

*The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this prospectus received from BMI Appraisals Limited, an independent valuer, in connection with its valuations as at 31 December 2009 of the properties leased by the Group in Hong Kong and the PRC.*

## **BMI APPRAISALS**

BMI Appraisals Limited 中和邦盟評估有限公司

Suite 11-18, 31/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong  
香港灣仔港灣道6-8號瑞安中心3111-18室  
Tel電話：(852) 2802 2191 Fax傳真：(852) 2802 0863  
Email電郵：info@bmintelligence.com Website網址：www.bmi-appraisals.com

12 February 2010

The Directors

### **Z-Obee Holdings Limited**

Unit 605, 6th Floor  
Yen Sheng Centre  
No. 64 Hoi Yuen Road  
Kwun Tong, Kowloon  
Hong Kong

Dear Sirs,

### **INSTRUCTIONS**

We refer to the instructions from Z-Obee Holdings Limited (the “Company”) for us to value the properties leased by the Company and/or its subsidiaries (together referred to as the “Group”) located in Hong Kong and the People’s Republic of China (the “PRC”). We confirm that we have performed inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the properties as at 31 December 2009 (the “date of valuation”).

### **BASIS OF VALUATION**

Our valuations of the concerned properties have been based on the Market Value, which is defined as “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”.

### **PROPERTY CATEGORIZATION**

In the course of our valuations, the portfolio of properties of the Group is categorized into the following groups:-

- Group I – Property leased by the Group in Hong Kong
- Group II – Properties leased by the Group in the PRC

**VALUATION METHODOLOGY**

In valuing the properties leased by the Group, we are of the opinion that they have no commercial value either because of their non-assignability in the open market or there are prohibitions against assignment and/or subletting contained in the tenancy agreements or the lack of marketable and substantial profit rents.

**TITLE INVESTIGATION**

We have not searched the titles of the properties and have not scrutinized the original title documents to verify ownership or to ascertain the existence of any amendments, which do not appear on the copies handed to us. However, we have been provided with copies of the tenancy agreements of the properties leased by the Group. All documents have been used for reference only.

**VALUATION ASSUMPTIONS**

Our valuations have been made on the assumption that the properties are sold in the open market in their existing states without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which might serve to affect the values of the properties.

In addition, no account has been taken of any option or right of pre-emption concerning of effecting sale of the properties and no forced sale situation in any manner is assumed in our valuations.

**VALUATION CONSIDERATIONS**

We have inspected the exterior and wherever possible, the interior of the properties. During the course of our inspections, we did not note any serious defects. However, no structural surveys have been made nor have any tests been carried out on any of the services provided in the properties. We are, therefore, unable to report that the properties are free from rot, infestation or any other structural defects.

In the course of our valuations, we have relied to a considerable extent on the information given by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenures, particulars of occupancy, floor areas, identification of the properties and other relevant information.

We have not carried out detailed on-site measurements to verify the correctness of the floor areas in respect of the properties but have assumed that the floor areas shown on the documents handed to us are correct. Dimensions, measurements and areas included in the valuation certificates are based on information contained in the documents provided to us by the Group and are therefore only approximations.

We have no reason to doubt the truth and accuracy of the information provided to us by the Group and we have relied on the Group's confirmation that no material facts have been omitted from the information so supplied. We consider that we have been provided with sufficient information to reach an informed view.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the properties 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.

Our valuations have been prepared in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors.

Our valuations have been prepared under the generally accepted valuation procedures and are in compliance with the requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### **REMARKS**

Unless otherwise stated, all money amounts stated herein are in Hong Kong Dollars (HK\$) and no allowances have been made for any exchange transfers.

Our Summary of Values and the Valuation Certificates are attached herewith.

