

The following is the text of a letter, summary of values and valuation certificate, prepared for the purpose of incorporation in this prospectus received from Sallmanns (Far East) Limited, an independent valuer, in connection with its valuation as at 31 March 2004 of the property interests of the Group. A copy of the full valuation report will be made available for public inspection.

**Sallmanns**

Corporate valuation and consultancy

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14 June 2004

The Directors  
Ping An Insurance (Group) Company of China, Ltd.  
Ping An Building  
Ba Gua No.3 Road  
Shenzhen  
The People's Republic of China

Dear Sirs,

In accordance with your instructions to value the properties in which Ping An Insurance (Group) Company of China, Ltd. (the "Company") and its subsidiaries (hereinafter together referred to as the "Group") have interests in the People's Republic of China (the "PRC") and Hong Kong, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the value of the relevant properties as at 31 March 2004.

In valuing the property interests which are held by the Group in the PRC, we have categorized the property interests into 21 sub-groups according to their locations. The property interests of each sub-group are located in a province, an autonomous region or a directly administered municipality.

Wherever possible, our valuations of the property interests are our opinion of the open market value which we would define as intended to mean "the best price at which an interest in a property might reasonably be expected to have been completed unconditionally for cash consideration on the date of the valuation assuming:-

- (a) a willing seller;
- (b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;

- (d) that no account is taken of any additional bid by a purchaser with a special interest; and
- (e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion”.

Our valuations have been made on the assumption that the owner sells the property interests on the open market in their existing state without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property interests.

Where, due to a lack of evidence of comparable transactions, we are unable to attribute open market value, our valuation is our opinion of the properties’ fair market value. Fair market value is defined as the estimated amount at which the subject assets in their continued use might be expected to be purchased and sold between a willing buyer and a willing seller, neither being under compulsion, each having a reasonable knowledge of all relevant facts, with equity to both, for continuation of the current operation as part of an on-going business.

Where, due to the nature of the buildings and structures constructed on the property interests, there are no market sales comparables, the properties have been valued on the basis of their depreciated replacement cost. Depreciated replacement cost is defined as “the aggregate amount of the value of the land for the existing use or a notional replacement site in the same locality, and the gross replacement cost of the buildings and other site works, from which appropriate deductions may then be made to allow for the age, condition, economic or functional obsolescence and environmental factors etc; all of these might result in the existing property being worth less to the undertaking in occupation than would a new replacement.” This opinion of value does not necessarily represent the amount that might be realized from the disposal of the subject assets in the open market, and this basis has been used due to the lack of an established market upon which to base comparable transactions. However, this approach generally furnishes the most reliable indication of value for a property without a known used market.

For the property interests which are currently under construction, we have valued these on the basis of their prevailing construction cost level and status of construction as at the date of valuation. We have assumed that all consents, approvals and licenses from the relevant Government authorities for their development have been granted without any onerous conditions or undue delay, which might affect their values.

We are of the opinion that the property interests in Groups III and VI, which are rented by the Group, have no commercial value due mainly to the short term nature or the prohibition against assignment or sub-letting or otherwise due to the lack of substantial profit rents.

According to an opinion given by the Company’s PRC legal adviser, Commerce & Finance Law Offices, title certificates with respect to 441 properties held by subsidiaries of the Group are currently registered under the name of the Company. There is no legal impediment for the Company to transfer the titles of the 441 properties to its respective subsidiaries, and no additional government approval is required.

The Group has obtained the respective granted land use rights certificates of approximately 317 parcels of land with an aggregate area of approximately 265,162 sq.m. and

allocated land use rights certificates of approximately 8 parcels of land with an aggregate area of approximately 4,034 sq.m.

The Group owns 612 buildings and structures with an aggregate gross floor area of approximately 682,565 sq.m. One building, which is currently under construction is scheduled to have an aggregate gross floor area of approximately 78,500 sq.m. upon completion. There are 9 property interests with an aggregate gross floor area of approximately 8,729 sq.m. which are leased to connected parties and 803 property interests with an aggregate gross floor area of approximately 248,050 sq.m. which are leased to independent third parties.

The Group also leases 51 property interests with an aggregate gross floor area of approximately 22,632 sq.m. from connected parties, and 2,869 property interests with an aggregate gross floor area of approximately 1,744,170 sq.m. from independent third parties.

In valuing the property interests, we have complied with all the requirements contained in Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited except for those for which a waiver has been applied in respect of Rule 5.06(1) and paragraph 5(2)(a) of Practice Note 12 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

We have been shown copies of various title documents and official site plans relating to the property interests that are owned by the Group. However, we have not searched the original documents to verify any amendments which may not appear on the copies handed to us. Due to the nature of the land registration system in the PRC, we are unable to search the original documents to verify the existing title of the property interests or any material encumbrances that might be attached to the property interests.

We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the relevant property interests but have assumed that the site areas shown on the documents and official site plans handed to us are correct. Based on our experience of valuation of similar properties in the PRC, we consider the assumptions so made to be reasonable. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements have been taken.

We have inspected the exterior and, where possible, the interior of the property interests included in the attached valuation certificate, in respect of which we have been provided with such information, as we have required for the purpose of our valuation. However, no structural survey has been made, but in the course of our inspection we did not note any apparent serious defects. We are not, however, able to report that the properties are free from rot, infestation or any other structural defects. No tests were carried out to any of the services.

