            |            |           |       |                 |               |              |                                 |                                |                              |                                                                                                |
|                                                                        | <p>The construction works of the property are planned to be commenced in October 2009 and are scheduled to be completed in December 2011.</p> <p>The land use rights of the property have been granted for terms of 40 years and 70 years for commercial services and residential uses respectively.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                |                                                   |  |  |       |        |             |            |           |            |            |           |       |                 |               |              |                                 |                                |                              |                                                                                                |

### Notes:

- Pursuant to a Contract for Grant of State-owned Land Use Rights — Qing Tu Zi Fang He (2008) No. 6 entered into between Qingdao State-owned Land Resource Bureau (the "Grantor") and Fuzhou Powerlong Real Estate Development Co., Ltd. ("Fuzhou Powerlong"), and its modification agreement and 2 Supplemental Agreements entered into between the Grantor and Qingdao Powerlong Real Estate Development Co., Ltd. ("Qingdao Licang Powerlong"), the land use rights of the property with a site area of approximately 107,150.20 sq.m. have been granted to Qingdao Licang Powerlong at a land premium of Rmb 437,386,300 for terms of 40 years and 70 years for commercial services and residential uses respectively.
- As advised by the Group, an outstanding land premium of the property as at 30 June 2009 with an amount of Rmb 110,585,205 has not been paid. In the course of our valuation, we have not taken into account the said land premium and have assumed that the land premium for this property has been fully paid.
- Pursuant to a State-owned Land Use Certificate Qing Fang Di Quan Shi Zi No. 200956693, the land use rights of the property with a total site area of approximately 70,047.10 sq.m. have been granted to Qingdao Licang Powerlong for terms of 40 and 70 years and expiring on 19 June 2048 and 19 June 2078 for commercial and residential uses respectively.

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## PROPERTY VALUATION

4. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
- (i) the land use rights of portion of the property are legally owned by Qingdao Licang Powerlong. Licang Powerlong is entitled to use and occupy and to transfer, lease, mortgage or dispose of the land use rights of such portions of the property;
  - (ii) the land premium of the property has not been paid in full. As at 30 June 2009, the outstanding land premium of the property was approximately Rmb 110,585,205;
  - (iii) there is no legal impediments for Qingdao Licang Powerlong to obtain the State-owned Land Use Certificates for the land use rights of the remaining portions of the property after the outstanding land premium has been fully settled on schedule; and
  - (iv) the property is free from any mortgages or other third party encumbrances.

## APPENDIX IV

## PROPERTY VALUATION

### Group IV — Property interests leased by the Group in the PRC

| Property                                                                             | Description and tenancy details                                                                                                                                                                                                                                                                                                                                       | Particulars of occupancy                                     | Market value in existing state as at 30 June 2009 |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------|
| 19. Units Nos. 131 and 386, Shifuer District, Taicang, Suzhou, Jiangsu Province, PRC | <p>The property comprises two residential units of two 9-storey residential buildings completed in about 1998.</p> <p>The property has a total gross floor area of approximately 327.00 sq.m. (3,520 sq.ft.).</p> <p>The property is leased to Suzhou Powerlong from 2 independent third parties for various terms.</p> <p>(Please see Notes 1 to 2 for details).</p> | The property is occupied by the Group for dormitory purpose. | No commercial value                               |

#### Notes:

- Pursuant to a tenancy agreement entered between Chen Fang Ming (陳方明) (the “Lessor”), an independent third party, and Suzhou Powerlong Property Development Co., Ltd. (“Suzhou Powerlong”), which is a wholly owned subsidiary of the Company, Unit No. 131 of the property with a gross floor area of approximately 218.00 sq.m. has been leased to Suzhou Powerlong for a term of 12 months commencing on 8 May 2008 and expiring on 7 May 2009 at an annual rental of Rmb 37,000 exclusive of all outgoings.
- Pursuant to a tenancy agreement entered between Shi Hong Fen (施紅芬) (the “Lessor”), an independent third party, and Suzhou Powerlong, Unit No. 386 of the property has been leased to Suzhou Powerlong for a term of 12 months commencing on 5 June 2008 and expiring on 4 June 2009 at a monthly rental of Rmb 37,000 exclusive of all outgoings.
- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - each Lessor has not provided us with the relevant Building Ownership Certificate of the property for verification; and
  - the tenancy agreements may be invalid and the rights of Suzhou Powerlong under the tenancy agreements may not be recognized and protected under the PRC laws.



