

The following is the text of a letter, summary of valuations and valuations certificates prepared for the purpose of incorporation in this prospectus received from DTZ Debenham Tie Leung Limited, an independent property valuer, in connection with its opinion of values of the property interests held by the Group in Hong Kong, the PRC and Singapore as at 30 June 2010. A copy of the full valuation report relating to the property interests of the Group in Hong Kong, the PRC and Singapore in compliance with paragraph 34(2) of Part II of the Third Schedule of Companies Ordinance prepared by DTZ Debenham Tie Leung Limited is made available for public inspection.



16th Floor
Jardine House
1 Connaught Place
Central
Hong Kong

28 September 2010

The Directors
Kosmopolito Hotels International Limited
375 Queen's Road East
Wanchai
Hong Kong

Dear Sirs,

INSTRUCTIONS, PURPOSE & DATE OF VALUATION

We refer to your instructions for us to carry out market valuations of the properties held by Kosmopolito Hotels International Limited (the "Company") and/or its subsidiaries (together referred to as the "Group") in Hong Kong, the People's Republic of China (the "PRC") and Singapore. 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 values of these properties as at 30 June 2010 (the "date of valuation").

BASIS OF VALUATION

Our valuation of each property represents its market value which in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors 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".

VALUATION ASSUMPTIONS

Our valuation of each property excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the properties nor 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 any 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 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the HKIS Valuation Standards on Properties (First Edition 2005) issued by the Hong Kong Institute of Surveyors.

In respect of the properties situated in the PRC, the status of titles and grant of major certificates, approvals and licences, in accordance with the information provided by the Group and the advice provided by the Group's legal adviser, Commerce and Finance Law Offices, are set out in the notes in the respective valuation certificates.

METHOD OF VALUATION

Unless otherwise stated, we have generally valued the properties using direct comparison method by making reference to comparable transactions as available in the relevant market and where appropriate, by capitalising the net rental income derived from the existing tenancies with due allowance for the reversionary potential of the respective properties.

The properties in Group I which are hotel properties owned and operated by the Group in Hong Kong have been granted with the respective licence as hotel/guesthouse under the Hotel and Guesthouse Accommodation Ordinance, Cap. 349 by Hotel and Guesthouse Accommodation Authority. Our valuations are carried out with reference to its use in existing state and on the basis that the properties have been constructed, have been and will be occupied and used in full compliance with, and without contravention of all ordinances, except only where otherwise stated. We have further assumed that, for the continual use of the properties upon which our valuations are based, all required licences, permits, certificates and authorizations have been obtained, except only where otherwise stated.

In respect of the properties in Groups II and V which are held by the Group under development in Hong Kong and the PRC respectively, we have valued them on the basis that each of these properties will be developed and completed in accordance with latest development proposals provided to us by the Group. We have assumed that all consents, approvals and licences from all relevant government authorities for implementation of the development proposals have been obtained without onerous conditions or delays. We have also assumed that the design and construction of the development are in compliance with the local planning regulations and have been approved by the relevant authorities. In arriving at our valuations, we have adopted the direct comparison approach by making reference to comparable sales evidence as available in the relevant market and have also taken into account the expended construction costs and the costs that will be expended to complete the development. The "capital value when completed" represents our opinion of the selling price of the proposed development assuming that it were completed at the date of valuation.

Unless otherwise stated, we have ascribed no commercial value to the property in Group VI which is contracted to be acquired by the Group in the PRC, as the Group has not yet obtained the State-owned Land Use Rights Certificate and has not fully settled the payment as at the date of valuation.

The properties in Groups VIII and IX which are leased to the Group have no commercial value mainly due to the prohibitions against assignment and subletting or otherwise due to the lack of substantial profit rents.

SOURCE OF INFORMATION

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as planning approvals, statutory notices, easements, tenure, lettings, particulars of occupancy, identification of properties, development schemes, floor plans and areas, site areas, number of parking spaces, number of guestrooms, trading accounts, construction schedules and costs, interests attributable to the Group and all other relevant matters.

LAND TENURE

In valuing the properties in Hong Kong the Government Leases of which expired before 30 June 1997, we have taken into account the provisions contained in Annex III of the Joint Declaration of the Government of the United Kingdom and the Government of People's Republic of China on the Question of Hong Kong as well as in the New Territories Leases (Extension) Ordinance under which such leases have been extended without premium until 30 June 2047 and that rents of 3% of the rateable value are charged per annum from the dates of extension.

In valuing the properties in the PRC, we have generally assumed that transferable land use rights in respect of the properties for respective specific terms at nominal land use fees have been granted and that all necessary land premiums payable have been fully settled unless otherwise stated. We have also assumed that the owners of the properties have enforceable titles to the properties and have free and uninterrupted rights to use, occupy or assign the properties for the whole of the respective unexpired terms as granted.

We have not been provided with copies of the title documents relating to the properties but have caused searches to be made at the Land Registry or equivalent land authority in Hong Kong and Singapore. In respect of the properties in the PRC, we have been provided by the Group with copies of extracts of documents. However, we have not searched the original documents to verify ownership or to ascertain any lease amendments. All documents and leases have been used for reference only and all dimensions, measurements and areas are approximate. No on-site measurement has been taken.

In the course of our valuation, we have relied to a considerable extent on the information given by the Group and its legal adviser, Commerce & Finance Law Offices, in respect of the title to the properties in the PRC.

PROPERTY INSPECTION

We have inspected the exterior and, wherever possible, the interior of the properties. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are, however, not able to report whether the properties are free of rot, infestation or any other structural defects. No test was carried out on any of the services. Moreover, for those properties which are held for or under development, we have not carried out any soil investigations to determine the suitability of soil conditions and services for any future development. Our valuations are prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period.

CURRENCY AND EXCHANGE RATE

Unless otherwise stated, the market values of the properties in Groups I and II are stated in Hong Kong dollars. The market values of the properties in Groups III, IV and V are primarily stated in Renminbi. The market value of the property in Group VII is primarily stated in Singapore dollars. The exchange rates adopted in our valuations are RMB1:HK\$1.15 and SGD1:HK\$5.56, which were the approximate prevailing exchange rates as at the date of valuation.

We enclose herewith a summary of valuations and our valuation certificates.

Yours faithfully,
For and on behalf of
DTZ Debenham Tie Leung Limited
K. B. Wong
Registered Professional Surveyor
China Real Estate Appraiser
M.R.I.C.S., M.H.K.I.S.
Director

Notes: Mr. K.B. Wong is a Registered Professional Surveyor who has over 25 years' experience in valuation of properties in Hong Kong and over 20 years' experience in valuation of properties in the PRC as well as extensive experience in valuation of properties in Singapore and other Asian countries.

SUMMARY OF VALUATIONS

Property	Capital value in existing state as at 30 June 2010
Group I – Hotel properties owned and operated by the Group in Hong Kong	
1. Central Park Hotel, No. 263 Hollywood Road, Sheung Wan, Hong Kong	HK\$429,000,000
2. Cosmopolitan Hotel, No. 387 Queen's Road East, Wanchai, Hong Kong	HK\$1,622,000,000
3. Cosmo Hotel, No. 375 Queen's Road East, Wanchai, Hong Kong	HK\$490,000,000
4. Lan Kwai Fong Hotel @ Kau U Fong, No. 3 Kau U Fong, Central, Hong Kong	HK\$797,000,000
5. Dorsett Kowloon Hotel, No. 48 Anchor Street, Tai Kok Tsui, Kowloon	HK\$250,000,000
6. Dorsett Seaview Hotel, No. 268 Shanghai Street, Yaumatei, Kowloon	HK\$542,000,000
7. Dorsett Far East Hotel, No. 135-143 Castle Peak Road, Tsuen Wan, New Territories	HK\$336,000,000
Sub-total:	HK\$4,466,000,000

