

The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this prospectus received from Colliers International (Hong Kong) Ltd., an independent valuer, in connection with its valuation as at 31 March 2010 of the property interests of the Group.



Colliers International (Hong Kong) Ltd

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25 June 2010

The Board of Directors
Sinoref Holdings Limited
East Qingyuan Avenue, Yixing EDZ,
Jiangsu Province,
the People's Republic of China 214200

Dear Sirs,

In accordance with your instructions to value the properties in which Sinoref Holdings Limited (the "Company") and its subsidiaries (hereinafter together referred to as the "Group") have interests in the People's Republic of China (the "PRC"), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital value of the property interests as at 31 March 2010 (the "date of valuation").

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

Due to the nature of the buildings and structures of the properties in the PRC, there are no market sales comparables readily available and the property interests have been valued on the basis of their depreciated replacement cost.

Depreciated replacement cost is defined as "the current cost of replacement (reproduction) of a property less deductions for physical deterioration and all relevant forms of obsolescence and optimization." It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement (reproduction) of the improvements, less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The depreciated replacement costs of the property interests are subject to adequate potential profitability of the concerned business.

Our valuations have been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement that could serve to affect the values of the property interests.

No allowance has been made in our report for any charges, mortgages or amounts owing on any of the property interests valued nor for any expenses or taxation that 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 that could affect their values.

In valuing the property interests, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation Standards (6th Edition) published by the Royal Institution of Chartered Surveyors; and the HKIS Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors.

We have relied to a very considerable extent on the information provided by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings and all other relevant matters.

We have been shown copies of various title documents including the State-owned Land Use Rights Certificate, Building Ownership Certificates and official plans relating to the property interests located in the PRC and have made relevant enquiries. We have not, however, searched the original documents to verify ownership or to verify the existence of any lease amendments that do not appear on the copies handed to us. We have relied considerably on the advice given by the Group's PRC legal adviser – Jingtian & Gongcheng Attorneys at Law, concerning the validity of the Group's titles to the property interests.

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

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

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

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

Our valuation certificate is attached herewith.

Yours faithfully,
for and on behalf of
Colliers International (Hong Kong) Ltd.
David Faulkner
BSc (Hons) FRICS FHKIS RPS (GP) MAE
Regional Director
Consultancy and Valuation – Asia

Note: David Faulkner is a Chartered Surveyor who has 21 years' experience in the valuation of properties in the PRC, and 25 years of property valuation experience in Hong Kong, Macau, Korea and Asia-Pacific region.

VALUATION CERTIFICATE

PROPERTY INTERESTS OWNED AND OCCUPIED BY THE GROUP IN THE PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2010 RMB															
<p>A parcel of land, and various buildings and structures located at East Qingyuan Avenue, Zhuqiao Industrial Zone, Yixing EDZ, Yixing City, Jiangsu Province, the PRC</p>	<p>The Property comprises a parcel of land with a site area of approximately 37,704.3 sq m and three buildings and various ancillary structures constructed thereon. The buildings and structures were completed in 2006.</p> <p>The buildings include a single storey factory, a three-storey office building and a three-storey dormitory, and various ancillary structures including internal roads, fence walls, car shelters, ancillary house and a guard house.</p> <p>The buildings have a total gross floor area of approximately 10,949.49 sq m, the details of which are tabulated below:</p> <table style="margin-left: 40px; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">No.</th> <th style="text-align: left;">Building</th> <th style="text-align: right;">Gross Floor Area (sq m)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Factory</td> <td style="text-align: right;">6,760.86</td> </tr> <tr> <td>2</td> <td>Office Building</td> <td style="text-align: right;">2,000.64</td> </tr> <tr> <td>3</td> <td>Dormitory Building</td> <td style="text-align: right;"><u>2,187.99</u></td> </tr> <tr> <td colspan="2" style="text-align: right;">Total:</td> <td style="text-align: right;"><u><u>10,949.49</u></u></td> </tr> </tbody> </table>	No.	Building	Gross Floor Area (sq m)	1	Factory	6,760.86	2	Office Building	2,000.64	3	Dormitory Building	<u>2,187.99</u>	Total:		<u><u>10,949.49</u></u>	<p>The Property is currently occupied by the Group for production, office and dormitory purposes.</p>	<p>33,000,000</p> <p>(100% interest attributable to the Group: RMB33,000,000)</p>
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1	Factory	6,760.86																
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3	Dormitory Building	<u>2,187.99</u>																
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<p>The land use rights of the Property were granted for a term of 50 years expiring on 18 January 2056 for industrial use.</p>																		

