

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 Jones Lang LaSalle Sallmanns Limited, an independent valuer, in connection with its valuation as at August 31, 2010 of the property interests of the Group.



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Licence No: C-030171

November 3, 2010

The Board of Directors
Leoch International Technology Limited
5/F, Xin Bao Hui Building
No. 2061 Nanhai Avenue
Nanshan District
Shenzhen City, Guangdong Province
PRC

Dear Sirs,

In accordance with your instructions to value the properties in which Leoch International Technology Limited (the "Company") and its subsidiaries (hereinafter together referred to as the "Group") have interests in the People's Republic of China (the "PRC") and overseas countries, 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 values of the property interests as at August 31, 2010 (the "date of valuation").

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

We have valued the property interest of property no. 4 in Group I by direct comparison approach assuming sale of the property interest in its existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the relevant market.

Where, due to the nature of the buildings and structures of property nos. 1 to 3 in Group I and the particular locations in which they are situated, there are unlikely to be relevant market comparable sales readily available. The property interests have therefore been valued on the basis of their depreciated replacement cost.

Depreciated replacement cost is defined as "the current cost of replacing an asset with its modern equivalent asset 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 cost of the property interest is subject to adequate potential profitability of the concerned business.

We have attributed no commercial value to the property interests in Groups II and III, which are leased by the Group, due either to the short-term nature of the lease or the prohibition against assignment or sub-letting or otherwise due to the lack of substantial profit rent.

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

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

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

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

We have been shown copies of various title documents including State-owned Land Use Rights Certificate, Building Ownership Certificates, Real Estate Title Certificates and official plans relating to the property interests and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal advisers – Zhong Lun Law Firm, concerning the validity of the property interests in the PRC.

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

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

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

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

Our valuation is summarized below and the valuation certificates are attached.

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

Note: Paul L. Brown is a Chartered Surveyor who has 27 years' experience in the valuation of properties in the PRC and 30 years of property valuation experience in Hong Kong and the United Kingdom, as well as relevant experience in the Asia-Pacific region and the United States of America.

SUMMARY OF VALUES

Group I – Property interests held and occupied by the Group in the PRC

No.	Property	Capital value in existing state as at August 31, 2010 RMB	Interest attributable to the Group	Capital value attributable to the Group as at August 31, 2010 RMB
1.	3 parcels of land, various buildings and structures No. 398 Shenhua Avenue Jinhu County Huai'an City Jiangsu Province The PRC	85,052,000	100%	85,052,000
2.	A parcel of land, various buildings and structures No. 27 Gongye Avenue Hi-tech Industry Development Zone Zhaoqing City Guangdong Province The PRC	121,834,000	100%	121,834,000
3.	5 parcels of land, various buildings and structures located at the south of Nvzhen Road Economic Development Zone Suixi County Huaibei City Anhui Province The PRC	61,285,000	100%	61,285,000
4.	A parcel of land located at Nancheng Industrial Park Daping Village Tangxia Town Dongguan City Guangdong Province The PRC	6,000,000	100%	6,000,000
	Sub-total:	274,171,000		274,171,000

Group II – Property interests leased and occupied by the Group in the PRC

No.	Property	Capital value in existing state as at August 31, 2010 RMB	Interest attributable to the Group	Capital value attributable as at August 31, 2010 RMB
5.	An industrial building and a staff quarter located at Tongfuyu Industrial Zone Kukeng Village Guannan Town Bao'an District Shenzhen City Guangdong Province The PRC	No commercial value	100%	No commercial value
6.	3 industrial buildings located at Tongfuyu Industrial Zone Kukeng Village Guannan Town Bao'an District Shenzhen City Guangdong Province The PRC	No commercial value	100%	No commercial value
7.	Units E8, E9, E148 and E149 of the main building of Xin Bao Hui Building No. 2061 Nanhai Avenue Nanshan District Shenzhen City Guangdong Province The PRC	No commercial value	100%	No commercial value
8.	Unit 1002 on Level 10 of West Block of Jingrun Mansion No. Jia 28 Fuwai Avenue Beijing The PRC	No commercial value	100%	No commercial value
9.	Portion of Unit 901 on Level 9 of Tianzheng International Plaza No. 399 Zhongyang Road Nanjing City Jiangsu Province The PRC	No commercial value	100%	No commercial value

APPENDIX IV**PROPERTY VALUATION**

No.	Property	Capital value in existing state as at August 31, 2010	Interest attributable to the Group	Capital value attributable as at August 31, 2010
		RMB		RMB
10.	Unit 352 on Level 5 of Block 1 of West Mountain 3 rd Lane located at Chengxi District Xining City Qinghai Province The PRC	No commercial value	100%	No commercial value
11.	Unit 1403 on Level 14 of Entrance 1 of Block 3 of Section A of Lanyu located at Jinzhouwan Panlong District Kunming City Yunnan Province The PRC	No commercial value	100%	No commercial value
12.	An office unit on Level 2 of Block 3 No. 939 Haixu Road Pudong New District Shanghai The PRC	No commercial value	100%	No commercial value
	Sub-total:	Nil		Nil

Group III – Property interests leased and occupied by the Group in the overseas countries

No.	Property	Capital value in existing state as at August 31, 2010 RMB	Interest attributable to the Group	Capital value attributable as at August 31, 2010 RMB
13.	An industrial building known as 19751 Descartes Foothill Ranch located at County of Orange State of California The United States of America	No commercial value	100%	No commercial value
14.	Unit 12C on Level 2 of Wheatstone Court located at Waterwells Business Park Quedgeley Gloucestershire The United Kingdom	No commercial value	100%	No commercial value
15.	An office unit on Level 19 of an office building located at 14 Kitchener Link # 19-29 Singapore	No commercial value	100%	No commercial value
	Sub-total:	<u>Nil</u>		<u>Nil</u>
	Grand total:	<u><u>274,171,000</u></u>		<u><u>274,171,000</u></u>

Note:

- Subsequent to the date of valuation, the Group entered into a Tenancy Agreement with a connected party to rent a property in the PRC for office purpose. Please refer to page IV-26.