SUMMARY OF VALUATIONS

Property	Capital value in existing state as at 30 June 2010
Group II – Properties held by the Group under development in Hong Kong	
8. Project under development to be known as “Dorsett Regency Kennedy Town, Hong Kong”, No. 12-22 Davis Street, Kennedy Town, Hong Kong	HK\$481,000,000
9. Project under development to be known as “The Mercer by Kosmopolito”, No. 27-31 Jervois Street, Sheung Wan, Hong Kong	HK\$222,000,000
10. Cosmo Kowloon Hotel, No. 35-43 Ivy Street (now known as No. 88 Tai Kok Tsui Road), Tai Kok Tsui, Kowloon	HK\$537,000,000
11. Project under development to be known as “Dorsett Regency Kwun Tong, Hong Kong”, No. 84 Hung To Road, Kwun Tong, Kowloon	HK\$426,000,000
12. Project under development to be known as “Dorsett Regency Kwai Chung, Hong Kong”, No. 659 Castle Peak Road, Kwai Chung, New Territories	HK\$270,000,000
Sub-total:	HK\$1,936,000,000

SUMMARY OF VALUATIONS

Property	Capital value in existing state as at 30 June 2010
Group III – Properties held by the Group for investment in the PRC	
13. A portion of the retail podium (levels 1, 3 and 4) of Yue Hotel Shanghai, Nos. 796 and 800 Huamu Road, Pudong New Area, Shanghai, the PRC	RMB29,000,000 (equivalent to approximately HK\$33,350,000)
14. Retail portion (portion of level 1, mezzanine level 1, level 2, mezzanine level 2, and levels 3 to 7 and 9) and office portion (portion of level 10, and whole of levels 17 and 18) of Hongkong and Macao Center No. 118 Jiangnan Road, Jiangnan District, Wuhan City, Hubei Province, the PRC	RMB291,000,000 (equivalent to approximately HK\$334,650,000)
Sub-total:	RMB320,000,000 (equivalent to approximately HK\$368,000,000)

SUMMARY OF VALUATIONS

Property	Capital value in existing state as at 30 June 2010
Group IV – Hotel properties owned and operated by the Group in the PRC	
15. Wuhan Cosmopolitan Hotel (portions of basement and level 1, whole of level 8, portion of level 10, levels 11 to 16 and car park (portion of basement) of Hongkong and Macao Center), No. 118 Jiangnan Road, Jiangnan District, Wuhan City, Hubei Province, the PRC	RMB378,000,000 (equivalent to approximately HK\$434,700,000)
16. Hotel portion (levels 1 to 18 of No. 796 Huamu Road and level 2 of No. 800 Huamu Road) and underground car parks of Yue Hotel Shanghai, Nos. 796 and 800 Huamu Road, Pudong New District, Shanghai, the PRC	RMB418,000,000 (equivalent to approximately HK\$480,700,000)
Sub-total:	RMB796,000,000 (equivalent to approximately HK\$915,400,000)

SUMMARY OF VALUATIONS

Property	Capital value in existing state as at 30 June 2010
Group V – Property held by the Group under development in the PRC	
17. Project under development to be known as “Hotel Kosmopolito City Centre, Chengdu”, Nos. 124-177 Xiyulong Road, Qingyang District, Chengdu, Sichuan Province, the PRC	RMB620,000,000 (equivalent to approximately HK\$713,000,000)
Sub-total:	RMB620,000,000 (equivalent to approximately HK\$713,000,000)
Group VI – Property contracted to be acquired by the Group in the PRC	
18. Dorsett Regency CBD, Zhongshan, Xintiecheng Hotel Block A, No. 107 Zhongshan First Road, West District, Zhongshan, Guangdong Province, the PRC	No commercial value
Sub-total:	No commercial value
Group VII – Property held by the Group for future development in Singapore	
19. Land Lots 777W and 782P, Town Subdivision (TS) 5 at New Bridge Road, Singapore	SGD85,000,000 (equivalent to approximately HK\$472,600,000)
Sub-total:	SGD85,000,000 (equivalent to approximately HK\$472,600,000)

SUMMARY OF VALUATIONS

Property	Capital value in existing state as at 30 June 2010
Group VIII – Properties leased by the Group in the PRC	
20. Unit 05, 16th Floor, Luoma International Plaza, No. 210 West Yulong Street, Qingyang District, Chengdu, Sichuan Province, the PRC	No commercial value
21. Units 07, 08 and 09, 16th Floor, Luoma International Plaza, No. 210 West Yulong Street, Qingyang District, Chengdu, Sichuan Province, the PRC	No commercial value
22. Unit 1202, Block C, Wanhe Yuan, No. 1 Babao Street, Qingyang District, Chengdu, Sichuan Province, the PRC	No commercial value
Sub-total:	No commercial value
Group IX – Property leased by the Group in Singapore	
23. 350 Orchard Road, Unit No. #21-07, Shaw House, Singapore	No commercial value
Sub-total:	No commercial value
Grand total:	<u>HK\$8,871,000,000</u>

VALUATION CERTIFICATE

Group I – Hotel properties owned and operated by the Group in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
1. Central Park Hotel, No. 263 Hollywood Road, Sheung Wan, Hong Kong	The property comprises a 24-storey hotel providing 142 guest rooms, a restaurant and a coffee lounge. The property was completed in 1998 and renovated in 2005 and 2007 respectively.	Portion of the property is let for a term of 3 years from 30 September 2008 to 29 September 2011 at a monthly base rent of HK\$63,000.	HK\$429,000,000
Inland Lot No. 8412 and the Remaining Portion of Section A of Inland Lot No. 568	<p>The property has a total gross floor area of approximately 4,745.06 sq.m. (51,076 sq.ft.).</p> <p>The site area of the property is approximately 317.02 sq.m. (3,412 sq.ft.).</p> <p>Inland Lot No. 568 is held under a Government Lease for a term of 999 years from 8 March 1858. The current Government rent payable for Section A of Inland Lot No. 568 is HK\$38 per annum.</p> <p>Inland Lot No. 8412 is held under Conditions of Sale No. 11265 for a term of 75 years from 30 October 1978 renewable for a further term of 75 years. The current Government rent payable for the lot is HK\$1,000 per annum.</p>	The remainder of the property is operated by the Group as a hotel.	

Notes:

- (1) The registered owners of the property are Caragis Limited and Vicsley Limited, wholly owned subsidiaries of the Company.
- (2) The property is subject to two Modification Letters.
- (3) The property is subject to an Offensive Trade Licence.
- (4) The property is subject to two Debentures to secure all moneys in favour of DB Trustees (Hong Kong) Limited.
- (5) The property is zoned for "Residential (Group A) 7" uses under Sai Ying Pun & Sheung Wan Outline Zoning Plan No. S/H3/24.
- (6) The property is granted with a licence as a hotel/guesthouse from 16 July 2010 to 15 July 2011 under the Hotel and Guesthouse Accommodation Ordinance, Cap. 349 by the Hotel and Guesthouse Accommodation Authority.
- (7) According to the Certificate issued by the Company's appointed Authorised Person on 31 August 2010, the alteration works had been carried out at the property. The conversion of the property from office use into hotel use involved non-structural works and were exempted works under Section 41 (3) of the Buildings Ordinance (Cap. 123) that the Building Authority has confirmed that the change of use from office into hotel did not require the approval of the Building Authority at the time of such conversion works, and that the said alteration works were carried out in accordance with the layout plans approved by the Home Affairs Department which granted a hotel and guesthouse licence under The Hotel and Guesthouse Accommodation Ordinance. According

to another Certificate issued by another Authorized Person of the Company on 3 September 2007, that Authorized Person confirmed that the Buildings Department confirmed on 14 May 2004 that the said change of use from office to hotel only required the approval of the Home Affairs Department.

- (8) According to the advice of the Group's legal adviser, Woo, Kwan, Lee & Lo, as to the title of Hong Kong properties, the letting of the shop on the upper ground floor is in breach of the land grant. Such letting is a breach of the land grant terms under the licence letter dated 18 September 2008. A new licence letter (the "New Licence Letter") was issued and registered on 28 January 2010 and 16 September 2010 respectively, replacing the said licence letter dated 18 September 2008. Woo, Kwan, Lee & Lo has advised that the New Licence Letter permits the letting of the shop on the upper ground floor of Central Park Hotel. Woo, Kwan, Lee & Lo has advised that there is a risk of enforcement action by the government; however, the risk of enforcement action by way of re-entering the property is very unlikely. In the course of our valuation, we have not made any allowance on such breach of land grant.