Notes:

- 1) Pursuant to a State-owned Land Use Rights Grant Contract entered into between the Land and Resources Bureau of Yixing City of Jiangsu Province (Party A) and Sinoref International (Yixing) Co., Ltd. (Party B) dated 17 January 2006, it was agreed that the land use rights of the Property with a site area of approximately 37,959.7 sq m were granted to Party B for a term of 50 years for industrial use with a land grant premium of RMB11,729,547.
- 2) Pursuant to a State-owned Land Use Rights Certificate No. Yi Guo Yong (2006) Zi Di 041007658 Hao, issued by the People's Government of Yixing City dated 25 April 2006, the land use rights of the Property with a site area of approximately 37,704.3 sq m have been granted to Sinoref International (Yixing) Co., Ltd. for a term expiring on 18 January 2056 for industrial use.
- 3) Pursuant to three Building Ownership Certificates Nos. Yi Fang Quan Zheng Qi Ting Zi Di 1000024463 Hao, Yi Fang Quan Zheng Qi Ting Zi Di 1000024464 Hao, and Yi Fang Quan Zheng Qi Ting Zi Di 1000024465 Hao, all dated 4 March 2010 issued by the People's Government of Yixing City, the building ownership of the Property with a total gross floor area of approximately 10,949.49 sq m is held by Sinoref International (Yixing) Co., Ltd.
- 4) Pursuant to a Construction Land Use Planning Permit No. Yi Gui Di 2005 Zi Di 073 Hao dated 10 November 2005 issued by the Yixing City Construction Bureau, the planning requirement of the Property with a total site area of approximately 37,620 sq m has been complied.
- 5) Pursuant to three Construction Project Planning Permits Nos. Yi Gui Jian 2005 Zi Di 562 Hao, Yi Gui Jian 2005 Zi Di 563 Hao and Yi Gui Jian 2005 Zi Di 564 Hao all dated 26 December 2005, and issued by the Yixing City Construction Bureau, the Property was approved for construction with a total gross floor area of approximately 10,665.36 sq m.
- 6) Pursuant to two Construction Work Commencement Permits No. Yi 2006-033 Hao dated 14 April 2006 and No. Yi Jing Kai 2006(002) Hao dated November 2006 issued by the Yixing City Construction Bureau, construction works of the Property with a total gross floor area of approximately 10,665 sq m has been approved.
- 7) We have been provided with a legal opinion on the Property issued by the Group's PRC legal adviser, which contains, inter alia, the following:
 - (i) Sinoref International (Yixing) Co., Ltd. is a 100% owned subsidiary of the Company;
 - (ii) Sinoref International (Yixing) Co., Ltd. has paid the land premium and legally obtained the Stated-owned Land Use Rights Certificate of the Property and has the rights to occupy, use, transfer, let, mortgage or otherwise legally dispose of the land use rights of the Property without getting the approval, permission or consent of any government department or payment of land premium or other land fee;
 - (iii) Sinoref International (Yixing) Co., Ltd. has obtained the Building Ownership Certificates of the Property and is the sole owner of the buildings. Sinoref International (Yixing) Co., Ltd. has the rights to occupy, use, transfer, let, mortgage or otherwise legally dispose of the buildings without getting the approval, permission or consent of any government department;
 - (iv) Pursuant to an Other Rights Certificate No. Yi Ta Xiang (2009) Di 600068 Hao, dated 16 January 2009, issued by the Land and Resources Bureau of Yixing City, the Property with the site area of 37,704.3 sq m and all the buildings located on it were pledged to the Bank of Communications, Yixing Branch and pursuant to a loan contract on the same date, the Bank of Communications, Yixing Branch provided a loan facility to the quantum of RMB8,000,000 to Sinoref International (Yixing) Co., Ltd.

At the date of the PRC legal opinion, Sinoref International (Yixing) Co., Ltd. has not drawn down the aforesaid loan facility and the creditor's right of Bank of Communications, Yixing Branch over Sinoref International (Yixing) Co., Ltd. has not been set up. Therefore, although the registration of the pledge exists, Bank of Communications, Yixing Branch cannot execute its rights over the pledge unless Sinoref International (Yixing) Co., Ltd. draws down the loan in future.
 - (v) The existing uses of the land use rights and buildings are consistent with the designated uses.