VALUATION CERTIFICATE

Group I – Property interests held and occupied by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB																								
1.	3 parcels of land, various buildings and structures No. 398 Shenhua Avenue Jinhu County Huai'an City Jiangsu Province The PRC	<p>The property comprises 3 parcels of land with a total site area of approximately 186,308 sq.m. and 31 buildings and various ancillary structures erected thereon which were completed in various stages between 2003 and 2009.</p> <p>The buildings have a total gross floor area of approximately 94,700.58 sq.m. and the details of uses and their respective gross floor areas are set out as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Use</th> <th style="text-align: center;">No. of Item</th> <th style="text-align: center;">Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Production</td> <td style="text-align: center;">9</td> <td style="text-align: right;">57,602.90</td> </tr> <tr> <td>Storage</td> <td style="text-align: center;">1</td> <td style="text-align: right;">7,273.99</td> </tr> <tr> <td>Office</td> <td style="text-align: center;">1</td> <td style="text-align: right;">2,807.90</td> </tr> <tr> <td>Staff quarters</td> <td style="text-align: center;">5</td> <td style="text-align: right;">19,430.36</td> </tr> <tr> <td>Canteen</td> <td style="text-align: center;">3</td> <td style="text-align: right;">4,477.94</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">12</td> <td style="text-align: right;">3,107.49</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">31</td> <td style="text-align: right;">94,700.58</td> </tr> </tbody> </table>	Use	No. of Item	Gross Floor Area (sq.m.)	Production	9	57,602.90	Storage	1	7,273.99	Office	1	2,807.90	Staff quarters	5	19,430.36	Canteen	3	4,477.94	Ancillary	12	3,107.49	Total	31	94,700.58	<p>The property is currently occupied by the Group for production, storage, office, staff quarter, canteen and ancillary purposes except for a building as referred to in note 6 which is leased to an independent third party.</p>	<p style="text-align: right;">85,052,000</p> <p style="text-align: right;">100% interest attributable to the Group: RMB85,052,000</p>
Use	No. of Item	Gross Floor Area (sq.m.)																										
Production	9	57,602.90																										
Storage	1	7,273.99																										
Office	1	2,807.90																										
Staff quarters	5	19,430.36																										
Canteen	3	4,477.94																										
Ancillary	12	3,107.49																										
Total	31	94,700.58																										
		<p>The structures mainly include road, sewage tanks, sedimentation basins, acid water pool, water wells, boundary fences and gates.</p> <p>The land use rights of the property have been granted for terms of 50 years expiring on May 22, 2053 and December 3, 2057 for industrial use.</p>																										

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract dated May 22, 2003 entered into between Jinhu County State-owned Land Resources Bureau and Leoch Technology (Jiangsu) Corp. (江蘇理士科技有限公司) (“Leoch Technology”), the land use rights of a parcel of land with a site area of approximately 133,334 sq.m. were contracted to be granted to Leoch Technology for industrial use. The total land premium was RMB13,333,400.
2. Pursuant to a State-owned Land Use Rights Grant Contract – Jin Tu Chu Gong 2007 Zi Di No. 003 dated December 3, 2007 entered into between Jinhu County State-owned Land Resources Bureau and Leoch Technology, the land use rights of a parcel of land with a site area of approximately 52,974 sq.m. were contracted to be granted to Leoch Technology for industrial use. The total land premium was RMB6,360,000.