## APPENDIX IV

## PROPERTY VALUATION

|     | <b>Property</b>                                                                                          | <b>Description and tenancy details</b>                                                                                                                                                                                                                                                                                                                         | <b>Particulars of occupancy</b>                              | <b>Market value in existing state as at 30 June 2009</b> |
|-----|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------|
| 20. | Unit No. 303 of Block 3 and Unit No. 404 of Block 7, Powerlong City Plaza, Suzhou, Jiangsu Province, PRC | <p>The property comprises 2 residential units of two 7-storey residential buildings completed in 2007.</p> <p>The property has a total gross floor area of approximately 249.00 sq.m. (2,680 sq.ft.).</p> <p>The property is leased to Suzhou Powerlong from 2 independent third parties for various terms.</p> <p>(Please see Notes 1 and 2 for details).</p> | The property is occupied by the Group for dormitory purpose. | No commercial value                                      |

### Notes:

- Pursuant to a tenancy agreement entered into between Li Ping (李萍) (the "Lessor"), an independent third party, and Suzhou Powerlong Property Development Co., Ltd. ("Suzhou Powerlong"), the property with a gross floor area of approximately 120.00 sq.m. has been leased to Suzhou Powerlong for a term of 12 months commencing on 9 February 2009 and expiring on 8 February 2010 at a monthly rental of Rmb 1,000.
- Pursuant to a tenancy agreement entered into between Lu Yuan Juan (陸蘊娟) (the "Lessor"), an independent third party, and Suzhou Powerlong, the property with a gross floor area of approximately 129.00 sq.m. has been leased to Suzhou Powerlong for a term of 12 months commencing on 1 June 2009 and expiring on 31 May 2010 at a monthly rental of Rmb 1,900.
- We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - each Lessor has obtained the Building Ownership Certificate of the relevant property and has the right to lease the property to Suzhou Powerlong;
  - the tenancy agreements are legal, valid and binding on both parties under the PRC laws;
  - the tenancy agreements have not been registered but this will not affect the validity of the tenancy agreements;
  - the property is subject to various mortgages, the Lessors has obtained the relevant consent from the mortgagee under the mortgage for the entering into of the tenancy agreements; and
  - Suzhou Powerlong has the right to use the property for the purpose as prescribed in the tenancy agreements during the terms of the tenancy agreements.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                        | Description and tenancy details                                                                                                                                                                                                                                                                                                                                                | Particulars of occupancy                                     | Market value in existing state as at 30 June 2009 |
|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------|
| 21. Units Nos. 102 and 202, Unit 1 of Block 12, Nanbei Miya Garden, Bengbu, Anhui Province, PRC | <p>The property comprises 2 residential units on Levels 1 and 2 of an 8-storey residential building completed in 2000.</p> <p>The property has a total gross floor area of approximately 256.22 sq.m. (2,758 sq.ft.).</p> <p>The property is leased to Bengbu Powerlong from 2 independent third parties for various terms.</p> <p>(Please see Notes 1 and 2 for details).</p> | The property is occupied by the Group for dormitory purpose. | No commercial value                               |