VALUATION CERTIFICATE

Group I – Hotel properties owned and operated by the Group in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
2. Cosmopolitan Hotel, No. 387 Queen's Road East, Wanchai, Hong Kong The Remaining Portion of Inland Lot No. 1578	<p>The property comprises a 22-storey hotel providing 454 guest rooms, a restaurant and a coffee lounge. The property was completed in 1978 and renovated in 2004.</p> <p>The property has a total gross floor area of approximately 15,895.10 sq.m. (171,095 sq.ft.).</p> <p>The site area of the property is approximately 1,092.73 sq.m. (11,762 sq.ft.).</p> <p>The property is held under a Government Lease for a term of 75 years from 5 February 1900 renewed for a further term of 75 years. The current Government rent payable for the property is HK\$82,800 per annum.</p>	<p>Part of the 1st floor of the property is let for a term of 3 years from 1 October 2009 to 30 September 2012 at a monthly rent of HK\$200,000.</p> <p>A tour counter is let for a term of 2 years from 1 April 2009 to 30 September 2011 at a monthly rent of HK\$25,500.</p> <p>An advertising space and a mobile phone base station are let under 2 licences with the latest term due to expire on 21 January 2012 at a total monthly fee of about HK\$112,000.</p> <p>The remainder of the property is operated by the Group as a hotel.</p>	HK\$1,622,000,000

Notes:

- (1) The registered owner of the property is Cosmopolitan Hotel Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Modification Letter.
- (3) The property is subject to a Debenture to secure all moneys in favour of DB Trustees (Hong Kong) Limited.
- (4) The property is zoned for "Commercial" uses under Wong Nai Chung Outline Zoning Plan No. S/H7/14.
- (5) The property is granted with a licence as a hotel/guesthouse from 20 January 2007 to 19 January 2012 under the Hotel and Guesthouse Accommodation Ordinance, Cap. 349 by the Hotel and Guesthouse Accommodation Authority.
- (6) According to the Certificate issued by the Company's appointed Architect on 20 September 2010, the conversion of the property from office use into hotel use was carried out in accordance with the alteration and addition plans approved by the Building Authority and the requirements of the Buildings Ordinance and related regulations and the change of use from office into hotel was approved on 9 December 2002 by the Building Authority.

VALUATION CERTIFICATE

Group I – Hotel properties owned and operated by the Group in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
3. Cosmo Hotel, No. 375 Queen's Road East, Wanchai, Hong Kong	The property comprises a 25-storey (including a lower ground floor) hotel providing 142 guest rooms and a lounge. The property was completed in 1997 and renovated in 2005.	Portion of the property on the ground floor is let for a term of 2 years from 1 February 2010 to 31 January 2012 at a monthly rent of HK\$80,000.	HK\$490,000,000
Sub-section 1 of Section A of Inland Lot No. 1578	The property has a total gross floor area of approximately 5,546.17 sq.m. (59,699 sq.ft.).	A tour counter is let for a term of 2 years and 6 months from 1 April 2009 to 30 September 2011 at a monthly rent of HK\$8,500.	
	The registered site area of the property is approximately 380.32 sq.m. (4,093.80 sq.ft.).	Various mobile phone base stations and antennae are let under various licences with the latest term due to expire on 6 February 2012 at a total monthly fee of about HK\$168,000.	
	The property is held under a Government Lease for a term of 75 years from 5 February 1900 renewed for a further term of 75 years. The current Government rent payable for the property is HK\$359,280 per annum.	The remainder of the property is operated by the Group as a hotel.	

Notes:

- (1) The registered owner of the property is Grand Expert Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a No-objection Letter.
- (3) The property is subject to a Modification Letter.
- (4) The property is also subject to a Debenture to secure all moneys in favour of DB Trustees (Hong Kong) Limited.
- (5) The property is zoned for "Commercial" uses under Wong Nai Chung Outline Zoning Plan No. S/H7/14.
- (6) The property is granted with a licence as a hotel/guesthouse from 16 October 2007 to 15 October 2012 under the Hotel and Guesthouse Accommodation Ordinance, Cap. 349 by the Hotel and Guesthouse Accommodation Authority.
- (7) According to the Certificate issued by the Company's appointed Authorised Person on 31 August 2010, the alteration works had been carried out at the property. The conversion of the property from office use into hotel use was carried out in accordance with the alteration and addition plans approved by the Building Authority on 9 March 2005 and the requirements of the Buildings Ordinance and related regulations.

VALUATION CERTIFICATE

Group I – Hotel properties owned and operated by the Group in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
4. Lan Kwai Fong Hotel @ Kau U Fong, No. 3 Kau U Fong, Central, Hong Kong Inland Lot No. 8852	<p>The property comprises a 36-storey hotel providing 162 guest rooms a restaurant and a lounge. The property was completed in 2005.</p> <p>The property has a total gross floor area of approximately 5,645.94 sq.m. (60,773 sq.ft.).</p> <p>The registered site area of the property is approximately 377 sq.m. (4,058 sq.ft.).</p> <p>The property is held under Conditions of Exchange No. 12569 for a term of 50 years from 27 May 2000. The current Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.</p>	<p>Portions of the property are let under two tenancies with the latest term due to expire on 31 August 2011 at a total monthly base rent of HK\$102,000.</p> <p>The remainder of the property is operated by the Group as a hotel.</p>	HK\$797,000,000

Notes:

- (1) The registered owner of the property is The Hotel of Lan Kwai Fong Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Modification Letter.
- (3) The property is zoned for "Residential (Group A) 10" uses under Sai Ying Pun and Sheung Wan Outline Zoning Plan No. S/H3/24.
- (4) The property is granted with a licence as a hotel/guesthouse from 7 May 2007 to 6 May 2010 under the Hotel and Guesthouse Accommodation Ordinance, Cap. 349 by the Hotel and Guesthouse Accommodation Authority. According to the advice of the Group's legal adviser, Woo, Kwan, Lee & Lo, as to the title of Hong Kong properties, the Company submitted the application for renewal of the hotel licence to the Home Affairs Department on 11 January 2010 before the expiry of hotel licence. The application has not been withdrawn, the hotel licence has neither been cancelled nor suspended and remains in effect. The Company has already obtained such hotel licence and submitted an application for renewal before its expiry. Under The Hotel and Guesthouse Accommodation Ordinance, if the application for renewal of a hotel licence is made before its expiry and the hotel licence expires prior to the determination of such application, unless such application is withdrawn, or the hotel licence is cancelled or suspended, the hotel licence shall remain in effect until the determination by the relevant Government authority of such application.
- (5) According to the advice of the Group's legal adviser, Woo, Kwan, Lee & Lo, as to the title of Hong Kong properties, the letting of a portion of the property is in breach of the land grant. Woo, Kwan, Lee & Lo has advised that there is a risk of enforcement action by the government; although there is no precedent for such a case, the risk of enforcement action by way of re-entering the property is very unlikely. The government may require the termination of the Tenancy Agreement and/or Agreement and/or tolerate the said breaches with or without the payment of waiver fees to be determined by the Hong Kong government. A lease modification is a method of rectifying the above mentioned breaches, however it is not possible to assess the likely amount of waiver fees that the Government may require for the said breaches. We have been advised that upon the grant of the lease modification, the Hong Kong government is highly unlikely to pursue such matters further. In the course of our valuation, we have not made any allowance on such breach of land grant.

VALUATION CERTIFICATE

Group I – Hotel properties owned and operated by the Group in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
5. Dorsett Kowloon Hotel, No. 48 Anchor Street, Tai Kok Tsui, Kowloon	The property comprises a 23-storey hotel providing 141 guest rooms and a restaurant completed in 2005.	The property is operated by the Group as a hotel.	HK\$250,000,000
Kowloon Inland Lot No. 6374	<p>The property has a total gross floor area of approximately 3,210 sq.m. (34,554 sq.ft.).</p> <p>The registered site area of the property is approximately 356.74 sq.m. (3,840 sq.ft.).</p> <p>The property is held under a Government Lease for a term of 75 years from 16 March 1953 renewable for a further term of 75 years. The current Government rent payable for the property is HK\$176 per annum.</p>		

Notes:

- (1) The registered owner of the property is Double Advance Group Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Debenture to secure all moneys in favour of DB Trustees (Hong Kong) Limited.
- (3) The property is zoned for "Residential (Group E)" uses under Mongkok Outline Zoning Plan No. S/K3/27.
- (4) The property is granted with a licence as a hotel/guesthouse from 1 January 2010 to 31 December 2010 under the Hotel and Guesthouse Accommodation Ordinance, Cap. 349 by the Hotel and Guesthouse Accommodation Authority.