Yours faithfully,  
For and on behalf of  
**BMI APPRAISALS LIMITED**

**Dr. Tony C.H. Cheng**

*BSc., MUD, MBA(Finance), MSc.(Eng), PhD(Econ),  
MHKIS, MCI Arb, AFA, SIFM, FCIM,  
MASCE, MIET, MIEEE, MASME, MIIE  
Managing Director*

**Joannau W.F. Chan**

*BSc., MSc., MRICS, MHKIS, RPS(GP)  
Senior Director*

*Notes:*

*Dr. Tony C.H. Cheng is a member of the Hong Kong Institute of Surveyors (General Practice) who has over 17 years' experience in valuations of properties in Hong Kong and the People's Republic of China.*

*Ms. Joannau W.F. Chan is a member of the Hong Kong Institute of Surveyors (General Practice) who has over 17 years' experience in valuations of properties in Hong Kong and over 11 years' experience in valuations of properties in the People's Republic of China.*

## SUMMARY OF VALUES

No.	Property	Market Value in existing state as at 31 December 2009 HK\$
<b>Group I – Property leased by the Group in Hong Kong</b>		
1.	Unit No. 5 on 6th Floor, Yen Sheng Centre, 64 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong	No Commercial Value
<b>Sub-total:</b>		<b>Nil</b>
<b>Group II – Properties leased by the Group in the PRC</b>		
2.	Room 401, Building 14, West Part of Software Park, Hi-Tech Park in the Second Road, Nanshan District, Shenzhen, the PRC  中國深圳市南山區高新科技園中二路軟件園西區14棟401室	No Commercial Value
3.	Unit No. 1206, Block A of Jiazhaoye Centre, Shangbu South Road, Futian District, Shenzhen, the PRC  中國深圳市福田區上步南路佳兆業中心A1206	No Commercial Value

<b>No.</b>	<b>Property</b>	<b>Market Value in existing state as at 31 December 2009 HK\$</b>
4.	Portions of an industrial complex located at Jingangshan Industrial District, Jiuwei Society Road, Xixiang Street, Baoan District, Shenzhen, the PRC  中國深圳市寶安區西鄉街道九圍社區路金崗山 工業區之工業園之部分	No Commercial Value
5.	Unit Nos. 911 & 912, Simike Building, No. 800 Shangcheng Road, Pudong New District, Shanghai, the PRC  中國上海市浦東新區商城路800號斯米克大廈911、912室	No Commercial Value
	<b>Sub-total:</b>	<b>Nil</b>
	<b>Grand-total:</b>	<b>Nil</b>

## VALUATION CERTIFICATE

## Group I – Property leased by the Group in Hong Kong

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2009 HK\$
1.	Unit No. 5 on 6th Floor, Yen Sheng Centre, 64 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong	<p>The property comprises an office unit on the 6th Floor of a 24-storey industrial/office building which was completed in 1995.</p> <p>The gross floor area of the property is approximately 1,740 sq.ft. (or about 161.6 sq.m.).</p> <p>Pursuant to a tenancy agreement entered into between an independent third-party landlord and Elite Link Technology Limited (referred to as “Elite Link”) dated 28 July 2008, the property is leased to Elite Link for the purpose of industrial/godown/offices ancillary and directly related to an industrial or godown operation for a term of 2 years commencing on 16 May 2008 and expiring on 15 May 2010 at a monthly rent of HK\$21,750 exclusive of rates, air conditioning, management charges and other outgoings.</p>	The property is occupied by the Group for office purpose.	No Commercial Value

*Note:–*

Pursuant to the aforesaid tenancy agreement, the tenant of the property is Elite Link, which is an indirect wholly-owned subsidiary of the Company.

## VALUATION CERTIFICATE

## Group II – Properties leased by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2009 HK\$
2.	Room 401, Building 14, West Part of Software Park, Hi-Tech Park in the Second Road, Nanshan District, Shenzhen, the PRC  中國深圳市南山區 高新科技園中二路 軟件園西區14棟 401室	<p>The property comprises an office unit on the 4th Floor of a 7-storey commercial building which was completed in about 2008.</p> <p>The gross floor area of the property is approximately 1,132.46 sq.m. (or about 12,190 sq.ft.).</p> <p>Pursuant to a tenancy agreement and its supplementary agreement entered into between an independent third-party landlord and Zeus Telecommunication Technology Holdings Ltd. (referred to as “Zeus”) both dated 6 May 2008, the property is leased to Zeus for research and office uses for a term of 5 years commencing on 22 April 2008 and expiring on 21 April 2013 at a monthly rent of RMB55,490.54 exclusive of water, electricity and sanitary charges and management fee.</p>	The property is occupied by the Group for office purpose.	No Commercial Value