As advised by the Company, Leoch Technology (Jiangsu) Corp. is the former name of Leoch Battery (Jiangsu) Corp. (“Jiangsu Leoch”, a wholly-owned subsidiary of the Company).
3. Pursuant to 3 State-owned Land Use Rights Certificates – Jin Guo Yong (2009) Di Nos. 2609 (“Land 1”), 0010 (“Land 2”) and Jin Guo Yong (2006) Di No. 2132 (“Land 3”), the land use rights of 3 parcels of land with a total site area of approximately 186,308 sq.m. have been granted to Jiangsu Leoch for terms of 50 years expiring on May 22, 2053 and December 3, 2057 for industrial use.
4. Pursuant to 12 Building Ownership Certificates – Fang Quan Zheng Jin Fang Zi Di Nos. 1757 and 1854, Jin Fang Fang Quan Zheng Jin Hu Xian Zi Di Nos. 200919359 to 200919362 and Fang Quan Zheng Jin Fang Zi Di Nos. 200806610 to 200806615, 13 buildings with a total gross floor area of approximately 90,850.44 sq.m. are owned by Jiangsu Leoch.
5. For the remaining 18 buildings of the property with a total gross floor area of approximately 3,850.14 sq.m., we have not been provided with any Building Ownership Certificates.
6. According to a Tenancy Agreement dated August 31, 2008, one of the 18 buildings of the property as referred to in note 5 with a lettable area of approximately 30 sq.m. was rented to China Construction Bank Limited Huai’an Branch (“Bank A”) from Jiangsu Leoch, for a term of 5 years commencing from August 31, 2008 and expiring on August 31, 2013 at an annual rent of RMB12,000, exclusive of management fees, water and electricity charges.
7. Pursuant to 2 Mortgage Contracts of Maximum Amount – 2006 Nian Jin Hu Di Zi Nos. 08-01-01 and 08-01-02 both dated August 1, 2006, the land use rights of Land 3 with a site area of approximately 54,679.00 sq.m. and 3 buildings with a total gross floor area of approximately 39,269.58 sq.m. erected thereon under the Building Ownership Certificates – Fang Quan Zheng Jin Fang Zi Di Nos. 1757 and 1854 were subject to mortgages in favour of Bank of China Limited Jinhu Branch (“Bank B”), as security to guarantee the principal obligation under a series of contracts entered into between Bank B and Leoch Technology for a maximum amount of RMB40,000,000 with the security term from August 1, 2006 to August 1, 2012.
8. Pursuant to a Mortgage Contract of Maximum Amount – 2009 Nian Jin Hu Di Zi No. 01-13-01 dated January 13, 2009, the land use rights of portion of Land 2 with a site area of approximately 11,754 sq.m. and 2 buildings with a total gross floor area of approximately 11,096.52 sq.m. erected thereon under the Building Ownership Certificates – Fang Quan Zheng Jin Fang Zi Di Nos. 200806610 and 200806612 were subject to a mortgage in favour of Bank B, as security to guarantee the principal obligation under a series of contracts entered into between Bank B and Jiangsu Leoch for a maximum amount of RMB10,000,000 with the security term from January 13, 2009 to January 13, 2012.
9. Pursuant to a Mortgage Contract of Maximum Amount – No. 2009001 dated January 20, 2009, the land use rights of the remaining portion of Land 2 with a site area of approximately 41,220 sq.m. and 4 buildings with a total gross floor area of approximately 23,264.90 sq.m. erected thereon under the Building Ownership Certificates – Fang Quan Zheng Jin Fang Zi Di Nos. 200806611 and 200806613 to 200806615 were subject to a mortgage in favour of China Construction Bank Limited Jinhu Branch (“Bank C”), as security to guarantee the principal obligation under a series of contracts entered into between Bank C and Jiangsu Leoch for a maximum amount of RMB23,000,000 with the security term from January 20, 2009 to January 19, 2012.
10. Pursuant to a Mortgage Contract of Maximum Amount – No. 2009041 dated November 27, 2009, the land use rights of Land 1 with a site area of approximately 78,655 sq.m. and 4 buildings with a total gross floor area of approximately 17,219.44 sq.m. erected thereon under the Building Ownership Certificates – Jin Fang Fang Quan Zheng Jin Hu Xian Zi Di Nos. 200919359 to 200919362 were subject to a mortgage in favour of Bank C, as security to guarantee the principal obligation under a series of contracts entered into between Bank C and Jiangsu Leoch for a maximum amount of RMB23,000,000 with the security term from November 27, 2009 to November 27, 2012.
11. In the valuation of this property, we have attributed no commercial value to the 18 buildings (as referred to in note 5) with a total gross floor area of approximately 3,850.14 sq.m. which have not obtained any Building Ownership Certificates. However, for reference purpose, we are of the opinion that the aggregate depreciated replacement cost of the buildings (excluding the land) as at the date of valuation would be RMB2,697,000 assuming the Building Ownership Certificates have been fully obtained and the buildings could be freely transferred.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, *inter alia*, the following:
 - a. The Group is legally, validly and wholly in possession of the land use rights of the property and the building ownership rights of the buildings as referred to in note 4 as the Group has obtained all the requisite approvals/permits/consent from the PRC Government and the relevant authorities and fulfilled the formality of the relevant registration;
 - b. The land parcels of the property and the buildings as referred to in note 4 erected thereon are free from any other mortgages, leases or other third party encumbrances except for being subject to the aforesaid Mortgage Contracts of Maximum Amount;
 - c. During the terms of the land use rights, the Group is entitled to lease, mortgage, transfer or by other legal means dispose of the land use rights of the property and the buildings as referred to in note 4 but is subject to the aforesaid Mortgage Contracts of Maximum Amount;
 - d. All the costs and the land premium in respect of the land use rights of the property and the building ownership rights of the building as referred to in note 4 have been properly settled in full, therefore, no more additional costs or land premium is required to be paid for obtaining the land use rights and building ownership rights;
 - e. The Group has not obtained the relevant construction permits of the buildings as referred to in note 5. The above-county level urban and rural planning authorities can demand for demolition of those buildings that are without obtaining relevant construction permits. For those buildings that cannot be demolished, the physical objects or illegal income derived will be confiscated, or the Group will be fined at an amount not exceeding 10 percent of the total construction cost of these buildings;
 - f. As agreed between Jiangsu Leoch and Bank A, if the Group is ordered to demolish such building as referred to in note 6 within a stipulated time limit, the Group does not need to bear the liability to Bank A for breaking of the tenancy agreement. As such building can be demolished, the penalty of confiscation of rent income is not applicable; and
 - g. According to 6 Building Ownership Certificates – Fang Quan Zheng Jin Fang Zi Di Nos. 200806610 to 200806615 as referred to in note 4, 6 buildings are constructed beyond the planned area at about 12.69 sq.m. Pursuant to a Confirmation Letter issued by Jinhua County Urban Planning Bureau, Jinhua County Building Administration Bureau, Jinhua County Urban Administration Bureau and Jinhua County Urban Administration Enforcement Bureau (金湖縣城市管理行政執法局), the Group will neither be subject to any penalty, confiscation, nor be ordered to demolish such buildings or be subject to any other punishment. Pursuant to another Confirmation Letter issued by Jinhua County State-owned Land Resources Bureau, as the Group had no illegal causes in the land aspect, the Group does not need to be subject to any punishment. The aforesaid 5 bureaus have the rights to issue such confirmations.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB																					
2.	A parcel of land, various buildings and structures No. 27 Gongye Avenue Hi-tech Industry Development Zone Zhaoqing City Guangdong Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 115,331.93 sq.m. and 19 buildings and various ancillary structures erected thereon which were completed in various stages between 2008 and 2009.</p> <p>The buildings have a total gross floor area of approximately 86,023.98 sq.m. and the details of uses and their respective gross floor areas are set out as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Use</th> <th style="text-align: center; border-bottom: 1px solid black;">No. of Item</th> <th style="text-align: center; border-bottom: 1px solid black;">Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Production</td> <td style="text-align: center;">6</td> <td style="text-align: right;">57,600.00</td> </tr> <tr> <td>Storage</td> <td style="text-align: center;">1</td> <td style="text-align: right;">549.12</td> </tr> <tr> <td>Office</td> <td style="text-align: center;">1</td> <td style="text-align: right;">9,225.80</td> </tr> <tr> <td>Staff quarters with canteen</td> <td style="text-align: center;">3</td> <td style="text-align: right;">15,490.98</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">8</td> <td style="text-align: right;">3,158.08</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">19</td> <td style="text-align: right;">86,023.98</td> </tr> </tbody> </table>	Use	No. of Item	Gross Floor Area (sq.m.)	Production	6	57,600.00	Storage	1	549.12	Office	1	9,225.80	Staff quarters with canteen	3	15,490.98	Ancillary	8	3,158.08	Total	19	86,023.98	<p>The property is currently occupied by the Group for production, storage, office, staff quarter, canteen and ancillary purposes except for portion of the property (as referred to in notes 4 and 5) which are leased to two independent third parties.</p>	<p>121,834,000</p> <p>100% interest attributable to the Group: RMB121,834,000</p>
Use	No. of Item	Gross Floor Area (sq.m.)																							
Production	6	57,600.00																							
Storage	1	549.12																							
Office	1	9,225.80																							
Staff quarters with canteen	3	15,490.98																							
Ancillary	8	3,158.08																							
Total	19	86,023.98																							
		<p>The structures mainly include road, fire control pools, bicycle shed, steel platform, boundary fences and gates.</p> <p>The land use rights of the property have been granted for a term of 50 years expiring on June 30, 2059 for industrial use.</p>																							

Notes:

- Pursuant to a State-owned Land Use Rights Certificate – Zhao Guo Yong (2009) Di No. W060, the land use rights of a parcel of land with a site area of approximately 115,331.93 sq.m. have been granted to Zhaoqing Leoch Battery Technology Co., Ltd. (“Zhaoqing Leoch”, a wholly-owned subsidiary of the Company) for a term of 50 years expiring on June 30, 2059 for industrial use.
- Pursuant to 8 Real Estate Title Certificates – Yue Fang Di Zheng Zi Di Nos. C6287397 to C6287400 and Yue Fang Di Quan Zheng Zhao Wang Si Zi Di Nos. 091294 to 091296 and 20101012, 10 buildings with a total gross floor area of approximately 82,316.78 sq.m. are owned by Zhaoqing Leoch.