VALUATION CERTIFICATE

Group I – Hotel properties owned and operated by the Group in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
6. Dorsett Seaview Hotel, No. 268 Shanghai Street, Yaumatei, Kowloon	The property comprises a 21-storey (including a basement) hotel providing a total of 268 guest rooms and a restaurant. The property was completed in 1993 and renovated in 2009.	The basement is let for a term of 3 years from 1 September 2008 to 31 August 2011 at a monthly rent of HK\$160,000.	HK\$542,000,000
Kowloon Inland Lot Nos. 7429, 9701, 9705, 9727, 9769 and 9944	The property has a total gross floor area of approximately 6,065.26 sq.m. (65,286 sq.ft.). The registered site area of the property is approximately 501.86 sq.m. (5,402 sq.ft.). Kowloon Inland Lot No. 7429 is held under Conditions of Regrant No. 6282 for a term of 150 years from 2 February 1885. The remaining lots are held under Conditions of Regrant Nos. 9594, 9613, 9840, 9835 and 10170 for the same term of 150 years from 20 June 1898. The current aggregate Government rent payable for the lots is HK\$372 per annum.	A tour counter is let for a term of one year from 1 July 2010 to 30 June 2011 at a monthly rent of HK\$8,000. The remainder of the property is operated by the Group as a hotel.	

Notes:

- (1) The registered owner of the property is Charter Joy Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Debenture to secure all money in favour of DB Trustees (Hong Kong) Limited.
- (3) The property is zoned for "Residential (Group A)" uses under Yau Ma Tei Outline Zoning Plan No. S/K2/20.
- (4) The property is granted with a licence as a hotel/guesthouse from 1 July 2008 to 30 June 2011 under the Hotel and Guesthouse Accommodation Ordinance, Cap. 349 by the Hotel and Guesthouse Accommodation Authority.

VALUATION CERTIFICATE

Group I – Hotel properties owned and operated by the Group in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
7. Dorsett Far East Hotel, Nos. 135-143 Castle Peak Road, Tsuen Wan, New Territories Part of the shares of and in Lot No. 2158 in Demarcation District No. 449	<p>The property comprises portion of ground floor and 6th to 17th floors of a 17-storey building providing a total of 240 guest rooms. The property was completed in 1966 and renovated in 2006.</p> <p>The total gross floor area of the property is approximately 5,180.32 sq.m. (55,761 sq.ft.).</p> <p>The registered site area of the property is approximately 631.74 sq.m. (6,800 sq.ft.).</p> <p>The property is held under New Grant No. 3915 for a term of 99 years less the last three days from 1 July 1898. The term has been statutorily extended to 30 June 2047. The current Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.</p>	The property is operated by the Group as a hotel.	HK\$336,000,000

Notes:

- (1) The registered owner of the property is Complete Delight Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Debenture to secure all money in favour of DB Trustees (Hong Kong) Limited.
- (3) The property is zoned for "Residential (Group A)" uses under Tsuen Wan Outline Zoning Plan No. S/TW/26.
- (4) The property is granted with a licence as a hotel/guesthouse from 1 October 2009 to 30 September 2010 under the Hotel and Guesthouse Accommodation Ordinance, Cap. 349 by the Hotel and Guesthouse Accommodation Authority.
- (5) According to the Certificate issued by the Company's appointed Architect on 30 August 2010, the Building Authority approved the building (alterations & additions) plan in October 2005 and consented to the building works to commence in November 2005. The alteration and addition works were completed in accordance with the requirements of the Building Ordinance and related regulations. The Building Authority has no objection to the completed works on 12 September 2006.

VALUATION CERTIFICATE

Group II – Properties held by the Group under development in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
8. Project under development to be known as "Doresett Regency Kennedy Town, Hong Kong", Nos. 12-22 Davis Street, Kennedy Town, Hong Kong	The property comprises a hotel to be developed upon a parcel of land with a registered site area of about 461.35 sq.m. (4,966 sq.ft.). The property will provide 217 guest rooms and is scheduled to be completed in November 2010.	The property is under construction.	HK\$481,000,000
The Remaining Portion of Sub-section 7 of Section A, Section D of Sub-section 7 of Section A, Section C of Sub-section 7 of Section A, Section B of Sub-section 7 of Section A, Section A of Sub-section 7 of Section A, Sub-section 12 of Section A of Inland Lot No. 905	Upon completion, the total gross floor area of the property will be approximately 6,807.08 sq.m. (73,271 sq.ft.). The property is held under a Government Lease for a term of 999 years from 24 September 1883. The Government rent payable for the lots is HK\$72 per annum.		

Notes:

- (1) The registered owner of the property is Hong Kong (SAR) Hotel Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Debenture in favour of Hang Seng Bank Limited.
- (3) The property is subject to a Licence for Removal of Trades in Offensive Trade Clause.
- (4) According to the information provided by the Group, the total estimated construction cost as at 30 June 2010 was about HK\$134,000,000 and the cost expended up to 30 June 2010 was about HK\$85,000,000. We have taken into account such amounts in our valuation.
- (5) The capital value of the property when completed as at 30 June 2010 was HK\$597,000,000.
- (6) The property is zoned for "Residential (Group A)" uses under Kennedy Town & Mount Davis Outline Zoning Plan No. S/H/17.

VALUATION CERTIFICATE

Group II – Properties held by the Group under development in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010												
9.	<p>Project under development to be known as "The Mercer by Kosmopolito", Nos. 27-31 Jervois Street, Sheung Wan, Hong Kong</p> <p>Marine Lot No. 9B, Section A of Inland Lot No. 871, Section A of Inland Lot No. 872</p>	<p>The property comprises a hotel to be developed upon a parcel of land with a registered site area of about 235.04 sq.m. (2,530 sq.ft.). The property will provide 55 guest rooms and is scheduled to be completed in October 2010.</p> <p>Upon completion, the total gross floor area of the property will be approximately 3,524.82 sq.m. (37,941 sq.ft.).</p> <p>The property is held under various Government Leases for terms of 999 years and the commencement of lease term and Government rent per annum are as follows:</p> <table border="1"> <thead> <tr> <th>Lot No.</th> <th>Commencement of Lease Term</th> <th>Government Rent</th> </tr> </thead> <tbody> <tr> <td>M.L. 9B</td> <td>15 January 1852</td> <td>£5.12s 4D</td> </tr> <tr> <td>I.L. 871 sA</td> <td>26 June 1843</td> <td>HK\$12.6</td> </tr> <tr> <td>I.L. 872</td> <td>26 June 1843</td> <td>HK\$21.54</td> </tr> </tbody> </table>	Lot No.	Commencement of Lease Term	Government Rent	M.L. 9B	15 January 1852	£5.12s 4D	I.L. 871 sA	26 June 1843	HK\$12.6	I.L. 872	26 June 1843	HK\$21.54	HK\$222,000,000
Lot No.	Commencement of Lease Term	Government Rent													
M.L. 9B	15 January 1852	£5.12s 4D													
I.L. 871 sA	26 June 1843	HK\$12.6													
I.L. 872	26 June 1843	HK\$21.54													

Notes:

- (1) The registered owner of the property is Excel Chinese International Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Debenture in favour of Hang Seng Bank Limited.
- (3) According to the information provided by the Group, the total estimated construction cost as at 30 June 2010 was about HK\$72,000,000 and the cost expended up to 30 June 2010 was about HK\$49,000,000. We have taken into account such amounts in our valuation.
- (4) The capital value of the property when completed as at 30 June 2010 was HK\$290,000,000.
- (5) The property is zoned for "Commercial" uses under Sai Ying Pun & Sheung Wan Outline Zoning Plan No. S/H3/24.