*Notes:–*

1. Pursuant to the aforesaid tenancy agreement, the tenant of the property is Zeus, which is an indirect wholly-owned subsidiary of the Company.
2. The opinion given by the PRC legal adviser – Haihua Yongtai Law Firm dated 12 February 2010 to the Group is as follows:
  - a. The content and format of the tenancy agreement are in compliance with the relevant laws and regulations in the PRC and the said agreement is legally valid and binding on the contracting parties;
  - b. The landlord has obtained all necessary authorization, permission and approval from the PRC Government departments or any third parties and has the right to lease the property;
  - c. Zeus is entitled to legally use and occupy the property during the term of the tenancy. The current use of the property by Zeus is in compliance with the use specified in the relevant tenancy agreement and does not violate the existing laws and regulations in the PRC;
  - d. The tenancy agreement has been registered with the relevant department in accordance with laws, regulations, administrative rules and local regulations in the PRC; and
  - e. The property is not subject to other material encumbrances.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2009 HK\$
3.	Unit No. 1206, Block A of Jiazhaoye Centre, Shangbu South Road, Futian District, Shenzhen, the PRC  中國深圳市福田區 上步南路佳兆業中 心A1206	<p>The property comprises an office unit on the 12th Floor of a 29-storey residential/commercial building which was completed in about 2007.</p> <p>The gross floor area of the property is approximately 39.8 sq.m. (or about 428 sq.ft.).</p> <p>Pursuant to a tenancy agreement entered into between an independent third party landlord and Zeus Telecommunication Technology Holdings Ltd. (referred to as “Zeus”) dated 25 July 2008, the property is leased to Zeus for office use for a term of 1 year commencing on 1 August 2009 and expiring on 31 July 2010 at a monthly rent of RMB1,200 exclusive of water, electricity and sanitary charges and management fee.</p>	The property is occupied by the Group for office purpose.	No Commercial Value

*Notes:-*

1. Pursuant to the aforesaid tenancy agreement, the tenant of the property is Zeus, which is an indirect wholly-owned subsidiary of the Company.
2. The opinion given by the PRC legal adviser – Haihua Yongtai Law Firm dated 12 February 2010 to the Group is as follows:
  - a. The content and format of the tenancy agreement are in compliance with the relevant laws and regulations in the PRC and the said agreement is legally valid and binding on the contracting parties;
  - b. The landlord has obtained all necessary authorization, permission and approval from the PRC Government departments or any third parties and has the right to lease the property;
  - c. Zeus is entitled to legally use and occupy the property during the term of the tenancy. The current use of the property by Zeus is in compliance with the use specified in the relevant tenancy agreement and does not violate the existing laws and regulations in the PRC;
  - d. The landlord possesses valid title certificates of the property and the tenancy agreement has been registered; and
  - e. The property is not subject to other material encumbrances.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2009 HK\$
4.	Portions of an industrial complex located at Jingangshan Industrial District, Jiuwei Society Road, Xixiang Street, Baoan District, Shenzhen, the PRC  中國深圳市寶安區西鄉街道九圍社區路金崗山工業區之工業園之部分	The property comprises seven single- to 5-storey industrial and dormitory buildings (Blocks 1, 2, 3, 4, A, B & C) which were completed in about 2007.  The total gross floor area (“GFA”) of the property is approximately 26,482.6 sq.m. (or about 285,059 sq.ft.).  Pursuant to 4 tenancy agreements entered into between an independent third party landlord and the Group, the property is leased to the Group for various purposes for a term expiring on 1 March 2012 at a total monthly rent of RMB357,515.6.	The property is occupied by the Group for factory, dormitory and other ancillary purposes.  As advised by the Group, the front portion of Level 1 of Block 4 with a GFA of approximately 500 sq.m. is subleased to an independent third party for a term of 1 year commencing on 1 June 2009 and expiring on 31 May 2010 at a monthly rent of RMB6,750 exclusive of water, electricity and sanitary charges and management fee.	No Commercial Value