3. For the remaining 9 buildings of the property with a total gross floor area of approximately 3,707.2 sq.m. we have not been provided with any Real Estate Title Certificates.
4. Pursuant to a Tenancy Agreement dated December 1, 2009, a portion of the land parcel of the property with a site area of approximately 40 sq.m. was leased to China Mobile (Group) Guangdong Limited Corp., Zhaoqing Branch (中國移動通信集團廣東有限公司肇慶分公司) (“China Mobile”, an independent third party of the Company) from Zhaoqing Leoch, for a term of 10 years commencing from December 1, 2009 and expiring on November 30, 2019 at an annual rent of RMB20,000, exclusive of management fees, water and electricity charges.
5. Pursuant to a Tenancy Agreement dated December 16, 2008, a unit on Level 6 of one staff quarters building with a gross floor area of approximately 26 sq.m. and a portion of the roof terrace of one staff-quarters building with a lettable area of approximately 15 sq.m. were leased to China Telecom (Group) Corp. Guangdong Network Asset Branch (中國電信集團公司廣東網路資產分公司) (“China Telecom”, an independent third party of the Company) from Zhaoqing Leoch, for a term of 5 years commencing from December 16, 2008 and expiring on December 15, 2013 at an annual rent of RMB11,400, exclusive of management fees, water and electricity charges.
6. Pursuant to a Mortgage Contract of Maximum Amount of Real Estate – MR751883100603 dated June 3, 2010, the land use rights of a parcel of land with a site area of approximately 115,331.93 sq.m. and 9 buildings with a total gross floor area of approximately 73,090.98 sq.m. erected thereon under the Real Estate Title Certificates – Yue Fang Di Quan Zheng Zhao Wang Si Zi Di Nos. 091294 to 091296, Yue Fang Di Zheng Zi Di Nos. C6287397 to C6287400 were subject to a mortgage in favour of Citibank (China) Co. Ltd. Shenzhen Branch (the “Bank”), as security to guarantee the principal obligation under a series of contracts entered into between the Bank and Zhaoqing Leoch for a maximum amount of RMB101,104,000 with the security term from the effective date of the aforesaid contract to the date of releasing the guarantee of debt.
7. In the valuation of this property, we have attributed no commercial value to the 9 buildings (as referred to in note 3) with a total gross floor area of approximately 3,707.2 sq.m. which have not obtained any Real Estate Title Certificates. However, for reference purpose, we are of the opinion that the aggregate depreciated replacement cost of the buildings (excluding the land) as at the date of valuation would be RMB4,965,000 assuming the Real Estate Title Certificates have been fully obtained and the buildings could be freely transferred.
8. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
 - a. The Group is legally, validly and wholly in possession of the land use rights of the property and the building ownership rights of the buildings as referred to in note 2 in accordance with the relevant PRC laws and regulations, as the Group has obtained all the requisite approvals/permits/consent from the PRC Government and the relevant authorities and fulfilled the formality of the relevant registration;
 - b. The land parcel of the property and the buildings (as referred to in note 2) erected thereon are free from any other mortgages, leases or other third party encumbrances except for being subject to the aforesaid Mortgage Contract of Maximum Amount of Real Estate;
 - c. During the terms of the land use rights, the Group is entitled to lease, mortgage, transfer or by other legal means dispose of the land use rights of the property and the buildings as referred to in note 2 except for being subject to the aforesaid Mortgage Contract of Maximum Amount of Real Estate;
 - d. All the costs and the land premium in respect of the land use rights of the property and the building ownership rights of the buildings as referred to in note 2 have been properly settled in full, therefore, no more additional costs or land premium are required to be paid for obtaining the land use rights and building ownership rights; and
 - e. The Group has not obtained the relevant construction permits of the buildings as referred to in note 3. The above-county level urban and rural planning authorities can demand for demolition of those buildings that are without obtaining relevant construction permits. For those buildings that cannot be demolished, the physical objects or illegal income derived will be confiscated, or the Group will be fined at an amount not exceeding 10 percent of the total construction cost of these buildings.

VALUATION CERTIFICATE

<u>No.</u>	<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Capital value in existing state as at August 31, 2010 RMB																					
3.	5 parcels of land, various buildings and structures located at the south of Nvzhen Road Economic Development Zone Suixi County Huaibei City Anhui Province The PRC	<p>The property comprises 5 parcels of land with a total site area of approximately 157,499.10 sq.m. and 22 buildings and various ancillary structures erected thereon which were completed between 2007 and 2008.</p> <p>The buildings have a total gross floor area of approximately 44,380.45 sq.m. and the details of uses and their respective gross floor areas are set out as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;"><u>Use</u></th> <th style="text-align: center;"><u>No. of Item</u></th> <th style="text-align: center;"><u>Gross Floor Area (sq.m.)</u></th> </tr> </thead> <tbody> <tr> <td>Production</td> <td style="text-align: center;">7</td> <td style="text-align: right;">27,339.46</td> </tr> <tr> <td>Storage</td> <td style="text-align: center;">1</td> <td style="text-align: right;">1,027.48</td> </tr> <tr> <td>Office</td> <td style="text-align: center;">4</td> <td style="text-align: right;">3,546.86</td> </tr> <tr> <td>Staff quarters</td> <td style="text-align: center;">2</td> <td style="text-align: right;">6,728.95</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">8</td> <td style="text-align: right;">5,737.70</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">22</td> <td style="text-align: right;">44,380.45</td> </tr> </tbody> </table>	<u>Use</u>	<u>No. of Item</u>	<u>Gross Floor Area (sq.m.)</u>	Production	7	27,339.46	Storage	1	1,027.48	Office	4	3,546.86	Staff quarters	2	6,728.95	Ancillary	8	5,737.70	Total	22	44,380.45	<p>The property is currently occupied by the Group for production, storage, office, staff quarter, and ancillary purposes.</p>	<p style="text-align: right;">61,285,000</p> <p style="text-align: right;">100% interest attributable to the Group: RMB61,285,000</p>
<u>Use</u>	<u>No. of Item</u>	<u>Gross Floor Area (sq.m.)</u>																							
Production	7	27,339.46																							
Storage	1	1,027.48																							
Office	4	3,546.86																							
Staff quarters	2	6,728.95																							
Ancillary	8	5,737.70																							
Total	22	44,380.45																							
		<p>The structures mainly include road, sewage tank, drain, chimney, bicycle shed and boundary fences.</p> <p>The land use rights of the property have been granted for terms of 50 years expiring on December 30, 2056 and April 20, 2060 for industrial use.</p>																							

Notes:

- Pursuant to a State-owned Land Use Rights Grant Contract dated December 16, 2006 entered into between Suixi County State-owned Land Resources Bureau and Anhui Uplus Energy Products Co., Ltd. (安徽力普拉斯电源製品有限公司) ("Anhui Energy"), the land use rights of 4 parcels of land with a total site area of approximately 137,146.17 sq.m. were contracted to be granted to Anhui Energy for industrial use. The total land premium was RMB10,045,000.
- Pursuant to a State-owned Land Use Rights Grant Contract dated March 5, 2010 entered into between Suixi County State-owned Land Resources Bureau and Anhui Uplus Energy Technology Co., Ltd. (安徽力普拉斯电源技术有限公司) ("Anhui Uplus"), the land use rights of a parcel of land with a site area of approximately 20,352.90 sq.m. were contracted to be granted to Anhui Uplus for industrial use. The total land premium was RMB1,960,000.