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

We have relied to a considerable extent on the information provided to us and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, occupation, letting, rentals, site and floor areas and all other relevant matters.

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

Unless otherwise stated, all monetary amounts stated are in Renminbi (RMB).

Our valuations are summarized below and the valuation certificate is attached.

Yours faithfully,  
for and on behalf of  
Sallmanns (Far East) Limited

Paul L. Brown  
**BSc. FRICS FHKIS**  
Director

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*Note: Paul L. Brown is a Chartered Surveyor who has 21 years of experience in the valuation of properties in the PRC and 24 years of property valuation experience in Hong Kong, the United Kingdom and the Asia-Pacific region.*

**Group I — Property interests owned by the Group in the PRC**

<u>Property</u>	Fair/Open market value in existing state as at 31 March 2004
	<b>RMB</b>
1. Land, 1 office building and 3 units located in Anhui Province The PRC	26,500,000
2. Land, 1 office building and 8 units located in Beijing The PRC	799,486,000
3. Land, 1 office building, 5 units and various structures located in Fujian Province The PRC	718,000
4. Land, various buildings and units located in Guangdong Province The PRC	771,077,000
5. 4 units located in Guangxi Zhuang Autonomous Region The PRC	3,509,000
6. 4 units located in Hainan Province The PRC	No commercial value
7. 1 office unit located in Henan Province The PRC	No commercial value
8. 8 units located in Heilongjiang Province The PRC	63,078,000
9. Land, 1 office building and 5 units located in Hubei Province The PRC	27,231,000
10. 7 units located in Hunan Province The PRC	1,802,000
11. Land, 2 office buildings, 1 office unit and 3 structures located in Jilin Province The PRC	23,486,000
12. Land, 5 units and a structure located in Jiangsu Province The PRC	24,236,000

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u>
	<u>RMB</u>
13. 6 units located in Jiangxi Province The PRC	5,485,000
14. Land, 1 office building and 26 office and residential units located in Liaoning Province The PRC	349,745,000
15. 4 units located in Shandong Province The PRC	No commercial value
16. 1 office unit located in Shannxi Province The PRC	No Commercial Value
17. Land, 1 office building and 28 units located in Shanghai The PRC	1,146,438,000
18. Land, 2 office buildings and 3 residential units located in Tianjin The PRC	287,815,000
19. 2 units located in Yunnan Province The PRC	No Commercial Value
20. Land and 5 units located in Zhejiang Province The PRC	28,375,000
21. Land and 5 units located in Chongqing The PRC	352,000
<b>Sub-Total:</b>	<u>3,559,333,000</u>

**Group II — Property interests owned by the Group in Hong Kong**

<u>Property</u>	<u>Open Market Value in existing state as at 31 March 2004</u>
	<u>RMB</u>
22. 6 units located in Hong Kong	9,726,000
<b>Sub-Total:</b>	<u>9,726,000</u>

**Group III — Property interests rented by the Group in the PRC**

<u>Property</u>	Open Market Value in existing state as at 31 March 2004
	<u>RMB</u>
23. 147 leased properties located in Anhui Province The PRC	No Commercial Value
24. 45 leased properties located in Beijing The PRC	No Commercial Value
25. 202 leased properties located in Fujian Province The PRC	No Commercial Value
26. 15 leased properties located in Gansu Province The PRC	No Commercial Value
27. 288 leased properties located in Guangdong Province The PRC	No Commercial Value
28. 23 leased properties located in Guangxi Zhuang Autonomous Region The PRC	No Commercial Value
29. 16 leased properties located in Guizhou Province The PRC	No Commercial Value
30. 16 leased properties located in Hainan Province The PRC	No Commercial Value
31. 156 leased properties located in Hebei Province The PRC	No Commercial Value
32. 44 leased properties located in Henan Province The PRC	No Commercial Value
33. 76 leased properties located in Heilongjiang Province The PRC	No Commercial Value
34. 122 leased properties located in Hubei Province The PRC	No Commercial Value
35. 97 leased properties located in Hunan Province The PRC	No Commercial Value

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	Open Market Value in existing state as at 31 March 2004
	RMB
36. 80 leased properties located in Jilin Province The PRC	No Commercial Value
37. 156 leased properties located in Jiangsu Province The PRC	No Commercial Value
38. 30 leased properties located in Jiangxi Province The PRC	No Commercial Value
39. 261 leased properties located in Liaoning Province The PRC	No Commercial Value
40. 13 leased properties located in Inner Mongolia Autonomous Region The PRC	No Commercial Value
41. 22 leased properties located in Ningxia Hui Autonomous Region The PRC	No Commercial Value
42. 7 leased properties located in Qinghai Province The PRC	No Commercial Value
43. 287 leased properties located in Shandong Province The PRC	No Commercial Value
44. 11 leased properties located in Shanxi Province The PRC	No Commercial Value
45. 54 leased properties located in Shannxi Province The PRC	No Commercial Value
46. 83 leased properties located in Shanghai The PRC	No Commercial Value
47. 136 leased properties located in Sichuan Province The PRC	No Commercial Value
48. 130 leased properties located in Tianjin The PRC	No Commercial Value



**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Open Market Value in existing state as at 31 March 2004</u>
	<b>RMB</b>
49. 78 leased properties located in Xinjiang Uygur Autonomous Region The PRC	No Commercial Value
50. 45 leased properties located in Yunnan Province The PRC	No Commercial Value
51. 196 leased properties located in Zhejiang Province The PRC	No Commercial Value
52. 83 leased properties located in Chongqing The PRC	No Commercial Value
<b>Sub-Total:</b>	<b>Nil</b>