Notes:–

1. Pursuant to the aforesaid tenancy agreements, the tenants of the property are Max Sunny Limited (referred to as “Max Sunny”) and Tongqing Communication Equipment (Shenzhen) Co., Ltd. (referred to as “Tongqing”), which are indirect wholly-owned subsidiaries of the Company. The details of the agreements are summarized as follows:

No.	Building	Tenant	GFA (sq.m.)	Term	Monthly Rent (RMB)	Use
1.	Level 1 of Blocks 1, 2 & 3	Max Sunny	7,872.0	16 Apr 2007 – 1 Mar 2012	106,272.0	Factory
2.	Block A (Levels 2 & 3), Blocks B & C	Tongqing	12,293.0	16 Jul 2007 – 1 Mar 2012	165,956.0	Domestic (Dormitory)
3.	Level 1 of Block A	Tongqing	3,117.6	16 Jul 2007 – 1 Mar 2012	50,087.6	Commercial (Canteen)
4.	Level 1 of Block 4	Tongqing	3,200.0	1 Aug 2007 – 1 Mar 2012	35,200.0	Factory
		<b>Total:</b>	<b><u>26,482.6</u></b>		<b><u>357,515.6</u></b>	

2. The opinion given by the PRC legal adviser – Haihua Yongtai Law Firm dated 12 February 2010 to the Group is as follows:
- The content and format of the tenancy agreements are in compliance with the relevant laws and regulations in the PRC and the said agreements are legally valid and binding on the contracting parties;
  - The landlord has obtained all necessary authorization, permission and approval from the PRC Government departments or any third parties and has the right to lease the property;
  - Tongqing and Max Sunny are entitled to legally use and occupy the property during the term of the tenancies. The current uses of the property by Tongqing and Max Sunny are in compliance with the uses specified in the relevant tenancy agreements and do not violate the existing laws and regulations in the PRC;
  - Max Sunny, being a company in Hong Kong, does not violate the laws and regulations by renting a property in the PRC;
  - The tenancy agreements have been registered with the relevant department in accordance with laws, regulations, administrative rules and local regulations in the PRC; and
  - The property is not subject to other material encumbrances.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2009 HK\$
5.	Unit Nos. 911 & 912, Simike Building, No. 800 Shangcheng Road, Pudong New District, Shanghai, the PRC  中國上海市浦東 新區商城路800號 斯米克大廈911、 912室	The property comprises two office units on the 9th Floor of a high-rise commercial building which was completed in about 2000.  The gross floor area of the property is approximately 246.96 sq.m. (or about 2,658 sq.ft.).  Pursuant to a tenancy renewal agreement entered into between an independent third party landlord and Shanghai PhoneLink Communications Technology Co., Ltd. (referred to as "PhoneLink") dated 13 January 2009, the property is leased to PhoneLink for office use for a term of 1 year commencing on 18 February 2009 and expiring on 17 February 2010 at a monthly rent of RMB26,800 exclusive of water, electricity, gas, telephone, facilities, air conditioning charges and management fee.	The property is occupied by the Group for office purpose.	No Commercial Value

*Notes:—*

1. Pursuant to the aforesaid tenancy agreement, the tenant of the property is PhoneLink, which is an indirect wholly-owned subsidiary of the Company.
2. The opinion given by the PRC legal adviser – Haihua Yongtai Law Firm dated 12 February 2010 to the Group is as follows:
  - a. The content and format of the tenancy agreement are in compliance with the relevant laws and regulations in the PRC and the said agreement is legally valid and binding on the contracting parties;
  - b. The landlord has obtained all necessary authorization, permission and approval from the PRC Government departments or any third parties and has the right to lease the property;
  - c. PhoneLink is entitled to legally use the property during the term of the tenancy. The current use of the property by PhoneLink is in compliance with the use specified in the relevant tenancy agreement and does not violate the existing laws and regulations in the PRC;
  - d. The landlord possesses valid title certificates of the property and the tenancy agreement has been registered; and
  - e. The property is not subject to other material encumbrances.