3. Pursuant to 4 State-owned Land Use Rights Certificates – Sui Chu Guo Yong (2008) Di Nos. 093 to 096, the land use rights of 4 parcels of land with a total site area of approximately 137,146.20 sq.m. have been granted to Anhui Energy for a term of 50 years expiring on December 30, 2056 for industrial use.
4. Pursuant to a State-owned Land Use Rights Certificate – Sui Chu Guo Yong (2010) Di No. 123, the land use rights of a parcel of land with a site area of approximately 20,352.90 sq.m. have been granted to Anhui Leoch Battery Technology Corp. (“Anhui Leoch Battery”, a wholly-owned subsidiary of the Company) for a term of 50 years expiring on April 20, 2060 for industrial use.
5. Pursuant to 12 Real Estate Title Certificates – Fang Di Quan Sui Gong Fang Zi Di Nos. 02116 to 02127 dated June 5, 2008 issued by Suixi County Real Estate Administration Bureau (濉溪縣房地產管理局), 16 buildings with a total gross floor area of approximately 43,658.51 sq.m. are owned by Anhui Energy.
6. As advised by the Company, Anhui Uplus Energy Products Co., Ltd. and Anhui Uplus Energy Technology Co., Ltd. are both the former names of Anhui Leoch Battery Technology Corp.. The company name on the aforesaid State-owned Land Use Rights Certificates and Real Estate Title Certificates as referred to in notes 3 and 5 is in the process of being changed from Anhui Uplus Energy Products Co., Ltd. to Anhui Leoch Battery Technology Corp..
7. For the remaining 6 buildings of the property with a total gross floor area of approximately 721.94 sq.m., we have not been provided with any Real Estate Title Certificates.
8. In the valuation of this property, we have attributed no commercial value to the 6 buildings (as mentioned in note 7) with a total gross floor area of approximately 721.94 sq.m. which have not obtained any Real Estate Title Certificates. However, for reference purpose, we are of the opinion that the aggregate depreciated replacement cost of the buildings (excluding the land) as at the date of valuation would be RMB86,000 assuming the Real Estate Title Certificates have been fully obtained and the buildings could be freely transferred.
9. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
 - a. The Group is legally, validly and wholly in possession of the land use rights of the property and the building ownership rights to the buildings as referred to in note 5 in accordance with the relevant PRC laws and regulations, as the Group has obtained all the requisite approvals/permits/consent from the PRC Government and the relevant authorities and fulfilled the formality of the relevant registration;
 - b. The land parcels of the property and the buildings (as referred to in note 5) erected thereon are free from any other mortgages, leases or other third party encumbrances;
 - c. During the terms of the land use rights, the Group is entitled to lease, mortgage, transfer or by other legal means dispose of the land use rights of the property and the buildings referred to in note 5;
 - d. All the costs and the land premium in respect of the land use rights of the property and the building ownership rights of the buildings as referred to in note 5 have been properly settled in full, therefore, no more additional costs or land premium are required to be paid for obtaining the land use rights and building ownership rights; and
 - e. The Group has not obtained the relevant construction permits of the buildings as referred to in note 7. The above-county level urban and rural planning authorities can demand for demolition of those buildings that are without obtaining relevant construction permits. For those buildings that cannot be demolished, the physical objects or illegal income derived will be confiscated, or the Group will be fined at an amount not exceeding 10 percent of the total construction cost of these buildings.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
4.	A parcel of land located at Nancheng Industrial Park Daping Village Tangxia Town Dongguan City Guangdong Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 12,050.1 sq.m.</p> <p>Various buildings with a total gross floor area of approximately 10,000 sq.m. are erected on the property forming portion of an industrial plant which are constructed by a connected party of the Group and licensed to Dongguan Leoch as the sole user at nil consideration. These buildings are not held by the Group and therefore are not included in the valuation of this property.</p> <p>The land use rights of the property have been granted for a term of 50 years expiring on August 31, 2054 for industrial use.</p>	The property together with the buildings erected thereon are currently occupied by the Group for production and ancillary purposes.	<p>6,000,000</p> <p>100% interest attributable to the Group: RMB6,000,000</p>

Notes:

1. Pursuant to a State-owned Land Use Rights Certificate – Dong Fu Guo Yong (2004) Di No. Te 905, the land use rights of a parcel of land with a site area of approximately 12,050.1 sq.m. have been granted to Dongguan Leoch Battery Technology Co. Ltd (“Dongguan Leoch”, a wholly-owned subsidiary of the Company) for a term of 50 years expiring on August 31, 2054 for industrial use.
2. Pursuant to a Transfer Agreement dated June 30, 2010, the buildings with a total gross floor area of approximately 10,000 sq.m. are contracted to be transferred to Dongguan Leoch Power Supply Co., Ltd. (“Dongguan Leoch Power Supply”, a connected party) whilst Dongguan Leoch will pay the transfer price to Dongguan Leoch Power Supply in accordance with the value determined by an independent property valuer appointed by both parties within 10 working days after Dongguan Leoch obtaining the relevant Building Ownership Certificates from Dongguan Building Administrative Bureau. During the period between June 30, 2010 and the date of obtaining the relevant Building Ownership Certificates, Dongguan Leoch Power Supply allows Dongguan Leoch to be the sole user of the buildings on the land parcel at nil consideration. If the relevant government authorities confirm that the buildings are illegal buildings and order to demolish them within stipulated time limit, then Dongguan Leoch Power Supply undertakes to compensate Dongguan Leoch for all the costs and expenses for the demolition of the buildings and relocation of the manufacturing plant to a new premises and all losses arising from such demolition and relocation.
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
 - a. The Group is legally, validly and wholly in possession of the land use rights of the property in accordance with the relevant PRC laws and regulations, as the Group has obtained all requisite approvals/permits/consent from the PRC Government and the relevant authorities and fulfilled the formality of the relevant registration;
 - b. The property is free from any other mortgages, leases or other third party encumbrances;
 - c. All the costs and the land premium in respect of the property have been properly settled in full, therefore, no more additional costs or land premium are required to be paid for obtaining the land use rights; and
 - d. During the terms of the land use rights, the Group is entitled to lease, mortgage, transfer or by other legal means dispose of the land use rights.