**Group IV — Property interests rented by the Group in Hong Kong**

<u>Property</u>	<u>Open Market Value in existing state as at 31 March 2004</u>
	<b>RMB</b>
53. 1 leased property located in Dah Sing Financial Centre 108 Gloucester Road Wanchai, Hong Kong	No Commercial Value
<b>Sub-Total:</b>	<b>Nil</b>
<b>Grand-Total:</b>	<b>3,569,059,000</b>

## VALUATION CERTIFICATE

## Group I — Property interests owned by the Group in the PRC

Property	Description and tenure	Particulars of occupancy residential	Fair/Open market value in existing state as at 31 March 2004
			RMB
1. Land, 1 office building and 3 units located in Anhui Province The PRC	The properties comprise 1 office building and 1 office unit and 2 residential units with a combined total gross floor area of approximately 7,546 sq.m., completed in 1996. The office building is located on a parcel of land with an area of approximately 1,671 sq.m.	The properties are currently occupied by the Group for business and residential purposes.	26,500,000

## Notes:

1. According to a State-owned Land Use Rights Certificate, the land use rights of a parcel of land with an area of approximately 1,671 sq.m. have been granted to the Group and/or the Predecessor Company for a term of 50 years commencing from 1999 for commercial use. According to an opinion given by the Company's PRC adviser, the land use rights are legally held by the Group.
2. According to 2 Building Ownership Certificates-Hefeishi Fang Quan Zheng Zi Di No. 059809, and Fang Di Quan He Zi Di No. 024087, 1 office building and 1 office unit with a total gross floor area of approximately 7,066.73 sq.m. are held by the Group and/or the Predecessor Company.
3. According to an opinion given by the Company's PRC legal adviser, the above 2 properties with a total gross floor area of approximately 7,066.73 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
4. For the 2 residential units with a total gross floor area of approximately 479.52 sq.m., according to an opinion given by the Company's PRC legal adviser, relevant title certificates have not been obtained and the Group cannot freely sublet, transfer or mortgage them. As such, we have attributed no commercial value to such buildings.
5. For reference purpose, we are of the opinion that the fair/open market value of the 2 properties to which we have attributed no commercial value, would be in the amount of 439,000 RMB, providing that relevant title certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u>
			<b>RMB</b>
2. Land, 1 office building and 8 units located in Beijing The PRC	<p>The properties comprise 1 office building, 2 office units and 6 residential units with a combined total gross floor area of approximately 59,408.47 sq.m., completed in various stages from 1991 to 1999.</p> <p>The office building of the property was completed in 1999 and is located on 2 parcels of land with a total area of approximately 5,997.95 sq.m. for commercial use.</p>	The properties are currently occupied by the Group for business purposes, except for 61 units of the properties with a total gross floor area of approximately 54,443 sq.m. which are leased to independent third parties.	799,486,000

**Notes:**

1. According to 2 State-owned Land Use Rights Certificates issued by the local Land Administrative Bureau, the land use rights of 2 parcels of land with a site area of approximately 5,997.95 sq.m. of the property have been granted to the Group and/or the Predecessor Company both for terms of 50 years commencing from 2003 for commercial uses.
2. According to 7 Building Ownership Certificates-Jing Fang Quan Zheng Shi Xi Gu Zi Di Nos. 10028 & 10029, Jing Fang Quan Zhieng Shi Xi Gong Ao Tai Zi Di No. 10142 and Jing Fang Quan Zheng Chao Qi Zi Di Nos. 00039-00042, 1 office building, 2 office units and 5 residential units with a total gross floor area of approximately 59,329.77 sq.m. are legally owned by the Group and/or the Predecessor Company. According to an opinion given by the Company's PRC legal adviser, they are legally owned by the Group, and the Group can freely sublet, transfer or mortgage these properties.
3. According to an opinion given by the Company's PRC legal adviser, due to the lack of valid title certificate, the Group cannot freely transfer, sublet or mortgage a unit with a gross floor area of approximately 78.7 sq.m. Thus, we have attributed no commercial value to this unit.
4. For reference purpose, we are of the opinion that the open market value of a residential unit to which we have attributed no commercial value, would be in the amount of RMB363,000, providing that the Building Ownership Certificate has been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such property.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
3. Land, 1 office building, 5 units and various structures located in Fujian Province The PRC	The properties comprise 1 office building, 5 office and residential units and various structures with a combined total gross floor area of approximately 41,523.73 sq.m., completed in various stages from 1997 to 2000. The office building is located on a parcel of land with an area of approximately 3,728 sq.m. for commercial use.	The properties are currently occupied by the Group for business and residential purposes, except for a residential unit which was unoccupied as at the date of inspection, an office unit with a gross floor area of approximately 100 sq.m. which is leased to a connected party, and 123 units with a total gross floor area of approximately 31,440 sq.m. which are leased to independent third parties.	718,000

