



Suite 2102  
Hong Kong Trade Centre  
161-167 Des Voeux Road Central  
Hong Kong

12 January 2015

The Board of Directors  
**Richfield Group Holdings Limited**  
Unit 1209, 12/F  
Tower 2, Silvercord  
30 Canton Road  
Tsim Sha Tsui, Hong Kong

Dear Sirs,

## INSTRUCTIONS

In accordance with the instructions received from Richfield Group Holdings Limited and its subsidiaries for us to carry out a valuation of various properties located in Hong Kong, we confirm that we have carried out property inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interests as at 31 October 2014 (referred to as the “**Valuation Date**”) for the purpose of incorporation in the circular issued by the Company on the date hereof. Capitalised terms used herein shall have the same meanings as defined in the circular of the Company dated 12 January 2015 unless otherwise stated.

This letter which forms part of our valuation report explains the basis and methodology of valuation, clarifying assumptions, valuation considerations, title investigation and limiting conditions of this valuation.

## BASIS 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 an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s – length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.





## VALUATION METHODOLOGY

We have valued the property interests in Group I which are held by the Vastwood Group for self-occupation, property interests in Group II which are held by the Vastwood Group for trading, property interests in Group III which are held by the Remaining Group for investment and property interests in Group IV which are held by the Remaining Group under development on market basis and the direct comparison method is adopted where comparison based on prices realised on actual sales price of comparable property is made. Comparable properties of similar size, character, and location are analysed and carefully weighted against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of values.

For those leased property interest, we have cross-checked the valuation using the income approach by taking into account the net rental income of the property derived from its existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have then been capitalized to determine the market value at an appropriate capitalization rate.

## VALUATION CONSIDERATIONS

In valuing the property interests, we have complied with all the requirements contained in Chapter 5 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, the rules contained in Rule 11 of the Code on Takeovers and Mergers issued by the Securities and Futures Commission and the HKIS Valuation Standards (2012 Edition) published by The Hong Kong Institute of Surveyors.

## VALUATION ASSUMPTIONS

Our valuations have been made on the assumption that the seller sells the property interests on the open market in their existing states without the benefit of a deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements, which could serve to affect the values of the property interests.

No allowance has been made in our valuation for any charges, mortgages or amount owing on any property interests nor for any expense or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from encumbrances, restrictions and outgoing of an onerous nature which could affect their values.

Unless stated as otherwise, we have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of all laws, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, all required licenses, permit, certificate and authorizations have been obtained.

We have assumed that the owners of the Property have free and uninterrupted rights to use and dispose of the Property for the whole of the unexpired term of Government Leases/ Land Grants.

Other special assumptions of the property interests, if any, have been stated out in the footnotes of the valuation certificate attached herewith.



## TITLE INVESTIGATION

We have carried out searches to be made at the Land Registry for the Property located in Hong Kong. We have been, in some instances, provided with the extracts of the documents relating to the Property. However, we have not verified ownership of the Property to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only.

## LIMITING CONDITIONS

We have inspected the exterior and, wherever possible, the interior of the property but no structural survey had been made. In the course of our inspection, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. Further, no test has been carried out on any of the building services. All dimensions, measurements and areas are only approximates. We have not been able to carry out detailed on-site measurements to verify the site and floor areas of the property and we have assumed that the areas shown on the copies of documents handed to us are correct.

We have relied to a considerable extent on information provided by the Group and have accepted advice given to us on such matters, in particular, but not limited to, the sales records, tenure, planning approvals, statutory notices, easements, particulars of occupancy, site and floor areas and all other relevant matters in the identification of the property interests. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by 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 we have no reason to suspect that any material information has been withheld.

In valuing the property interests which are situated in Hong Kong and held under the government leases which will be expired before 30 June 2047, we have taken into account of the statement contained in the Annex III of the Joint Declaration of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the question of Hong Kong and the New Territories Leases (Extension) Ordinance 1988 that such leases would have been extended without payment of premium until 30 June 2047 and that an annual rent of three percent of the rateable values of the properties would be charged from the date of extension.

Liability in connection with this valuation report is limited to the client to whom this report is addressed and for the purpose for which it is carried out only. We will accept no liability to any other parties or any other purposes.

This report is to be used only for the purpose stated herein, any use or reliance for any other purpose, by you or third parties, is invalid. No reference to our name or our report in whole, or in part, in any document you prepare and / or distribute to third parties may be made without written consent.