### Notes:

- Pursuant to a tenancy agreement entered between Sun Jun (孫軍) (the "Lessor"), an independent third party, and Bengbu Powerlong Real Estate Co., Ltd. ("Bengbu Powerlong"), which is a wholly owned subsidiary of the Company, Room No. 102 of the property with a gross floor area of approximately 128.11 sq.m. has been leased to Bengbu Powerlong for a term of 2 years commencing on 1 April 2008 and expiring on 31 March 2010 at a monthly rental of Rmb 1,300.
- Pursuant to a tenancy agreement entered between Sun Su Ping (孫素萍) (the "Lessor"), an independent third party, and Bengbu Powerlong, Room No. 202 of the property with a gross floor area of approximately 128.11 sq.m. has been leased to Bengbu Powerlong for a term of 2 years commencing on 1 April 2008 and expiring on 31 March 2010 at a monthly rental of Rmb 1,300.
- We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - each Lessor has obtained the Building Ownership Certificate of the relevant property and has the right to lease the property to Bengbu Powerlong;
  - the tenancy agreements are legal, valid and binding on both parties under the PRC laws;
  - the tenancy agreements have not been registered but this will not affect the validity of the tenancy agreements; and
  - Bengbu Powerlong has the right to use the property for the purpose as prescribed in the tenancy agreements during the terms of the tenancy agreements.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                         | Description and tenancy details                                                                                                                                                                                                                                                                                                                                                                                    | Particulars of occupancy                                     | Market value in existing state as at 30 June 2009 |
|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------|
| 22. Unit No. 406,<br>Unit 3 of Block 17,<br>Zijing Mingliu,<br>Bengbu,<br>Anhui Province,<br>PRC | <p>The property comprises a residential unit on Level 4 of a 7-storey residential building completed in 2000.</p> <p>The property has a gross floor area of approximately 96.00 sq.m. (1,033 sq.ft.).</p> <p>The property is leased to Bengbu Powerlong from an independent third party for a term of 12 months commencing on 27 October 2008 and expiring on 27 October 2009 at a monthly rental of RMB1,400.</p> | The property is occupied by the Group for dormitory purpose. | No commercial value                               |

### Notes:

- Pursuant to a tenancy agreement entered into between Xing Guo Yu (邢國玉) (the "Lessor"), an independent third party, and Bengbu Powerlong Real Estate Co., Ltd. ("Bengbu Powerlong"), which is a wholly owned subsidiary of the Company, the property with a gross floor area of approximately 96.00 sq.m. has been leased to Bengbu Powerlong for a term of 12 months commencing on 27 October 2008 and expiring on 27 October 2009 at a monthly rental of Rmb 1,400.
- We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - the Lessor has obtained the Building Ownership Certificate of the property and has the right to lease the property to Bengbu Powerlong;
  - the tenancy agreement is legal, valid and binding on both parties under the PRC laws;
  - the tenancy agreement has not been registered but this will not affect the validity of the tenancy agreement; and
  - Bengbu Powerlong has the right to use the property for the purpose as prescribed in the tenancy agreement during the term of the tenancy agreement.

## APPENDIX IV

## PROPERTY VALUATION

|     | <b>Property</b>                                                                                                          | <b>Description and tenancy details</b>                                                                                                                                                                                                                                                                                                                             | <b>Particulars of occupancy</b>                       | <b>Market value in existing state as at 30 June 2009</b> |
|-----|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|----------------------------------------------------------|
| 23. | 17 units on Levels 2 and 3, Powerlong Center Phase II, No. 305 Jiahe Road, Siming District, Xiamen, Fujian Province, PRC | <p>The property comprises 17 commercial units on Levels 2–3 of a 32-storey composite building completed in 2006.</p> <p>The property has a total gross floor area of approximately 6,023.85 sq.m. (64,841 sq.ft.)</p> <p>The property is leased to Fuzhou Powerlong from 2 connected parties for various terms.</p> <p>(Please see Notes 1 and 2 for details).</p> | The property is occupied by the Group for office use. | No commercial value                                      |