**Notes:**

1. According to a State-owned Land Use Rights Certificate, the land use rights of a parcel of land with an area of approximately 3,728 sq.m. have been granted to the Group and/or the Predecessor Company for a term of 50 years commencing from 1997 for commercial use. However, according to the opinion given by the Company's PRC legal adviser, the certificate has expired and the Company should apply for a renewal of the certificate.
2. According to 3 Building Ownership Certificates Rong Fang Quan Zheng R Zi Di No. 9800197, Rong Fang Quan Zheng R Zi Di No. 98001432 and Jiao Fang Quan Zheng N Zi Di No. 200102493, 3 residential units with a total gross floor area of approximately 458.73 sq.m. are held by the Group and/or the Predecessor Company.
3. According to an opinion given by the Company's PRC legal adviser, the above 3 units with a total gross floor area of approximately 458.73 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
4. For the rest of the properties with a total gross floor area of approximately 41,065 sq.m, according to an opinion given by the Company's PRC legal adviser, relevant valid title certificates have not been obtained and the Group cannot freely sublet, transfer or mortgage them. As such, we have attributed no commercial value to such buildings.
5. As advised by the Company, the Company is in the process of applying for the Building Ownership Certificates.
6. For reference purpose, we are of the opinion that the fair/open market value of the office building to which we have attributed no commercial value, would be in the amount of RMB169,532,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
4. Land, various buildings and units located in Guangdong Province The PRC	<p>The properties comprise 458 items of office buildings and other ancillary buildings and units with a combined total gross floor area of approximately 233,194.71 sq.m., completed in various stages from 1988 to 2001 (the "Completed Properties").</p> <p>The properties also comprise a building which is still under construction as of the date of valuation (the "CIP Property"). The estimated total construction cost is RMB427,230,000, of which RMB92,928,345.83 has been spent as at the valuation date. The total gross floor area of the building will be 78,500 sq.m. upon completion. The CIP Property is located on 284 parcels of land with a total area of approximately 231,032 sq.m. for educational use.</p>	<p>The properties are currently occupied by the Group for business purposes, except for 5 Completed Properties with a total gross floor area of approximately 2,946 sq.m. which are leased to a connected party, and 317 Completed Properties with a total gross floor area of approximately 95,379 sq.m. which are leased to independent third parties.</p>	771,077,000

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Notes:

1. Land

- i. According to 284 State-owned Land Use Rights Certificates issued by the local Land Administrative Bureaus, the land use rights pertaining to 283 parcels of land (the “granted land”) with a total site area of approximately 231,022 sq.m. of the properties have been granted to the Group and/or the Predecessor Company for lease terms of between 20 to 70 years commencing from various dates between 1988 and 1997 for commercial use and the land use rights of a parcel of land (the “allocated land”) with an area of approximately 10 sq.m. were administratively allocated to the Group and/or the Predecessor Company.
- ii. According to an opinion given by the Company’s PRC legal adviser, the above granted land with a total site area of approximately 231,022 sq.m. of the properties can be sublet, transferred or mortgaged freely by the Group and the Group cannot sublet, transfer or mortgage the allocated land without going through the land granting procedure and paying the land premium. As such, we have attributed no commercial value to the allocated land with a site area of approximately 10 sq.m.

2. Completed Properties

- i. According to 380 Building Ownership Certificates, 376 buildings and various units with a total gross floor area of approximately 140,907.1 sq.m. are held by the Group and/or the Predecessor Company.
- ii. According to an opinion given by the Company’s PRC legal adviser, the above 376 properties with a total gross floor area of approximately 140,907.10 sq.m. can be sublet, transferred or mortgaged freely by the Group.
- iii. For the remaining 82 items of buildings and units with a total gross floor area of approximately 92,287.6 sq.m. according to an opinion given by the Company’s PRC legal adviser, relevant title certificates have not been obtained and the Group cannot freely sublet, transfer or mortgage them. As such, we have attributed no commercial value to such properties.

3. CIP Property

According to a Construction Permit and an opinion given by the Company’s PRC legal adviser, the construction of the CIP Property (Ping An University) has been approved by local government authorities. Upon completion of the construction, there is no legal impediment for the Group to obtain the relevant building ownership certificates.

4. For reference purpose, we are of the opinion that the fair/open market value of the land and the completed properties to which we have attributed no commercial value, would be in the amount of RMB357,041,000, providing that all granted Land Use Rights Certificates and Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u>  RMB
5. 4 units located in Guangxi Zhuang Autonomous Region The PRC	The properties comprise 4 residential units with a total gross floor area of approximately 989.68 sq.m., completed in 1995.	The properties are currently occupied by the Group for residential purposes.	3,509,000

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**Notes:**

1. According to 4 Building Ownership Certificates-Gui Fang Zheng Zi Di Nos. 5046019, 5046020, and Hu Fang Quan Zheng Zi Di Nos. 0130108, 01312871, the 4 residential units with a total gross floor area of approximately 989.68 sq.m. are held by the Group and/or the Predecessor Company.
2. According to an opinion given by the Company's PRC legal adviser, the above units with a total gross floor area of approximately 989.68 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
6. 4 units located in Hainan Province The PRC	The properties comprise 4 office and residential units with a total gross floor area of approximately 1,913 sq.m., completed in 1996.	The properties are currently occupied by the Group for business and residential purposes except for an office unit with a floor area of approximately 1,232.8 sq.m. which is unoccupied, and 2 office units with a total gross floor area of approximately 140 sq.m. which are leased to independent third parties.	No Commercial Value

## Notes:

1. We have not been provided with proper Building Ownership Certificates, and therefore the titles of the properties have not been ascertained and thus we have attributed no commercial value to the properties.
2. According to an opinion given by the Company's PRC legal adviser, the properties with a total gross floor area of approximately 1,913 sq.m. cannot be sublet, transferred or mortgaged freely by the Group.
3. For reference purpose, we are of the opinion that the fair/open market value of the properties to which we have attributed no commercial value, would be in the amount of RMB705,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.