## POTENTIAL TAX LIABILITIES

The potential tax liabilities may arise from the sale or transfer of immovable properties in Hong Kong which may include stamp duty at a maximum levy rate of 8.5% of the value of the consideration and profit tax at the rate of 16.5% on assessable profit from the sale of the properties. For properties held for trading (under Group II) and under development (under Group IV), there would be possibility that such potential tax liabilities will be crystallized upon sale of the properties. As the Group has verbally confirmed that it has no intention to sell any of the properties held for self-occupation (under Group I) and investment (under Group III) in Hong Kong, the likelihood of potential tax liabilities relating to such properties is remote.

## REMARKS

Unless otherwise stated, all monetary amounts stated in this report are in Hong Kong Dollars (HKD).

The properties were inspected by our Mr. Stephen Yeung who is a chartered Surveyor and Mr. Charles Choi ASc (Estate Surveying) on 15 December 2014 and 16 December 2014. The external conditions of the properties were reasonable.

We enclose herewith the summary of valuations together with the valuation certificates.

Yours faithfully,  
For and on behalf of  
**Ascent Partners Valuation Service Limited**

**Stephen Y. W. Yeung**  
*MFin BSc(Hons) Land Adm. MHKIS MCIREA RPS(GP)*  
*Principal*

*Mr. Stephen Y. W. Yeung is a Registered Professional Surveyor (General Practice Division) and a Professional Member of The Hong Kong Institute of Surveyors with over 10 years' experience in valuation of properties in HKSAR and mainland China.*

**SUMMARY OF VALUATIONS**

Property Interests	Market Value in existing state as at 31 October 2014 <i>HKD</i>	Interests attributable to the Group	Market Value attributable to the Group as at 31 October 2014 <i>HKD</i>
<b>Group I – Property interests held by the Vastwood Group for self-occupation in Hong Kong</b>			
1 Office No. 1207 on 12/F of Tower 2, Silvercord, No. 30 Canton Road, Kowloon	36,800,000	100%	36,800,000
2 Office No. 1501 on 15/F of Tower 2, Silvercord, No. 30 Canton Road, Kowloon	38,300,000	100%	38,300,000
3 Office Nos. 1508-1510 on 15/F of Tower 2, Silvercord, No. 30 Canton Road, Kowloon	65,500,000	100%	65,500,000
<b>Group I Sub-total:</b>	<u>140,600,000</u>		<u>140,600,000</u>
<b>Group II – Property interests held by the Vastwood Group for trading in Hong Kong</b>			
4 Flat A on 1st Floor with a Flat Roof thereof, No. 2 Shing Ping Street, Hong Kong	2,760,000	10%	276,000
5 Flat F7 on 8/F & Roof (Front Portion on 8/F, No. 76 Tung Ming Street), Tung Ming Building, Nos. 74-88 Tung Ming Street, Kowloon	1,630,000	10%	163,000
6 1st Floor, No. 49 Lyttelton Road, Hong Kong	9,800,000	50%	4,900,000
7 3rd Floor, No. 74C Waterloo Road, Kowloon	7,800,000	50%	3,900,000



Property Interests	Market Value in existing state as at 31 October 2014 <i>HKD</i>	Interests attributable to the Group	Market Value attributable to the Group as at 31 October 2014 <i>HKD</i>
8 2nd Floor, No. 33 Lyttelton Road, Hong Kong	13,800,000	33%	4,554,000
9 Blocks A and B on Basement Floor, Cheung Lok Mansion, Nos. 222/224 & 226/228 Wan Chai Road, Hong Kong	18,700,000	100%	18,700,000
10 Blocks C and D on Basement Floor, Cheung Lok Mansion, Nos. 222/224 & 226/228 Wan Chai Road, Hong Kong	21,500,000	100%	21,500,000
11 Block H on 5th Floor, Cheung Lok Mansion, No. 228 Wan Chai Road, Hong Kong	5,020,000	100%	5,020,000
12 Shop B1 (Nos. 58/60 Hill Road) on G/F, Sik On House, Nos. 54, 56, 58, 60 & 62 Hill Road, Hong Kong	2,780,000	100%	2,780,000
<b>Group II Sub-total:</b>	<u>83,790,000</u>		<u>61,793,000</u>



Property Interests	Market Value in existing state as at 31 October 2014 <i>HKD</i>	Interests attributable to the Group	Market Value attributable to the Group as at 31 October 2014 <i>HKD</i>
<b>Group III – Property interests held by the Remaining Group for investment in Hong Kong</b>			
13 Portion No. 4, Flat No. 23 and Shop Nos. 23A and 23B on Ground Floor and No. 23 on Mezzanine Floor, Wing Lee Building of Nos. 27, 29, 31, 31A, 31B and 31C Kimberley Road, Kowloon	213,000,000	100%	213,000,000
14 Roof of Block C, Sea View Estate, No. 8 Watson Road, Hong Kong	22,400,000	100%	22,400,000
<b>Group III Sub-total:</b>	<u>235,400,000</u>		<u>235,400,000</u>
<b>Group IV – Property interests held by the Remaining Group under development in Hong Kong</b>			
15 Nos. 142-154 Carpenter Road, Kowloon City, Kowloon	440,000,000	51%	224,400,000
<b>Group IV Sub-total:</b>	<u>440,000,000</u>		<u>224,400,000</u>
<b>Grand Total:</b>	<u><u>899,790,000</u></u>		<u><u>662,193,000</u></u>