### Notes:

- Pursuant to a tenancy agreement entered between Xiamen Powerlong Information Technology Development Company Limited (廈門寶龍信息產業發展有限公司) (the “Lessor”), a connected party, and Fuzhou Powerlong Real Estate Development Co., Ltd. (“Fuzhou Powerlong”), which is a wholly owned subsidiary of the Company, 9 units on Level 3 of the property with a total gross floor area of approximately 3,093.40 sq.m. has been leased to Fuzhou Powerlong for a term of 2 years commencing on 1 January 2008 and expiring on 31 December 2009 at a monthly rental of Rmb 123,736.
- Pursuant to a tenancy agreement entered between Zhang Hao Yao (張顥耀) and Zhang Ming Xuan (張銘軒) (the “Lessors”), a connected party, and Fuzhou Powerlong, 8 units on Level 2 of the property with a total gross floor area of approximately 2,930.45 sq.m. has been leased to Fuzhou Powerlong for a term of 2 years commencing on 1 January 2008 and expiring on 31 December 2009 at a monthly rental of Rmb 117,218.
- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - each of the Lessor/Lessors has obtained the relevant Building Ownership Certificate of the property and has the right to lease the property to Fuzhou Powerlong;
  - the tenancy agreements are legal, valid and binding on both parties under the PRC laws;
  - the tenancy agreements have not been registered but this will not affect the validity of the tenancy agreements; and
  - Fuzhou Powerlong has the right to use the property for the purpose as prescribed in the tenancy agreements during the terms of the tenancy agreements.

## APPENDIX IV

## PROPERTY VALUATION

|     | <b>Property</b>                                                                                            | <b>Description and tenancy details</b>                                                                                                                                                                                                                                                                                                                                                                           | <b>Particulars of occupancy</b>                              | <b>Market value in existing state as at 30 June 2009</b> |
|-----|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------|
| 24. | Unit No. 602,<br>Unit 4 of Block 10,<br>Haitongyuan<br>Garden,<br>Qingdao,<br>Shandong<br>Province,<br>PRC | <p>The property comprises a residential unit on Level 6 of a 6-storey residential building completed in 2003.</p> <p>The property has a gross floor area of approximately 95.66 sq.m. (1,030 sq.ft.).</p> <p>The property is leased to Qingdao Powerlong from an independent third party for a term of 6 months commencing on 11 April 2009 and expiring on 10 October 2009 at a monthly rental of RMB1,000.</p> | The property is occupied by the Group for dormitory purpose. | No commercial value                                      |

### Notes:

- Pursuant to a tenancy agreement entered into between Ji Feng (姬峰) (the "Lessor"), an independent third party, and Powerlong Group (Qingdao) Property Development Co., Ltd. ("Qingdao Powerlong"), which is a wholly owned subsidiary of the Company, the property with a gross floor area of approximately 95.66 sq.m. has been leased to Qingdao Powerlong for a term of 6 months commencing on 11 April 2009 and expiring on 10 October 2009 at a monthly rental of Rmb 1,000.
- We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal advisor, which contains, *inter alia*, the following information:
  - the Lessor has obtained the Building Ownership Certificate of the relevant property and has the rights to lease the property to Qingdao Powerlong;
  - the tenancy agreement is legal, valid and binding on both parties under the PRC laws;
  - the tenancy agreement has not been registered but this will not affect the validity of the tenancy agreement; and
  - Qingdao Powerlong has the rights has the rights to use the property for the purpose as prescribed in the tenancy agreement during the term of the tenancy agreement.

## APPENDIX IV

## PROPERTY VALUATION

| Property                                                                                              | Description and tenancy details                                                                                                                                                                                                                                                                                                                                                                              | Particulars of occupancy                                     | Market value in existing state as at 30 June 2009 |
|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------|
| 25. Unit No. 201,<br>Unit 2 of Block 6,<br>Mingfu Garden,<br>Qingdao,<br>Shandong<br>Province,<br>PRC | <p>The property comprises a residential unit on Level 2 of a 7-storey residential building completed in 2002.</p> <p>The property has a gross floor area of approximately 85.00 sq.m. (915 sq.ft.).</p> <p>The property is leased to Qingdao Powerlong from an independent third party for a term of 6 months commencing on 6 June 2009 and expiring on 6 December 2009 at a monthly rental of RMB7,900.</p> | The property is occupied by the Group for dormitory purpose. | No commercial value                               |