VALUATION CERTIFICATE

Group II – Property interests leased and occupied by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
5.	An industrial building and a staff quarter located at Tongfuyu Industrial Zone Kukeng Village Guannan Town Bao'an District Shenzhen City Guangdong Province The PRC	<p>The property comprises a 3-storey industrial building and a 6-storey staff quarter which were completed in about 1994.</p> <p>The property has a total lettable area of approximately 8,842 sq.m.</p> <p>The property is leased to Shenzhen Leoch Battery Technology Co., Ltd. ("Shenzhen Leoch", a wholly-owned subsidiary of the Company) from an independent third party, for a term of 3 years commencing from April 15, 2010 and expiring on April 14, 2013 at a monthly rent of RMB88,420 for the first year and RMB97,262 for the second and third year, exclusive of management fees, public security and sanitary charges.</p>	The property is currently occupied by the Group for production and staff quarter purposes.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement dated March 30, 2010, the property was leased to Shenzhen Leoch from Shenzhen Kukeng Central Cooperative Joint Stock Company (深圳市庫坑中心股份合作公司) (the "Lessor", an independent third party), for a term of 3 years commencing from April 15, 2010 and expiring on April 14, 2013 at a monthly rent of RMB88,420 for the first year and RMB97,262 for the second and third year, exclusive of management fees, public security and sanitary charges.
2. We have been provided with a legal opinion on the legality of the tenancy agreement to the property issued by the Company's PRC legal advisers, which contains, *inter alia*, the following:
 - a. The Lessor is in the process of obtaining the Collective Land Use Rights Certificate and Building Ownership Certificates. Once the Lessor has obtained the relevant certificates, the Lessor has the rights to lease the property whilst the Group has the rights to use the property in accordance with the Tenancy Agreement. There would be a risk that the Group cannot continue to use the property if the Lessor cannot obtain the relevant Collective Land Use Rights Certificate and Building Ownership Certificates; and
 - b. According to the Confirmation Letter dated June 9, 2010 provided by Mr. Dong Li (董李), if Shenzhen Leoch cannot continue to use this property due to the aforesaid reason as referred to in note 2(a), Mr. Dong Li promises to be responsible for the resultant relocation expenses and will compensate Shenzhen Leoch for all the relevant losses arising therefrom.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
6.	3 industrial buildings located at Tongfuyu Industrial Zone Kukeng Village Guannan Town Bao'an District Shenzhen City Guangdong Province The PRC	<p>The property comprises 3 two to three storey industrial buildings which were completed in about 1985.</p> <p>The property has a total lettable area of approximately 760 sq.m.</p> <p>The property is leased to Shenzhen Leoch Battery Technology Co., Ltd. ("Shenzhen Leoch", a wholly-owned subsidiary of the Company) from an independent third party for a term of 2 years commencing from July 1, 2008 and expiring on June 30, 2010 at a monthly rent of RMB4,600, exclusive of water, electricity charges and other outgoings. Upon expiry of the tenancy, it has been renewed for a further term of half a year at the same monthly rent.</p>	The property is currently occupied by the Group for production and storage purposes.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement dated June 30, 2008, the property was leased to Shenzhen Leoch from Highway Bureau Labour Union Working Committee of Bao'an District of Shenzhen City (深圳市寶安區公路局工會工作委員會) (the "Lessor", an independent third party), for a term of 2 years commencing from July 1, 2008 and expiring on June 30, 2010 at a monthly rent of RMB4,600, exclusive of water, electricity charges and other outgoings. Upon expiry of the tenancy, it has been renewed for a further term of half a year at the same monthly rent.
2. We have been provided with a legal opinion on the legality of the tenancy agreement to the property issued by the Company's PRC legal advisers, which contains, *inter alia*, the following:
 - a. The legal validity of the aforesaid Tenancy Agreement and whether the Lessor has the rights to lease the aforesaid property cannot be ascertained because of absence of registration of the Real Estate Title Certificate;
 - b. There would be a risk that the Group cannot continue to use the property if the property does not comply with the leasing conditions or the Lessor is not the legal owner of the property and does not has the rights to let the property;
 - c. According to the Confirmation Letter dated June 9, 2010 provided by Mr. Dong Li (董李), if Shenzhen Leoch cannot continue to use this property due to the aforesaid reason as referred to in note 2(a), Mr. Dong Li promises to be responsible for the resultant relocation expenses and will compensate Shenzhen Leoch for all the relevant losses arising therefrom.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
7.	Units E8, E9, E148 and E149 of the main building of Xin Bao Hui Building No. 2061 Nanhai Avenue Nanshan District Shenzhen City Guangdong Province The PRC	<p>The property comprises 4 commercial units on Level 5 of a 29-storey office building which was completed in about 2001.</p> <p>The property has a total gross floor area of approximately 42.72 sq.m.</p> <p>The property is leased to Leoch Battery Shenzhen Corp. ("Shenzhen Leoch Battery", a wholly-owned subsidiary of the Company) from a connected party for a term of 1 year commencing from September 1, 2009 and expiring on August 31, 2010 at a monthly rent of RMB2,136, exclusive of management fees, water and electricity charges. Upon expiry of the tenancy, it has been renewed for a further term of 2 years at the same monthly rent.</p>	The property is currently occupied by the Group for office purpose.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement dated September 18, 2009, the property was leased to Shenzhen Leoch Battery from Shenzhen Marshall Power Supply Co., Ltd (the "Lessor", a connected party), for a term of 1 year commencing from September 1, 2009 and expiring on August 31, 2010 at a monthly rent of RMB2,136, exclusive of management fees, water and electricity charges.