<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u> RMB
7. 1 office unit located in Henan Province The PRC	The property comprises 1 office unit with a gross floor area of approximately 1,663.47 sq.m. completed in 1996.	The property is currently occupied by the Group for business purposes.	No Commercial Value

## Notes:

1. According to a Building Ownership Certificate-Zheng Fang Quan Zheng Zi Di No. 085513, the office unit with a total gross floor area of approximately 1,663.47 sq.m. is held by the Predecessor Company.
2. According to an opinion given by the Company's PRC legal adviser, the land pertaining to the above unit with a total gross floor area of approximately 1,663.47 sq.m. is obtained by way of administrative allocation and the Group has the legal right to occupy it but it can not be sublet, transferred or mortgaged freely by the Group. Thus, we have attributed no commercial value to this unit.
3. For reference purpose, we are of the opinion that the fair/open market value of the property to which we have attributed no commercial value, would be in the amount of RMB6,971,000, providing that the Building Ownership Certificate has been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such property.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u>
			<u>RMB</u>
8. 8 units located in Heilongjiang Province The PRC	The properties comprise 8 office and residential units with a total gross floor area of approximately 12,627.59 sq.m., completed from 1995 to 1996.	The properties are currently occupied by the Group for business and residential purposes.	63,078,000

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**Notes:**

1. According to 7 Building Ownership Certificates-Ha Fang Quan Kai Guo ZiDi Nos. 00009864, 00050548, 00025313, 000037897, 000055032, 000037899 and 000037898, 7 office and residential units with a total gross floor area of approximately 12,572.89 sq.m. are held by the Group and/or the Predecessor Company.
2. According to an opinion given by the Company's PRC legal adviser, the above 7 properties with a total gross floor area of approximately 12,572.89 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
3. According to an opinion given by the Company's PRC legal adviser, the Group cannot freely transfer, sublet or mortgage a unit with a gross floor area of approximately 54.70 sq.m. due to the lack of proper land use rights certificate. We have therefore attributed no commercial value to this unit.
4. For reference purposes, we are of the opinion that the open market value of the unit to which we have not attributed commercial value, would be in the amount of RMB119,000, providing that the title certificate has been obtained by the Group.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
9. Land, 1 office building and 5 units located in Hubei Province The PRC	<p>The properties comprise 1 office building and 5 office and residential units with a combined total gross floor area of approximately 55,624.01 sq.m., completed in various stages from 1993 to 1998.</p> <p>The office building of the property was completed in 1999 with a total gross floor area of 48,848 sq.m. and is located on a parcel of land with an area of approximately 227 sq.m. for commercial use.</p>	<p>The properties are currently occupied by the Group for business and residential purposes, except for 2 office units with a total gross floor area of approximately 424.67 sq.m. which are leased to independent third parties.</p>	27,231,000

**Notes:**

1. According to a State-owned Land Use Rights Certificate, the land use rights of a parcel of land with an area of approximately 227 sq.m. have been granted to the Group and/or the Predecessor Company for a term of 50 years commencing from 1992 for commercial use.
2. According to 3 Building Ownership Certificates-Wu Fang Quan Zheng An Zi Di Nos. 9901428 and 200240138 and Wu Fang Fang Zi Zi Di No.002-00804, 2 office units and a residential unit with a total gross floor area of approximately 4,507.41 sq.m. are held by the Group and/or the Predecessor Company.
3. According to an opinion given by the Company's PRC legal adviser, the above 3 units with a total gross floor area of approximately 4,507.41 sq.m. can be sublet, transferred or mortgaged freely by the Group.
4. According to an opinion given by the Company's PRC legal adviser, the Group is entitled to occupy the office building, an office unit and a residential unit with a total gross floor area of approximately 51,116.60 sq.m, but cannot freely sublet, transfer or mortgage them due to the unavailability of relevant title certificates. As such, we have attributed no commercial value to such buildings.
5. For reference purpose, we are of the opinion that the open market value of the office building, residential and office units to which we have attributed no commercial value, would be in the amount of RMB304,694,000, providing that all Building Ownership Certificates have been obtained by the Group.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
10. 7 units located in Hunan Province The PRC	The properties comprise 7 units with a total gross floor area of approximately 13,745.43 sq.m., completed in various stages from 1995 to 2002.	The properties are currently occupied by the Group for business and residential purposes.	1,802,000

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**Notes:**

1. According to 6 Building Ownership Certificates, Chang Fang Quan Zheng Tian Xin Zi Di No. 00099914, Chang Fang Quan Yong Jiao Zi Zi Di No. 050213, Chang Fang Quan Zheng Yu Hua Zi Di No. 00227066, Chang Fang Quan Bei Zi Zi Di No. 009582, Huai Shi Fang Zhong Zi Di No. 47052 and Huai Fang Quan Zhong Zi Di No. 00021864, 7 units with a total gross floor area of approximately 13,745.43 sq.m. are occupied by the Group and/or the Predecessor Company.
2. According to an opinion given by the Company's PRC legal adviser, the Group can freely sublet, transfer or mortgage 3 of the properties with a total gross floor area of approximately 1,157.14 sq.m.  
  