### Notes:

- Pursuant to a tenancy agreement entered into between Liu Ming Xin (劉明信) (the “Lessor”), an independent third party, and Powerlong Group (Qingdao) Property Development Co., Ltd. (“Qingdao Powerlong”), which is a wholly owned subsidiary of the Company, the property has been leased to Qingdao Powerlong for a term of 6 months commencing on 6 June 2009 and expiring on 6 December 2009 at a monthly rental of Rmb 7,900.
- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - the Lessor has not provided us with the relevant Building Ownership Certificate of the property for verification; and
  - the tenancy agreement may be invalid and the rights of Qingdao Powerlong under the tenancy agreement may not be recognized and protected under the PRC laws.

## APPENDIX IV

## PROPERTY VALUATION

|     | <b>Property</b>                                                                                                     | <b>Description and tenancy details</b>                                                                                                                                                                                                                                                                                                                                                                         | <b>Particulars of occupancy</b>                               | <b>Market value in existing state as at 30 June 2009</b> |
|-----|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------|
| 26. | Unit No. 301,<br>Unit 4 of Block 9,<br>Beifeng Residential<br>District,<br>Qingdao,<br>Shandong<br>Province,<br>PRC | <p>The property comprises a residential unit on Level 3 of a 7-storey residential building completed in 2002.</p> <p>The property has a gross floor area of approximately 95.80 sq.m. (1,031 sq.ft.).</p> <p>The property is leased to Qingdao Powerlong from an independent third party for a term of 6 months commencing on 5 June 2009 and expiring on 5 December 2009 at a monthly rental of RMB6,500.</p> | The property is occupied by the Group for dormitory purposes. | No commercial value                                      |

### Notes:

- Pursuant to a tenancy agreement entered into between Jiang Ai Zheng (江愛珍) (the “Lessor”), an independent third party, and Powerlong Group (Qingdao) Property Development Co., Ltd. (“Qingdao Powerlong”), which is a wholly owned subsidiary of the Company, the property has been leased to Qingdao Powerlong for a term of 6 months commencing on 5 June 2009 and expiring on 5 December 2009 at a monthly rental of Rmb 6,500.
- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - the Lessor has not provided us with the relevant Building Ownership Certificate of the property for verification; and
  - the tenancy agreement may be invalid and the rights of Qingdao Powerlong under the tenancy agreement may not be recognized and protected under the PRC laws.

## APPENDIX IV

## PROPERTY VALUATION

|     | <b>Property</b>                                                                                     | <b>Description and tenancy details</b>                                                                                                                                                                                                                                                                                                                                                                          | <b>Particulars of occupancy</b>                              | <b>Market value in existing state as at 30 June 2009</b> |
|-----|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------|
| 27. | Unit No. 401,<br>Unit 1 of Block 14,<br>Shengfu Garden,<br>Qingdao,<br>Shandong<br>Province,<br>PRC | <p>The property comprises a residential unit on Level 4 of a 7-storey residential building completed in 2002.</p> <p>The property has a gross floor area of approximately 100.20 sq.m. (1,079 sq.ft.).</p> <p>The property is leased to Qingdao Powerlong from an independent third party for a term of 6 months commencing on 9 June 2009 and expiring on 9 December 2009 at a monthly rental of RMB8,000.</p> | The property is occupied by the Group for dormitory purpose. | No commercial value                                      |

### Notes:

- Pursuant to a tenancy agreement entered into between Wang Ji Qing (王積慶) (the “Lessor”), an independent third party, and Powerlong Group (Qingdao) Property Development Co., Ltd. (“Qingdao Powerlong”), which is a wholly owned subsidiary of the Company, the property has been leased to Qingdao Powerlong for a term of 6 months commencing on 9 June 2009 and expiring on 9 December 2009 at a monthly rental of Rmb 8,000.
- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal advisor, which contains, *inter alia*, the following information:
  - the Lessor has not provided us with the relevant Building Ownership Certificate of the property for verification; and
  - the tenancy agreement may be invalid and the rights of Qingdao Powerlong under the tenancy agreement may not be recognized and protected under the PRC laws.