The Company has renewed the Tenancy Agreement and extended the leasing period for a term of 2 years commencing from September 1, 2010 and expiring on August 31, 2012 at a monthly rent of RMB2,136, exclusive of management fees, water and electricity charges.
2. We have been provided with a legal opinion on the legality of the tenancy agreement to the property issued by the Company's PRC legal advisers, which contains, *inter alia*, the following:
 - a. The Lessor is the legal owner of the property and possesses the ownership rights and has the rights to let the property;
 - b. The Tenancy Agreements in respect of the property are legal, valid and binding on both parties. The Group has the rights to use the property in accordance with the Tenancy Agreements; and
 - c. According to the PRC laws, the Tenancy Agreements are not binding on the transferee of the mortgaged property once the mortgaged property is rented out by the mortgagor and the mortgage rights are exercised. According to the mortgage situation noted on the Real Estate Title Certificates of the Lessor, in case that the mortgage has not been revoked and the mortgage rights are exercised during the lease term, the aforesaid Tenancy Agreements are not binding to the transferee of the mortgaged property.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
8.	Unit 1002 on Level 10 of West Block of Jingrun Mansion No. Jia 28 Fuwai Avenue Beijing The PRC	<p>The property comprises an office unit on Level 10 of a 19-storey office and commercial building known as Jingrun Mansion which was completed in about 1997.</p> <p>The property has a lettable area of approximately 140 sq.m.</p> <p>The property is leased to Beijing Leoch Engineering Technology Co., Ltd. (“Beijing Leoch”, a wholly-owned subsidiary of the Company) from an independent third party for a term of 2 years commencing from June 1, 2010 and expiring on May 31, 2012 at a daily unit rent of RMB3.5 per sq.m. (nil rent and management fee during the rent-free period between June 1, 2010 and August 31, 2010), inclusive of management fees which include water, base electricity and summer air-conditioning charges, but is exclusive of other outgoings.</p>	The property is currently occupied by the Group for office purpose.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement dated May 2010, the property was leased to Beijing Leoch from Beijing Runda Real Estate Development Co., Ltd (北京潤達房地產開發有限公司) (the “Lessor”, an independent third party), for a term of 2 years commencing from June 1, 2010 and expiring on May 31, 2012 at a daily unit rent of RMB3.5 per sq.m. (nil rent and management fee during the rent-free period between June 1, 2010 and August 31, 2010), inclusive of management fees which include water, base electricity and summer air-conditioning charges, but is exclusive of other outgoings.
2. We have been provided with a legal opinion on the legality of the tenancy agreement to the property issued by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
 - a. The Lessor is the legal owner of the property and possesses the ownership rights and has the rights to let the property;
 - b. The Tenancy Agreement in respect of the property is legal and valid, which is binding on both parties. The Group has the rights to use the property in accordance with the Tenancy Agreement; and
 - c. Despite the absence of lease registration, there is no influence to the validity of the Tenancy Agreement in accordance with the relevant law stipulations.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
9.	Portion of Unit 901 on Level 9 of Tianzheng International Plaza No. 399 Zhongyang Road Nanjing City Jiangsu Province The PRC	<p>The property comprises a unit on Level 9 of a 19-storey office building known as Tianzheng International Square which was completed in about 2008.</p> <p>The property has a lettable area of approximately 128 sq.m.</p> <p>The property is leased to Nanjing Leoch Battery Technology Co., Ltd. (“Nanjing Leoch”, a wholly-owned subsidiary of the Company) from a connected person, for a term of 5 years commencing from January 1, 2010 and expiring on December 31, 2015 at an annual rent of RMB72,000, exclusive management fees, water and electricity charges and other outgoings. According to a Supplemental Agreement dated October 5, 2010, the Company had shortened the aforesaid tenancy term to 3 years commencing from January 1, 2010 and expiring on December 31, 2012 at the same monthly rent.</p>	The property is currently occupied by the Group for office purpose.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement dated January 1, 2010, the property was leased to Nanjing Leoch from Mr. Dong Li (董李) (the “Lessor”), a connected person, for a term of 5 years commencing from January 1, 2010 and expiring on December 31, 2015 at an annual rent of RMB72,000, exclusive management fees, water and electricity charges and other outgoings. According to a Supplemental Agreement dated October 5, 2010, the Company had shortened the aforesaid tenancy term to 3 years commencing from January 1, 2010 and expiring on December 31, 2012 at the same monthly rent.
2. We have been provided with a legal opinion on the legality of the tenancy agreement to the property issued by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
 - a. The Lessor is the legal owner of the property and possesses the ownership rights and has the rights to let the property; and
 - b. The Tenancy Agreement and Supplemental Agreement in respect of the property are legal and valid, which are binding on both parties. The Group has the rights to use the property in accordance with the Tenancy Agreement.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
10.	Unit 352 on Level 5 of Block 1 of West Mountain 3rd Lane located at Chengxi District Xining City Qinghai Province The PRC	<p>The property comprises a residential unit on Level 5 of a 7-storey residential building which was completed in about 1994.</p> <p>The property has a lettable area of approximately 126 sq.m.</p> <p>The property is leased to Xining Leoch Engineering Technology Co., Ltd. ("Xining Leoch", a wholly-owned subsidiary of the Company) from an independent third party, for a term of 1 year commencing from September 18, 2009 and expiring on September 17, 2010 at a monthly rent of RMB1,100, exclusive management fees, water and electricity, heating charges and other outgoings. Upon expiry of the tenancy, it has been renewed for a further term of 1 year at the same monthly rent.</p>	The property is currently occupied by the Group for residential purpose.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement dated January 1, 2010, the property was leased to Xining Leoch from an independent third party (the "Lessor"), for a term of 1 year commencing from September 18, 2009 and expiring on September 17, 2010 at a monthly rent of RMB1,100, exclusive management fees, water and electricity, heating charges and other outgoings.

The Company has renewed the Tenancy Agreement and extended the leasing period for a term of 1 year commencing from September 18, 2010 and expiring on September 17, 2011 at a monthly rent of RMB1,100, exclusive of management fee, water and electricity charges.
2. We have been provided with a legal opinion on the legality of the tenancy agreement to the property issued by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. The legal validity of the aforesaid Tenancy Agreements and whether the Lessor has the rights to lease the aforesaid property cannot be ascertained because of absence of registration of the Real Estate Title Certificate; and
 - b. There would be a risk that the Group cannot continue to use the property if the property does not comply with the leasing conditions or the Lessor is not the legal owner of the property and does not has the rights to let the property. Despite the absence of lease registration, there is no influence to the validity of the Tenancy Agreements in accordance with the relevant law stipulations.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
11.	Unit 1403 on Level 14 of Entrance 1 of Block 3 of Section A of Lanyu located at Jinzhouwan Panlong District Kunming City Yunnan Province The PRC	<p>The property comprises a residential unit on Level 14 of a 18-storey residential building which was completed in about 2004.</p> <p>The property has a lettable area of approximately 91 sq.m.</p> <p>The property is leased to Kunming Leoch Engineering Technology Co., Ltd. ("Kunming Leoch", a wholly-owned subsidiary of the Company) from an independent third party, for a term of 1 year commencing from July 1, 2010 and expiring on June 30, 2011 at a monthly rent of RMB1,800, exclusive management fees, water and electricity charges and other outgoings.</p>	The property is currently occupied by the Group for residential purpose.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement, the property is leased to Kunming Leoch from an independent third party (the "Lessor"), for a term of 1 year commencing from July 1, 2010 and expiring on June 30, 2011 at a monthly rent of RMB1,800, exclusive management fees, water and electricity charges and other outgoings.
2. We have been provided with a legal opinion on the legality of the tenancy agreement to the property issued by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. The legal validity of the aforesaid Tenancy Agreement and whether the Lessor has the rights to lease the aforesaid property cannot be ascertained because of absence of registration of the Real Estate Title Certificate; and
 - b. There would be a risk that the Group cannot continue to use the property if the property does not comply with the leasing conditions or the Lessor is not the legal owner of the property and does not has the rights to let the property. Despite the absence of lease registration, there is no influence to the validity of the Tenancy Agreement in accordance with the relevant law stipulations.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
12.	An office unit on Level 2 of Block 3 No. 939 Haixu Road Pudong New District Shanghai The PRC	<p>The property comprises an office unit on Level 2 of a 2-storey industrial building which was completed in about 1986.</p> <p>The property has a lettable area of approximately 20 sq.m.</p> <p>The property is leased to Shenzhen Leoch Battery Technology Co., Ltd., Shanghai Branch, ("the Lessee", a branch of Shenzhen Leoch Battery Technology Co., Ltd. which is a wholly-owned subsidiary of the Company) from an independent third party, for a term of 5 years commencing from June 1, 2010 and expiring on May 30, 2015 at an annual rent of RMB3,600, exclusive of management fees and other outgoings.</p>	The property is currently occupied by the Group for office purpose.	No commercial value