The Group is entitled to occupy the rest of the 4 units with a total gross floor area of approximately 12,588.29 sq.m. but due to the lack of valid land use rights certificates the Group cannot freely sublet, transfer or mortgage these 4 units. Thus, we have attributed no commercial value to these 4 units.
3. For reference purpose, we are of the opinion that the fair/open market value of the above properties to which we have attributed no commercial value, would be in the amount of RMB33,135,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
11. Land, 2 office buildings, 1 office unit and 3 structures located in Jilin Province The PRC	The properties comprise 2 office buildings, 1 office unit and structures with a combined total gross floor area of approximately 10,125.84 sq.m. completed in various stages from 1992 to 1999. One of the office buildings is located on a parcel of land with an area of approximately 3,199 sq.m. for commercial use.	The properties are currently occupied by the Group for business purposes.	23,486,000

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**Notes:**

1. According to a State-owned Land Use Rights Certificate, the land use rights of a parcel of land with an area of approximately 3,199 sq.m. have been granted to the Group and/or the Predecessor Company for a term of 50 years commencing from 2001 for commercial use.
2. According to 2 Building Ownership Certificates-Chang Fang Quan Zi Nos. 1524872 & 1524873, 1 office building and 1 office unit with a total gross floor area of approximately 6,194.55 sq.m. are held by the Predecessor Company.
3. According to an opinion given by the Company's PRC legal adviser, the above 2 properties with a total gross floor area of approximately 6,194.55 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
4. According to an opinion given by the Company's PRC legal adviser, the rest of the properties with a total gross floor area of approximately 3,931.29 sq.m. cannot be freely sublet, transferred or mortgaged by the Group due to the lack of valid title certificates. As such, we have attributed no commercial value to such properties.
5. For reference purpose, we are of the opinion that the fair/open market value of the property to which we have attributed no commercial value, would be in the amount of RMB15,171,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such property.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
12. Land, 5 units and a structure located in Jiangsu Province The PRC	The properties comprise 5 units and a structure with a total gross floor area of approximately 6,408.22 sq.m., completed in various stages from 1995 to 1999. The properties include 4 office units and 1 residential unit. The properties also comprise 3 parcels of land with a total site area of approximately 303 sq.m.	The properties are currently occupied by the Group for business and residential purposes.	24,236,000

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**Notes:**

1. According to 3 State-owned Land Use Rights Certificates, the land use rights of 3 parcels of land with an area of approximately 303 sq.m. have been granted to the Group and/or the Predecessor Company for terms of 50 years from 1999.
2. According to 3 Building Ownership Certificates-Ning Fang Quan Zheng Bai Chu Zi Di Nos. 003364, 001637 and 004247, 3 office units with a total gross floor area of approximately 3,370.63 sq.m. are held by the Group and/or the Predecessor Company.
3. According to an opinion given by the Company's PRC legal adviser, the above 3 properties with a total gross floor area of approximately 3,370.63 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
4. According to an opinion given by the Company's PRC legal adviser, due to the lack of valid title certificates, the Group cannot freely sublet, transfer or mortgage the remaining 2 units with a total gross floor area of approximately 3,037.59 sq.m. As such, we have attributed no commercial value to such buildings.
5. For reference purpose, we are of the opinion that the fair/open market value of the properties to which we have attributed no commercial value, would be in the amount of RMB25,007,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
13. 6 units located in Jiangxi Province The PRC	The properties comprise 6 office and residential units with a total gross floor area of approximately 3,074 sq.m., completed in various stages from 1993 to 1994.	The properties are currently occupied by the Group for business and residential purposes.	5,485,000

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**Notes:**

1. According to 3 Building Ownership Certificates-Hang Fang Quan Zheng Dong Zi Di Nos. 306755, 306756 and 306757, 3 units with a total gross floor area of approximately 2,664 sq.m. are held by the Group and/or the Predecessor Company.
2. According to an opinion given by the Company's PRC legal adviser, 3 units with a total gross floor area of approximately 2,664 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
3. According to an opinion given by the Company's PRC legal adviser, due to the lack of valid title certificates, the Group cannot freely sublet, transfer or mortgage the remaining 3 office and residential units with a total gross floor area of approximately 410.3 sq.m. As such, we have attributed no commercial value to such buildings.
4. For reference purpose, we are of the opinion that the fair/open market value of the properties to which we have attributed no commercial value, would be in the amount of RMB345,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
14. Land, 1 office building and 26 office and residential units located in Liaoning Province The PRC	The properties comprise 1 office building and 26 office and residential units with a combined total gross floor area of approximately 72,704.27 sq.m., mainly completed in various stages from 1992 to 1999. The properties also comprise 2 parcels of land with a total site area of approximately 3,428 sq.m.	The properties are currently occupied by the Group for business purposes, except for 2 units with a gross floor area of approximately 4,054 sq.m. which are leased to connected parties, and 149 office units with a total gross floor area of approximately 42,211 sq.m. which are leased to independent third parties.	349,745,000