VALUATION CERTIFICATE

Group II – Properties held by the Group under development in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
10. Cosmo Kowloon Hotel, Nos. 35-43 Ivy Street (now known as No. 88 Tai Kok Tsui Road), Tai Kok Tsui, Kowloon Kowloon Inland Lot No. 8050	<p>The property comprises a 25-storey hotel providing a total of 285 rooms which came into operation in July 2010.</p> <p>The property has a total gross floor area of approximately 6,224.62 sq.m. (67,002 sq.ft.).</p> <p>The registered site area of the property is about 513.56 sq.m. (5,528 sq.ft.).</p> <p>The property is held under Conditions of Sale No. 6812 for a term of 75 years from 28 August 1961 and renewable for a further term of 75 years. The current Government rent payable for the lot is HK\$254 per annum.</p>	<p>The property has been in operation since July 2010. However, as at the date of valuation the property was still under internal decoration and fitting out.</p>	HK\$537,000,000

Notes:

- (1) The registered owner of the property is Ruby Way Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Debenture and Mortgage to secure all moneys in respect of general banking facilities in favour of The Hong Kong and Shanghai Banking Corporation Limited.
- (3) According to the information provided by the Group, the total estimated construction cost as at 30 June 2010 was about HK\$110,000,000 and the cost expended up to 30 June 2010 was about HK\$108,000,000. We have taken into account such amounts in our valuation.
- (4) The capital value of the property when completed as at 30 June 2010 was HK\$539,000,000.
- (5) The property is zoned for "Other Specified Uses (Business)" uses under Mongkok Outline Zoning Plan No. S/K3/27.
- (6) The property is granted with a licence as a hotel/guesthouse from 16 July 2010 to 15 July 2011 under the Hotel and Guesthouse Accommodation Ordinance, Cap.349 by the Hotel and Guesthouse Accommodation Authority.

VALUATION CERTIFICATE

Group II – Properties held by the Group under development in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
11. Project under development to be known as "Dorsett Regency Kwun Tong, Hong Kong", No. 84 Hung To Road, Kwun Tong, Kowloon Kwun Tong Inland Lot No. 162	<p>The property comprises a hotel to be developed upon a parcel of land with a registered site area of about 929.02 sq.m. (10,000 sq.ft.). The property will provide 380 guest rooms and is scheduled to be completed in September 2011.</p> <p>Upon completion, the total gross floor area of the property will be approximately 11,081.06 sq.m. (119,277 sq.ft.).</p> <p>The property is held under a Government Lease for a term of 21 years from 1 July 1959 which has been renewed for a further term of 17 years less the last 3 days thereof. The term has been statutorily extended until 30 June 2047. The current Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.</p>	The property is under construction.	HK\$426,000,000

Notes:

- (1) The registered owner of the property is Everkent Development Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Debenture and a Floating Charge and an Assignment of Revenue in favour of Wing Hang Bank, Limited.
- (3) According to the information provided by the Group, the total estimated construction cost as at 30 June 2010 was about HK\$210,000,000 and the cost expended up to 30 June 2010 was about HK\$68,000,000. We have taken into account such amounts in our valuation.
- (4) The capital value of the property when completed as at 30 June 2010 was HK\$673,000,000.
- (5) The property is zoned for "Other Specified uses (Business)" uses under Kwun Tong South Outline Zoning Plan No. S/K14S/16.

VALUATION CERTIFICATE

Group II – Properties held by the Group under development in Hong Kong

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
12. Project under development to be known as "Dorset Regency Kwai Chung, Hong Kong", No. 659 Castle Peak Road, Kwai Chung, New Territories Kwai Chung Town Lot No. 193	<p>The property comprises an industrial building which is erected on a parcel of land with a registered site area of about 2,322.56 sq.m. (25,000 sq.ft.).</p> <p>The property was completed in 1981 and is currently under redevelopment. According to the Group, the property is planned to be redeveloped into a hotel providing 506 guest rooms. The property is scheduled to be completed in October 2011.</p> <p>Upon completion, the total gross floor area of the property will be approximately 19,944.28 sq.m. (214,680 sq.ft.).</p> <p>The property is held under New Grant No. 4841 for a term of 99 years from 1 July 1898 less the last 3 days thereof. The term has been statutorily extended until 30 June 2047. The current Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.</p>	The property is under redevelopment.	HK\$270,000,000

Notes:

- (1) The registered owner of the property is Panley Limited, a wholly owned subsidiary of the Company.
- (2) The property is subject to a Legal Charge in favour of Wing Hang Bank Limited.
- (3) According to the information provided by the Group, the total estimated construction cost as at 30 June 2010 was about HK\$261,000,000 and the cost expended up to 30 June 2010 was about HK\$22,000,000. We have taken into account such amounts in our valuation.
- (4) The capital value of the property when completed as at 30 June 2010 was HK\$962,000,000.
- (5) The property is zoned for "Other Specified Uses (Business)" uses under Kwai Chung Outline Zoning Plan No. S/KC/23.
- (6) The Group has made an application for modification of the Government Lease to permit redevelopment of the property into the proposed hotel.

VALUATION CERTIFICATE

Group III – Properties held by the Group for investment in the PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
13. A portion of the retail podium (levels 1, 3 and 4) of Yue Hotel Shanghai, Nos. 796 and 800 Huamu Road, Pudong New Area, Shanghai, the PRC	<p>The property comprises portions of a development with a 4-storey retail podium and a 18-storey hotel building. They were completed in 2000 and 2008 respectively.</p> <p>The property comprises levels 1, 3 and 4 of the retail podium with a total gross floor area of approximately 1,779.36 sq.m. (19,153 sq.ft.)</p> <p>The land use rights of the property have been granted for a term from 24 February 2009 to 28 September 2044 for commercial (hotel) use.</p>	Portions of the property with a gross floor area of 392 sq.m. (4,219 sq.ft.) are leased to 2 tenants with the latest term expiring on 30 October 2019 at a total monthly rent of approximately RMB68,700.	RMB29,000,000 (equivalent to approximately HK\$33,350,000)

Notes:

- (1) According to Shanghai Certificate of Real Estate Ownership No. Hu Fang Di Pu Zi (2009) Di 012208 issued by Shanghai Housing and Land Resources Administration Bureau on 9 March 2009, the land use rights and building ownership of the development, comprising a total site area of approximately 3,990 sq.m. and a total gross floor area of approximately 18,149.49 sq.m., have been vested in Ching Chu (Shanghai) Real Estate Development Co., Ltd. (錦秋(上海)置業發展有限公司), a wholly owned subsidiary of the Company, for a term from 24 February 2009 to 28 September 2044 for commercial (hotel) use.

As advised by the Group, the property comprises portions of the development with a gross floor area of approximately 1,779.36 sq.m. as stated in the above Shanghai Certificate of Real Estate Ownership.

- (2) According to Business Licence No. 0370671 dated 21 June 2007, Ching Chu (Shanghai) Real Estate Development Co., Ltd. was established as a limited liability company on 20 January 2000 with a registered capital of USD5,000,000 (with a paid-up capital of USD5,000,000) for a valid operation period from 20 January 2000 to 19 January 2015.
- (3) According to Certificate of Approval for Establishment of Enterprises with Foreign Investment in the People's Republic of China No. Shang Wan Zi Hu Du Zi Zi (1999) 1447 dated 15 July 2010, the registered capital of Ching Chu (Shanghai) Real Estate Development Co., Ltd. has been increased to USD16,000,000.
- (4) We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser which contains, *inter-alia*, the following information:
- (i) Ching Chu (Shanghai) Real Estate Development Co., Ltd. lawfully owns the land use rights and building ownership of the property and is entitled to occupy and use the property;
- (ii) The property is subject to a mortgage in favour of Agricultural Bank of China, Shanghai Fengxian Branch. Ching Chu (Shanghai) Real Estate Development Co., Ltd. will be entitled to lease, transfer and mortgage the property or to dispose of the property by other lawful means after it has obtained the mortgagee's prior consent; and
- (iii) The tenancy contracts are legal, valid and binding on both parties under PRC laws.
- (5) The status of the title and grant of major approvals and licences in accordance with the information provided by the Group are summarised as follows:

Certificate of Real Estate Ownership
Business Licence

Yes
Yes

VALUATION CERTIFICATE

Group III – Properties held by the Group for investment in the PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
14. Retail portion (portion of level 1, mezzanine level 1, level 2, mezzanine level 2, and levels 3 to 7 and 9) and office portion (portion of level 10, and whole of levels 17 and 18) of Hongkong and Macao Center, No. 118 Jiangnan Road, Jiangnan District, Wuhan City, Hubei Province, the PRC	<p>Hongkong and Macao Center comprises a 19-storey composite building with basement erected upon a parcel of land with a site area of 5,338.89 sq.m. (57,468 sq.ft.) completed in 2000.</p> <p>The property comprises the retail and office portions with a total gross floor area of 38,406.83 sq.m. (413,411 sq.ft.).</p> <p>The land use rights of the property have been granted for a term due to expire on 15 July 2043 for composite use.</p>	<p>Portions of the property with a gross floor area of 31,870.30 sq.m. (328,542 sq.ft.) are leased to various tenants with the latest term expiring on 30 November 2021.</p> <p>A portion of the property with a gross floor area of 100 sq.m. (1,076 sq.ft.) is leased to Wuhan Li Yue Hotel Management Co., Ltd. (武漢麗悅酒店管理有限公司), a wholly owned subsidiary of the Company, for a term of 20 years from 1 April 2009 to 31 March 2029.</p> <p>The remaining portion of the property is vacant.</p>	RMB291,000,000 (equivalent to approximately HK\$334,650,000)

Notes:

- (1) According to 13 Building Ownership Certificates issued by Wuhan Municipal State-owned Land Resources and Housing Administrative Bureau (武漢市國土資源和房產管理局) on 29 November 2007, the building ownership of the property located at Hongkong and Macao Center, No. 118 Jiangnan Road, Jiangnan District, has been vested in Wuhan Far East Dorsett Hotel Management Co., Ltd. (武漢遠東帝豪酒店管理有限公司), a wholly owned subsidiary of the Company. The details of the gross floor area of the property are as follows:

Certificate No.	Level	Gross Floor Area (sq.m.)
Wu Fang Quan Zheng Shi Zi Di No. 2007029525	1 (unit 1001)	393.00
Wu Fang Quan Zheng Shi Zi Di No. 2007029527	1 (unit 1002)	2,794.45*
	mezzanine level 1	1,524.38
Wu Fang Quan Zheng Shi Zi Di No. 2007029529	2	3,596.64
	mezzanine level 2	3,056.98
Wu Fang Quan Zheng Shi Zi Di No. 2007029530	3	3,931.16
Wu Fang Quan Zheng Shi Zi Di No. 2007029531	4	3,928.40
Wu Fang Quan Zheng Shi Zi Di No. 2007029536	5	3,928.40
Wu Fang Quan Zheng Shi Zi Di No. 2007029516	6	3,928.40
Wu Fang Quan Zheng Shi Zi Di No. 2007029517	7	3,556.98
Wu Fang Quan Zheng Shi Zi Di No. 2007029519	9	3,663.57
Wu Fang Quan Zheng Shi Zi Di No. 2007029521	10	3,634.63*
Wu Fang Quan Zheng Shi Zi Di No. 2007029546	17	1,084.47
Wu Fang Quan Zheng Shi Zi Di No. 2007029547	18	589.40

- * The property comprises portions of Levels 1 (Unit 1002) and 10 with gross floor areas of 2,489.08 sq.m. and 2,735.97 sq.m. respectively.

- (2) According to State-owned Land Use Rights Certificate No. Wu Guo Yong (2008) Di No. 88 dated 28 February 2008, issued by Wuhan Municipal People's Government (武漢市人民政府), the land use rights of Plot No.

A14050007 at No. 118 Jiangnan Road Jiangnan District with a site area of approximately 5,338.89 sq.m. have been vested in Wuhan Far East Dorsett Hotel Management Co., Ltd. (武漢遠東帝豪酒店管理有限公司) for a term due to expire on 15 July 2043 for composite use.

- (3) According to Business Licence No. 420100400000141, Wuhan Far East Dorsett Hotel Management Co., Ltd. (武漢遠東帝豪酒店管理有限公司) was established with a registered capital of USD29,800,000 for a valid operation period from 25 June 2007 to 25 June 2037.
- (4) We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser which contains, *inter-alia*, the following information:
- (i) Wuhan Far East Dorsett Hotel Management Co., Ltd. lawfully owns the land use rights and building ownership of the property and is entitled to occupy and use the property;
- (ii) The property is subject to a mortgage in favour of DBS Bank (China) Limited (Guangzhou Branch). Wuhan Far East Dorsett Hotel Management Co., Ltd. will be entitled to lease, transfer, and mortgage the property or to dispose of the property by other lawful means after it has obtained the mortgagee's prior consent; and
- (iii) The tenancy contracts are legal, valid and binding on both parties under PRC laws.
- (5) The status of title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Building Ownership Certificate	Yes
State-owned Land Use Rights Certificate	Yes
Business Licence	Yes

VALUATION CERTIFICATE

Group IV – Hotel properties owned and operated by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
15. Wuhan Cosmopolitan Hotel (portions of basement and level 1, whole of level 8, portion of level 10, levels 11 to 16 and car park (portion of basement) of Hongkong and Macao Center), No. 118 Jiangnan Road, Jiangnan District, Wuhan City, Hubei Province, the PRC	<p>Hongkong and Macao Center comprises a 19-storey composite building with basement erected on a parcel of land with a site area of 5,338.89 sq.m. (57,468 sq.ft.) completed in 2000.</p> <p>The property comprises the hotel portion of the building with a gross floor area of 28,899.82 sq.m. (311,078 sq.ft.) providing 384 guest rooms.</p> <p>The land use rights of the property have been granted for a term expiring on 15 July 2043 for composite use.</p>	The property is operated by the Group as a hotel.	RMB378,000,000 (equivalent to approximately HK\$434,700,000)

Notes:

- (1) According to 10 Building Ownership Certificates issued by Wuhan Municipal Stated-owned Land Resources and Housing Administrative Bureau (武漢市國土資源和房產管理局) on 29 November 2007, the building ownership of the property located at Hongkong and Macao Center, No. 118 Jiangnan Road, Jiangnan District, has been vested in Wuhan Far East Dorsett Hotel Management Co., Ltd. (武漢遠東帝豪酒店管理有限公司) a wholly owned subsidiary of the Company. The details of the gross floor area of the property are as follows:

Certificate No.	Level	Gross Floor Area (sq.m.)
Wu Fang Quan Zheng Shi Zi Di No. 2007029523	basement	3,422.82
Wu Fang Quan Zheng Shi Zi Di No. 2007029527	1 (Unit 1002)	2,794.45*
Wu Fang Quan Zheng Shi Zi Di No. 2007029518	8	3,589.41
Wu Fang Quan Zheng Shi Zi Di No. 2007029521	10	3,634.63*
Wu Fang Quan Zheng Shi Zi Di No. 2007029534	11	3,447.26
Wu Fang Quan Zheng Shi Zi Di No. 2007029541	13	3,447.26
Wu Fang Quan Zheng Shi Zi Di No. 2007029539	14	3,447.26
Wu Fang Quan Zheng Shi Zi Di No. 2007029538	12	3,447.26
Wu Fang Quan Zheng Shi Zi Di No. 2007029542	15	3,447.26
Wu Fang Quan Zheng Shi Zi Di No. 2007029544	16	3,447.26

- * The property comprises portions of Levels 1 (Unit 1002) and 10 with gross floor areas of 305.37 sq.m. and 898.66 sq.m. respectively.

- (2) According to State-owned Land Use Rights Certificate No. Wu Guo Yong (2008) Di No. 88 dated 28 February 2008 issued by Wuhan Municipal People's Government (武漢市人民政府), the land use rights of Plot No. A14050007 at No. 118 Jiangnan Road Jiangnan District with a site area of approximately 5,338.89 sq.m. have been vested in Wuhan Far East Dorsett Hotel Management Co., Ltd. (武漢遠東帝豪酒店管理有限公司) for a term due to expire on 15 July 2043 for composite use.