Notes:

1. Pursuant to a Tenancy Agreement dated June 1, 2010, the property was leased to the Lessee from Shanghai Gaodong Investment Operation Administrative Center (上海高東投資經營管理中心) (the "Lessor"), an independent third party, for a term of 5 years commencing from June 1, 2010 and expiring on May 30, 2015 at an annual rent of RMB3,600, exclusive of management fees and other outgoings.
2. We have been provided with a legal opinion on the legality of the tenancy agreement to the property issued by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. The Lessor is the legal owner of the property and possesses the ownership rights and has the rights to let the property;
 - b. The Tenancy Agreement in respect of the property is legal and valid, which is binding on both parties. The Group has the rights to use the property in accordance with the Tenancy Agreement; and
 - c. Despite the absence of lease registration, there is no influence to the validity of the Tenancy Agreement in accordance with the relevant law stipulations.

VALUATION CERTIFICATE

Group III – Property interests leased and occupied by the Group in the overseas countries

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
13.	An industrial building known as 19751 Descartes Foothill Ranch located at County of Orange State of California The United States of America	<p>The property comprises a 3-storey industrial building which was completed in about 1997.</p> <p>The property has a lettable area of approximately 30,000 sq.ft. (equivalent to approximately 2,787.07 sq.m.).</p> <p>The property is leased to Leoch Battery Corporation (“Leoch Battery Corp”, a wholly-owned subsidiary of the Company) from a connected party, for a term of 20 years commencing from June 1, 2006 and expiring on May 31, 2026 at a monthly rent of US\$35,000, exclusive of security deposit, association fees and other outgoings. However, pursuant to a lease addendum in relation to rent adjustment, the monthly rent was decreased to US\$30,000 commencing from August 1, 2008. According to a Supplemental Agreement dated October 5, 2010, the Company had shortened the aforesaid tenancy term to 3 years commencing from January 1, 2010 and expiring on December 31, 2012 at the same monthly rent.</p>	The property is currently occupied by the Group for office and warehouse purposes.	No commercial value

Note:

- Pursuant to a Tenancy Agreement dated May 1, 2006, the property was leased to Leoch Battery Corp from Eastern International LLC. (the “Lessor”), a connected party, for a term of 20 years commencing from June 1, 2006 and expiring on May 31, 2026 at a monthly rent of US\$35,000, exclusive of security deposit, association fees and other outgoings. However, pursuant to a lease addendum in relation to rent adjustment, the monthly rent was decreased to US\$30,000 commencing from August 1, 2008. According to a Supplemental Agreement dated October 5, 2010, the Company had shortened the aforesaid tenancy term to 3 years commencing from January 1, 2010 and expiring on December 31, 2012 at the same monthly rent.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
14.	Unit 12C on Level 2 of Wheatstone Court located at Waterwells Business Park Quedgeley Gloucestershire The United Kingdom	<p>The property comprises a unit on Level 2 of a 2-storey office building which was completed in about 1985.</p> <p>The property has a lettable area of approximately 328 sq.ft. (equivalent to approximately 30 sq.m.).</p> <p>The property is leased to Leoch Europe Limited ("Leoch Europe", a wholly-owned subsidiary of the Company) from an independent third party for a term of 3 years commencing from January 25, 2010 and expiring on January 24, 2013 at an annual rent of GB£2,542 for the first year and GB£3,772 for the second year and GB£4,100 for the third year.</p>	The property is currently occupied by the Group for office purpose.	No commercial value

Note:

- Pursuant to a Tenancy Agreement dated January 25, 2010, the property was leased to Leoch Europe from Northern Way Business Quarter Properties Limited (the "Lessor"), an independent third party, for a term of 3 years commencing from January 25, 2010 and expiring on January 24, 2013 at an annual rent of GB£2,542 for the first year and GB£3,772 for the second year and GB£4,100 for the third year.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at August 31, 2010 RMB
15.	An office unit on Level 19 of an office building located at 14 Kitchener Link # 19-29 Singapore	<p>The property comprises a unit on Level 19 of a 25-storey office building which was completed in about 2008.</p> <p>The property has a lettable area of approximately 113 sq.m.</p> <p>The property is leased to Leoch Battery Pte. Ltd. (“Leoch Battery Pte”, a wholly-owned subsidiary of the Company) from a connected person for a term of 3 years commencing from March 10, 2010 and expiring on March 10, 2013 at a monthly rent of SG\$3,250.</p>	The property is currently occupied by the Group for office purpose.	No commercial value

Note:

- Pursuant to a Tenancy Agreement dated March 1, 2010, the property was leased to Leoch Battery Pte from Mr. Dong Li (董季), a connected person, for a term of 3 years commencing from March 10, 2010 and expiring on March 10, 2013 at a monthly rent of SG\$3,250.

VALUATION CERTIFICATE

Property interest leased and occupied by the Group in the PRC after the date of valuation

Property	Description and tenure	Particulars of occupancy
Units E1 to E4, E6, E7, E14 to E63, E72 to E112, E116 to E135 and E138 to E145 of the main building of Xin Bao Hui Building No. 2061 Nanhai Avenue Nanshan District Shenzhen City Guangdong Province The PRC	<p>The property comprises various commercial units on Level 5 of a 29-storey office building which was completed in about 2001.</p> <p>The property has a total gross floor area of approximately 1,107.88 sq.m.</p> <p>The property is leased to Shenzhen Leoch Battery Technology Co., Ltd. (“Shenzhen Leoch”, a wholly-owned subsidiary of the Company) from a connected party for a term of 2 years commencing from September 1, 2010 and expiring on August 31, 2012 at a monthly rent of RMB55,394, exclusive of management fees, water and electricity charges.</p>	The property is currently occupied by the Group for office purpose.

Note:

1. Pursuant to a Tenancy Agreement dated September 1, 2010, the property was leased to Shenzhen Leoch from Shenzhen Marshall Power Supply Co., Ltd (the “Lessor”, a connected party), for a term of 2 years commencing from September 1, 2010 and expiring on August 31, 2012 at a monthly rent of RMB55,394, exclusive of management fees, water and electricity charges.