**Notes:**

1. According to 2 State-owned Land Use Rights Certificates, the land use rights of 2 parcels of land with an area of approximately 3,428 sq.m. have been granted to the Group and/or the Predecessor Company for terms of 50 years both commencing from 2002 for commercial use.
2. According to 9 Building Ownership Certificates — Da Fang Quan Zheng Zhong Dan Zi Di No. 2002200123, Da Fang Zhi Zhong Zi Di No. 04790, Da Fang Quan Zheng Zhong Dan Zi Di Nos. 2003200548, 2003200549 and 2003200550, Shen Fang Quan Zheng Shen He Zi Di No. 032339, Shen Wu Fang Zi Di No. 0062, Ben Fang Quan Zheng Ping Shan Qu Zi Di No. 24074 and Fa Fang Quan Zheng Yan Zi Di No. 0014357, 1 office building and 8 office and residential units with a total gross floor area of approximately 49,831.50 sq.m. are held by the Group and/or the Predecessor Company.
3. According to an opinion given by the Company's PRC legal adviser, the above 9 properties with a total gross floor area of approximately 49,831.50 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
4. According to an opinion given by the Company's PRC legal adviser, the Group cannot freely sublet, transfer or mortgage the remaining 18 office and residential units with a total gross floor area of approximately 22,872.77 sq.m. due to the lack of valid title certificates. As such, we have attributed no commercial value to such buildings.
5. For reference purpose, we are of the opinion that the fair/open market value of the land and the properties to which we have attributed no commercial value, would be in the amount of RMB72,706,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.



<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Open market value in existing state as at 31 March 2004
			RMB
15. 4 units located in Shandong Province The PRC	The properties comprise 4 office and residential units with a total gross floor area of approximately 30,431.96 sq.m., completed in various stages from 1993 to 1994.	The properties are currently occupied by the Group for business and residential purposes.	No Commercial Value

## Notes:

1. We have not been provided with any valid title certificates for the properties. According to an opinion given by the Company's PRC legal adviser, 4 units with a total gross floor area of approximately 30,431.96 sq.m. cannot be freely sublet, transferred or mortgaged by the Group. We have therefore attributed no commercial value to these units.
2. For reference purpose, we are of the opinion that the fair/open market value of the properties to which we have attributed no commercial value, would be in the amount of RMB36,630,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u> RMB
16. 1 office unit located in Shannxi Province The PRC	The property comprises 1 office unit with a gross floor area of approximately 1,073.60 sq.m., completed in 1996.	The property is currently occupied by the Group for business purposes.	No Commercial Value

## Notes:

1. We have not been provided with the valid Building Ownership Certificate for the property. According to an opinion given by the Company's PRC legal adviser, the above building with a total gross floor area of approximately 1,073.60 sq.m. can not be freely sublet, transferred or mortgaged by the Group.
2. For reference purposes, we are of the opinion that the open market value of the property to which we have attributed no commercial value, would be in the amount of RMB4,358,000, providing that the title certificates have been obtained by the Group and the Group can freely sublet, transfer or mortgage the property.

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u> RMB
17. Land, 1 office building and 28 units located in Shanghai The PRC	The properties comprise 1 office building and 28 office and residential units with a combined total gross floor area of approximately 81,452.17 sq.m., completed in various stages from 1993 to 1999. The office building was completed in October 1994 and is located on a parcel of land with an area of approximately 14,417 sq.m. for composite commercial/office use.	The properties are currently occupied by the Group for business purposes, except for an office unit with a total gross floor area of approximately 1,629.87 sq.m. which is leased to a connected party, and 147 office units with a total gross floor area of approximately 23,905.53 sq.m. which are leased to independent third parties.	1,146,438,000

**APPENDIX III****PROPERTY VALUATION REPORT**

## Notes:

1. According to 20 Realty Title Certificates-Hu Fang Di Shi Zi(1999) Di No. 002050, Hu Fang Di Shi Zi(1997) Di No. 000686, Hu Fang Di Chang Zi(1999) Di No. 002540, Hu Fang Di Pu Zi(2001) Di No. 130436, Hu Fang Di Chang Zi(2003) Di No. 009860, Hu Fang Di Shi Zi(2003) Di No. 002199, Hu Fang Di Hong Zi(2001) Di No. 004153, Hu Fang Di Min Zi(1999) Di Nos. 032703, 032704, 032705, 032707, 032708, 032709, 032710, 032711, 032713, 032714, 032715 and 032716 and Hu Fang Di Shi Zi (2003) 002046, 1 office building and 19 office and residential units with a total gross floor area of approximately 79,723.15 sq.m. are held by the Group and/or the Predecessor Company and the land use rights pertaining to 1 office building and 19 office and residential units with an area of approximately 15,404 sq.m. have been granted for terms of 50 or 70 years commencing from various dates from 1990 to 2001 to the Group and/or the Predecessor Company.
2. According to an opinion given by the Company's PRC legal adviser, the above 20 properties with a total gross floor area of approximately 79,723.15 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
3. According to an opinion given by the Company's PRC legal adviser, the Group cannot freely sublet, transfer or mortgage the remaining 9 office and residential units with a total gross floor area of approximately 1,729.02 sq.m. due to the lack of valid title certificates. As such, we have attributed no commercial value to such properties.
4. For reference purpose, we are of the opinion that the fair/open market value of the land and the properties to which we have attributed no commercial value, would be in the amount of RMB9,341,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
18. 2 office buildings and 3 residential units located in Tianjin The PRC	The properties comprise 2 office buildings and 3 residential units with a combined total gross floor area of approximately 35,578 sq.m., completed in various stages from 1995 to 2003.	The properties are currently occupied by the Group for business and residential purposes.	287,815,000