- (3) According to Business Licence No. 420100400000141, Wuhan Far East Dorsett Hotel Management Co., Ltd. (武漢遠東帝豪酒店管理有限公司) was established with a registered capital of USD29,800,000 for a valid operation period from 25 June 2007 to 25 June 2037.
- (4) We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser which contains, *inter-alia*, the following information:
- (i) Wuhan Far East Dorsett Hotel Management Co., Ltd. lawfully owns the land use rights and building ownership rights of the property and is entitled to occupy and use the property; and
 - (ii) The property is subject to a mortgage in favour of DBS Bank (China) Limited (Guangzhou Branch). Wuhan Far East Dorsett Hotel Management Co., Ltd. will be entitled to lease, transfer and mortgage the property or to dispose of the property by other lawful means after it has obtained the mortgagee's prior consent.
- (5) The status of title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Building Ownership Certificate	Yes
State-owned Land Use Rights Certificate	Yes
Business Licence	Yes

VALUATION CERTIFICATE

Group IV – Hotel properties owned and operated by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
16. Hotel portion (levels 1 to 18 of No. 796 Huamu Road and level 2 of No. 800 Huamu Road) and underground car parks of Yue Hotel Shanghai, Nos. 796 and 800 Huamu Road, Pudong New District, Shanghai, the PRC	<p>The property comprises portions of a development with a 4-storey retail podium and a 18-storey hotel building. They were completed in 2000 and 2008 respectively.</p> <p>The property comprises level 2 of the retail podium, arcade on the first floor, underground car parks and the hotel portion of the development with a gross floor area of 14,014.27 sq.m. (150,850 sq.ft.) providing 264 rooms which was completed in 2008.</p> <p>The land use rights of the property have been granted for a term from 24 February 2009 to 28 September 2044 for commercial (hotel) use.</p>	The property is operated by the Group as a hotel.	RMB418,000,000 (equivalent to approximately HK\$480,700,000)

Notes:

- (1) According to Shanghai Certificate of Real Estate Ownership No. Hu Fang Di Pu Zi (2009) Di 012208 issued by Shanghai Housing and Land Resources Administration Bureau on 9 March 2009, the land use rights and building ownership of the development, comprising a total site area of approximately 3,990 sq.m. and a total gross floor area of approximately 18,149.49 sq.m., have been vested in Ching Chu (Shanghai) Real Estate Development Co., Ltd. (錦秋(上海)置業發展有限公司), a wholly owned subsidiary of the Company, for a term from 24 February 2009 to 28 September 2044 for commercial (hotel) use.

As advised by the Group, the property comprises portions of the development with a gross floor area of 14,014.27 sq.m. as stated in the above Shanghai Certificate of Real Estate Ownership.

- (2) According to Business Licence No. 0370671 dated 21 June 2007, Ching Chu (Shanghai) Real Estate Development Co., Ltd. was established as a limited liability company on 20 January 2000 with a registered capital of USD5,000,000 (with a paid-up capital of USD5,000,000) for a valid operation period from 20 January 2000 to 19 January 2015.
- (3) According to Certificate of Approval for Establishment of Enterprises with Foreign Investment in the People's Republic of China No. Shang Wan Zi Hu Du Zi Zi (1999) 1447 dated 15 July 2010, the registered capital of Ching Chu (Shanghai) Real Estate Development Co., Ltd. has been increased to USD16,000,000.

(4) We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser which contains, *inter-alia*, the following information:

(i) Ching Chu (Shanghai) Real Estate Development Co., Ltd. lawfully owns the land use rights and building ownership of the property and is entitled to occupy and use the property; and

(ii) The property is subject to a mortgage in favour of Agricultural Bank of China Shanghai Fengxian Branch. Ching Chu (Shanghai) Real Estate Development Co., Ltd. will be entitled to lease, transfer and mortgage the property or to dispose of the property by other lawful means after it has obtained the mortgagee's prior consent.

(5) The status of the title and grant of major approvals and licences in accordance with the information provided by the Group are summarised as follows:

Certificate of Real Estate Ownership	Yes
Business Licence	Yes

VALUATION CERTIFICATE

Group V – Property held by the Group under development in the PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010								
17. Project under development to be known as "Hotel Kosmopolito City Centre, Chengdu", Nos. 124-177 Xiyulong Road, Qingyang District, Chengdu, Sichuan Province, the PRC	<p>The property comprises a hotel to be developed upon a parcel of land with a total site area of approximately 5,865.62 sq.m. (63,138 sq.ft.).</p> <p>The property has a total planned gross floor area of approximately 67,616.94 sq.m. (727,829 sq.ft.) with details as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Planned Portion</th> <th style="text-align: right;">Approximate Planned Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Above ground</td> <td style="text-align: right;">51,478.41</td> </tr> <tr> <td style="text-align: left;">Under ground</td> <td style="text-align: right;"><u>16,138.53</u></td> </tr> <tr> <td style="text-align: left;">Total:</td> <td style="text-align: right;"><u><u>67,616.94</u></u></td> </tr> </tbody> </table> <p>According to the Group, the property is scheduled to be completed in the 4th quarter of 2010.</p> <p>The land use rights of the property have been granted for a term expiring on 22 September 2047 for hotel and restaurant uses.</p>	Planned Portion	Approximate Planned Gross Floor Area (sq.m.)	Above ground	51,478.41	Under ground	<u>16,138.53</u>	Total:	<u><u>67,616.94</u></u>	The property is under construction.	RMB620,000,000 (equivalent to approximately HK\$713,000,000)
Planned Portion	Approximate Planned Gross Floor Area (sq.m.)										
Above ground	51,478.41										
Under ground	<u>16,138.53</u>										
Total:	<u><u>67,616.94</u></u>										

Notes:

- (1) Pursuant to State-owned Land Use Rights Certificate Cheng Guo Yong (2009) Di No. 156 dated 19 February 2009, the land use rights of a parcel of land with a site area of approximately 5,865.62 sq.m. have been vested in Far East Dorsett Hotel Management (Cheng Du) Co., Ltd. (遠東帝豪酒店管理(成都)有限公司), a wholly owned subsidiary of the Company, for a term expiring on 22 September 2047 for hotel and restaurant uses.
- (2) According to the survey report of real estate prepared by Sichuan Survey Technology Service Centre, the gross floor area of the property is approximately 67,616.94 sq.m.
- (3) According to Construction Land Planning Permit Cheng Gui Guan (2000) Di No. 1522 issued by Chengdu Urban Planning Bureau on 14 August 2000, the proposed construction land use of the property complies with the town planning requirements and permission for construction of the land is granted.
- (4) According to Planning Permit for Construction Works No. Cheng Gui Guan (2000) Di No. 1544 issued by Chengdu Urban Planning Bureau on 14 July 2000, the construction works with a gross floor area of 85,000 sq.m. are in compliance with the construction works requirements and have been permitted.

- (5) According to Chengdu Permit for Commencement of Construction Works No. Cheng Jian Shi Jian Zi (1998) No. 0206 issued by Chengdu Construction Committee on 18 September 2000, the construction works with a gross floor area of 85,000 sq.m. are in compliance with the requirements for commencement of works and have been permitted.
- (6) According to Business Licence No. 510100400020507 《企業法人營業執照》, Far East Dorsett Hotel Management (Cheng Du) Co., Ltd. was established on 30 October 2006 as a limited company with a registered capital of USD38,000,000.
- (7) According to the information provided by the Group, the total estimated construction cost as at 30 June 2010 was about RMB483,000,000 and the cost expended up to 30 June 2010 was about RMB339,000,000. We have taken into account such amount in our valuation.
- (8) The capital value of the property when completed as at 30 June 2010 was RMB900,000,000 (equivalent to approximately HK\$1,035,000,000).
- (9) We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser which contains, *inter-alia*, the following information:
- (i) Far East Dorsett Hotel Management (Cheng Du) Co., Ltd. lawfully owns the land use rights of the property and is entitled to occupy and use the property; and
 - (ii) The property is subject to a mortgage in favour of HSBC Bank (China) Company Limited (Chengdu Branch) and Far East Dorsett Hotel Management (Cheng Du) Co., Ltd. will be entitled to lease, transfer and mortgage the property or to dispose of the property by other lawful means after it has obtained the mortgagee's prior consent.
- (10) The status of title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Business Licence	Yes

VALUATION CERTIFICATE

Group VI – Property contracted to be acquired by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010												
18. Dorsett Regency CBD, Zhongshan, Xintiecheng Hotel Block A, No. 107 Zhongshan First Road, West District, Zhongshan, Guangdong Province, the PRC	<p>The property comprises a 31-storey hotel erected on a 9-storey podium which is under renovation and scheduled to commence operation in September 2011.</p> <p>Upon renovation, the property will provide a total gross floor area of approximately 42,463.00 sq.m. (457,072 sq.ft.) with details as follows:</p> <table border="1"> <thead> <tr> <th>Portion</th> <th>Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>13,607.00</td> </tr> <tr> <td>Hotel</td> <td>26,103.00</td> </tr> <tr> <td>Others</td> <td>1,108.00</td> </tr> <tr> <td>Basement</td> <td><u>1,645.00</u></td> </tr> <tr> <td>Total:</td> <td><u><u>42,463.00</u></u></td> </tr> </tbody> </table> <p>The land use rights of the property have been agreed to be transferred to the Group.</p>	Portion	Gross Floor Area (sq.m.)	Commercial	13,607.00	Hotel	26,103.00	Others	1,108.00	Basement	<u>1,645.00</u>	Total:	<u><u>42,463.00</u></u>	The property is under renovation.	No commercial value
Portion	Gross Floor Area (sq.m.)														
Commercial	13,607.00														
Hotel	26,103.00														
Others	1,108.00														
Basement	<u>1,645.00</u>														
Total:	<u><u>42,463.00</u></u>														

Notes:

- (1) In the course of our valuation, we have ascribed no commercial value to the property as the Certificate of Real Estate Ownership had not been obtained by the Group. Had the valid Certificate of Real Estate Ownership been issued to the Group and all land premium and related fees for the grant of the certificate been fully settled, the market value of the property as at the valuation date would be RMB220,000,000 (equivalent to approximately HK\$253,000,000).
- (2) According to Guangdong Certificate of Real Estate Ownership No. 4851081 issued by the People's Government of Guangdong on 30 April 1997, the land use rights and building ownership of the property, comprising a total gross floor area of approximately 42,635.336 sq.m., have been vested in Industrial and Commercial Bank of China, Zhongshan Branch.
- (3) According to the Foshan Auction Confirmation 08-02 entered into between Foshan Fajian Auction Limited (Party A) and Ching Chu (Shanghai) Property Development Co., Ltd. (上海錦秋房地產有限公司), a wholly owned subsidiary of the Company (Party B) dated 29 January 2008, the subject building ownership under the Real Estate Ownership No. 4851081 (Block A of Xintiecheng Hotel Zhongshan) with a total gross floor area of 42,635.336 sq.m. is auctioned by Party A and agreed to be sold to Party B at a price of RMB121,500,000 while the land use rights of the property are still vested in Industrial and Commercial Bank of China, Zhongshan Branch.

- (4) According to Certificate of Approval for Establishment of Enterprises with Foreign Investment in the People's Republic of China No. Shang Wan Zi Hu Du Zi Zi (1999) 1447 dated 15 July 2010, the registered capital of Ching Chu (Shanghai) Real Estate Development Co., Ltd. has been increased to USD16,000,000.
- (5) According to Business Licence No. 310000400169600 dated 5 September 2007, Ching Chu (Shanghai) Property Development Co., Ltd. was established as a limited liability company on 24 April 1997 with a registered capital of USD17,000,000 for a valid operation period from 24 April 1997 to 23 April 2067.
- (6) We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser which contains, *inter-alia*, the following information:
- (i) A portion of the auction price being RMB95,000,000 has been paid. The balance of the auction price being RMB26,500,000 has not been fully settled; and
- (ii) Ching Chu (Shanghai) Property Development Co., Ltd. will transfer the property to Ching Chu (Shanghai) Real Estate Development Co., Ltd. (錦秋(上海)置業發展有限公司) After obtaining the Certificate of Real Estate Ownership, Ching Chu (Shanghai) will own the building ownership of the property and is entitled to occupy, use, lease, transfer and mortgage the property or to dispose of the property by other lawful means.
- (7) The status of the title and grant of major approvals and licences in accordance with the information provided by the Group are summarised as follows:

Auction Confirmation	Yes
Business Licence	Yes

VALUATION CERTIFICATE

Group VII – Property held by the Group for future development in Singapore

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2010
19. Land Lots 777W and 782P, Town Subdivision (TS) 5 at New Bridge Road, Singapore	<p>The subject property comprises a development site with a total site area of 4,650.40 sq.m. (50,057 sq.ft.) upon which a 10-storey hotel providing 285 guest rooms and a 6-storey residential block providing 68 units are proposed to be developed.</p> <p>Upon completion, the total gross floor area of the property will be approximately 16,536.68 sq.m. (178,001 sq.ft.).</p> <p>The term of lease of the property is 99 years with effect from 7 December 2009.</p>	The property is currently a vacant site.	SGD85,000,000 (equivalent to approximately HK\$472,600,000)

Notes:

- (1) The registered owner of the property is Tang Hotel Investments Pte Ltd., a wholly owned subsidiary of the Company.
- (2) Caveats IB/633521L and IB/633519E have been lodged by The Hongkong And Shanghai Banking Corporation Limited against Part of Lot 782P TS 5 on 9 December 2009 and 10 December 2009 respectively.
- (3) Caveat IB/633520B has been lodged by The Hongkong and Shanghai Banking Corporation Limited against Lot 777W TS 5 on 10 December 2009.

VALUATION CERTIFICATE

Group VIII – Properties leased by the Group in the PRC

			Capital value in existing state as at 30 June 2010
Property	Description and particulars of occupancy		
20. Unit 05, 16th Floor, Luoma International Plaza, No. 210 West Yulong Street, Qingyang District, Chengdu, Sichuan Province, the PRC	<p>The property comprises an office unit on 16th floor of Luoma International Plaza.</p> <p>The property has a gross floor area of 63 sq.m. (678 sq.ft.).</p> <p>The property is currently leased by the Group from an independent third party for a term from 9 September 2010 to 31 January 2011 at a monthly rent of RMB1,386.22 for office use. The lease was renewed for a term from 9 September 2010 to 31 January 2011 at a monthly rent of RMB1,386.22.</p> <p>According to the PRC legal opinion, the lease is legal and valid and non-registration of the lease will not affect its validity.</p>		No commercial value
21. Units 07, 08 and 09, 16th Floor, Luoma International Plaza, No. 210 West Yulong Street, Qingyang District, Chengdu, Sichuan Province, the PRC	<p>The property comprises two office units on 16th floor of Luoma International Plaza.</p> <p>The property has a total gross floor area of 210 sq.m. (2,260 sq.ft.).</p> <p>The property is currently leased by the Group from an independent third party for a term from 1 August 2010 to 31 January 2011 at a monthly rent of RMB4,620 for office use. The lease was renewed for a term from 1 August 2010 to 31 January 2011 at a monthly rent of RMB4,620. Unit 07 is replaced by Unit 02 in the renewed term.</p> <p>According to the PRC legal opinion, the lease is legal and valid and non-registration of the lease will not affect its validity.</p>		No commercial value
22. Unit 1202, Block C, Wanhe Yuan, No. 1 Babao Street, Qingyang District, Chengdu, Sichuan Province, the PRC	<p>The property comprises a residential unit on the 12th floor of a 29-storey residential building with a gross floor area of 128.10 sq.m. (1,379 sq.ft.) completed in 2001.</p> <p>The property is currently leased by the Group from an independent third party for a term from 1 March 2010 to 28 February 2011 at a monthly rent of RMB2,400 for residential use.</p> <p>According to the PRC legal opinion, as the landlord has not provided any proof of ownership or his right to let the property, there is a risk of the tenancy agreement being early terminated if a third party asserts his right.</p>		No commercial value

Group IX – Property leased by the Group in Singapore

	Property	Description and particulars of occupancy	Capital value in existing state as at 30 June 2010
23.	350 Orchard Road, Unit No. #21-07, 5 Shaw House, Singapore	<p>The property comprises an office unit on 21st floor with a gross floor area of 106.19 sq.m. (1,143 sq.ft.).</p> <p>The property is currently leased by the Group from an independent third party for a term of 2 years from 1 April 2010 to 31 March 2012 at a monthly rent of SGD6,400.80 and a monthly service charge of SGD1,371.60.</p> <p>The Group has an option to renew for a period of one year.</p>	No commercial value