## Notes:

1. According to 2 Building Ownership Certificates He Xi Zi Di Jin No. 0038276 and Nan Kai Zi Di No. 0407188 and a Building Asset Transfer Agreement, 2 residential units with a total gross floor area of approximately 139.97 sq.m. are held by the Group and/or the Predecessor Company.
2. According to a Commodity Sale Agreement dated 18<sup>th</sup> December 2003, the Group has bought 1 of the office buildings at a consideration of RMB219,912,525.
3. According to an opinion given by the Company's PRC legal adviser, the above 3 properties with a total gross floor area of approximately 29,461.64 sq.m. can be sublet, transferred or mortgaged freely by the Group.
4. According to an opinion given by the Company's PRC legal adviser, the Group cannot freely sublet, transfer or mortgage the remaining 1 office building and 1 residential unit with a total gross floor area of approximately 6,116 sq.m. As such, we have attributed no commercial value to such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

5. For reference purpose, we are of the opinion that the fair/open market value of the properties to which we have attributed no commercial value, would be in the amount of RMB39,513,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u>
			<u>RMB</u>
19. 2 units located in Yunnan Province The PRC	The properties comprise 2 office units completed in 1995 with a total gross floor area of approximately 4,102.98 sq.m.	The properties are currently occupied by the Group for business purposes.	No Commercial Value

Notes:

1. We have not been provided with the Building Ownership Certificates for the properties. As advised by the Group, the certificates for the properties are under application, and will be issued by the government this year.
2. According to an opinion given by the Company's PRC legal adviser, the properties with a total gross floor area of approximately 4,102.98 sq.m. cannot be sublet, transferred or mortgaged freely by the Group. Thus, we have attributed no commercial value to the properties.
3. For reference purpose, we are of the opinion that the fair/open market value of the properties to which we have attributed no commercial value, would be in the amount of RMB13,130,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Fair/Open market value in existing state as at 31 March 2004</u>  RMB
20. Land and 5 units located in Zhejiang Province The PRC	The properties comprise 5 office and residential units with a total gross floor area of approximately 7,366.22 sq.m., completed in various stages from 1993 to 1998. The properties also comprise 2 parcels of land with a total site area of approximately 166 sq.m.	The properties are currently occupied by the Group for business and residential purposes.	28,375,000

**Notes:**

1. According to 2 State-owned Land Use Rights Certificates, the land use rights of 2 parcels of land with a total site area of approximately 166 sq.m. have been granted to the Group for terms of 50 years and 70 years commencing from 1996 and 1997 respectively.
2. According to 3 Building Ownership Certificates Hang Fang Chan Zheng Xi Yi Zi Di Jin No. 0061955, Yong Fang Quan Zi Xin Zi Di Nos. J200101417 and 200101416, 2 office units and a residential unit with a total gross floor area of approximately 5,835.88 sq.m. are held by the Group and/or the Predecessor Company.
3. According to an opinion given by the Company's PRC legal adviser, the above 3 properties with a total gross floor area of approximately 5,835.88 sq.m. are legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
4. According to an opinion given by the Company's PRC legal adviser, due to the lack of valid title certificates, the Group cannot freely sublet, transfer or mortgage the remaining 2 office units with a total gross floor area of approximately 1,530.34 sq.m. We have therefore attributed no commercial value to these 2 office units.
5. For reference purposes, we are of the opinion that the open market value of the properties to which we have attributed no commercial value, would be in the amount of RMB12,402,000, providing that the title certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage these units.

**APPENDIX III****PROPERTY VALUATION REPORT**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
21. Land and 5 units located in Chongqing The PRC	The properties comprise 5 office and residential units with a total gross floor area of approximately 1,665.35 sq.m., completed in various stages from 1990 to 1997. The properties also comprise 1 parcel of land with a site area of approximately 6 sq.m.	The properties are currently occupied by the Group for business and residential purposes.	352,000

**Notes:**

1. According to a State-owned Land Use Rights Certificate, the land use rights of a parcel of land with an area of approximately 6 sq.m. have been granted to the Group for a term of 50 years commencing from 1996.
2. According to a Building Ownership Certificate Fang 101 Zi Di No. 002952, a residential unit with a total gross floor area of approximately 154.56 sq.m. is held by the Group and/or the Predecessor Company.
3. According to an opinion given by the Company's PRC legal adviser, a residential unit with a total gross floor area of approximately 154.56 sq.m. is legally owned by the Group and can be sublet, transferred or mortgaged freely by the Group.
4. According to an opinion given by the Company's PRC legal adviser, due to the lack of valid title certificates, the Group cannot freely sublet, transfer or mortgage the remaining 1 office unit and 3 residential units with a total gross floor area of approximately 1,510.79 sq.m. As such, we have attributed no commercial value to such buildings.
5. For reference purpose, we are of the opinion that the fair/open market value of the properties to which we have attributed no commercial value, would be in the amount of RMB4,690,000, providing that all Building Ownership Certificates have been obtained by the Group and the Group is entitled to freely sublet, transfer or mortgage such properties.

## Group II — Property interests owned by the Group in Hong Kong

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Fair/Open market value in existing state as at 31 March 2004
			RMB
22. Six units located in Hong Kong	The properties comprise 6 residential units with a total gross floor area of approximately 345.24 sq.m., completed in various stages from 1978 to 1995.	The properties are currently occupied by the Group for residential purposes, except for 2 residential units with a total gross floor area of approximately 107 sq.m. which are leased to independent third parties.	9,726,000

## Note:

1. According to the land registry search, 6 residential units with a total gross floor area of approximately 345.24 sq.m. are held by the Group and registered vide Memorial Nos. 5826301, 5544394, 6804305, 6804306, 6804307 and 6804303.