VALUATION CERTIFICATE

Property interests held by the Vastwood Group for self-occupation in Hong Kong

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
1. Office No. 1207 on 12/F of Tower 2, Silvercord, No. 30 Canton Road, Kowloon	The property comprises an office unit on 12th floor of a 13-storey office building built upon a 6-storey commercial / carparking podium completed in 1983.	As confirmed by the Company, the property is occupied by the Group for office uses.	HKD36,800,000
33/13615th equal and undivided shares of and in Kowloon Inland Lot No. 10656	The saleable area of the property is approximately 2,022 square feet.		Interest attributable to the Group 100%
	The property is held under Conditions of Sale No. 11435 for a term of 75 years renewable for 75 years commencing on 30 September 1980.		Market Value attributable to the Group as at 31 October 2014 HKD36,800,000
	The Government rent payable for Kowloon Inland Lot No. 10656 is HKD1,000 per annum.		

Notes:

- The registered owner of the property is Sunrich Management Limited vide Memorial No. 09121103060237 dated 12 November 2009 which is a wholly owned subsidiary of the Group.
- The property is subject to a Deed of Mutual Covenant vide Memorial No. UB2520408 dated 1 December 1983.





VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
2. Office No. 1501 on 15/F of Tower 2, Silvercord, No. 30 Canton Road, Kowloon	The property comprises an office unit on 15th floor of a 13-storey office building built upon a 6-storey commercial / carparking podium completed in 1983.	As confirmed by the Company, the property is occupied by the Group for office uses.	HKD38,300,000  Interest attributable to the Group  100%
35/13615th equal and undivided shares of and in Kowloon Inland Lot No. 10656	The saleable area of the property is approximately 2,075 square feet  The property is held under Conditions of Sale No. 11435 for a term of 75 years renewable for 75 years commencing on 30 September 1980.  The Government rent payable for Kowloon Inland Lot No. 10656 is HKD1,000 per annum.		Market Value attributable to the Group as at 31 October 2014  HKD38,300,000

Notes:

1. The registered owner of the property is Dragon Sail Limited vide Memorial No. 11072501970111 dated 30 June 2011 which is a wholly owned subsidiary of the Group.
2. The property is subject to encumbrances as follows:
  - (i) A Deed of Mutual Covenant vide Memorial No. UB2520408 dated 1 December 1983;
  - (ii) A Sub-Deed of Mutual Covenant vide Memorial No. UB7481631 dated 20 April 1998;
  - (iii) A Legal Charge/ Mortgage in favour of The Bank of East Asia, Limited vide Memorial No. 11121401980025 dated 7 December 2011.

## VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
3. Office Nos. 1508, 1509 and 1510 on 15/F of Tower 2, Silvercord, No. 30 Canton Road, Kowloon	The property comprises three office units on 15th floor of a 13-storey office building built upon a 6-storey commercial / carparking podium completed in 1983.	As confirmed by the Company, the property is occupied by the Group for office uses.	HKD65,500,000  Interest attributable to the Group  100%
57/13615th equal and undivided shares of and in Kowloon Inland Lot No. 10656	The saleable area of the property is approximately 3,546 square feet.  The property is held under Conditions of Sale No. 11435 for a term of 75 years renewable for 75 years commencing on 30 September 1980.  The Government rent payable for Kowloon Inland Lot No. 10656 is HKD1,000 per annum.		Market Value attributable to the Group as at 31 October 2014  HKD65,500,000

*Notes:*

1. The registered owner of the property is Big Legend Holdings Limited vide Memorial No. 11102102390218 dated 30 September 2011 which is a wholly owned subsidiary of the Group.
2. The property is subject to encumbrances as follows:
  - (i) A Deed of Mutual Covenant vide Memorial No. UB2520408 dated 1 December 1983;
  - (ii) A Sub-Deed of Mutual Covenant vide Memorial No. UB7481631 dated 20 April 1998;
  - (iii) A Legal Charge/ Mortgage in favour of The Bank of East Asia, Limited vide Memorial No. 11121401980025 dated 7 December 2011.

## VALUATION CERTIFICATE

### Property interests held by the Vastwood Group for trading in Hong Kong

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
4. Flat A on 1st Floor with a Flat Roof thereof, No. 2 Shing Ping Street, Hong Kong	The property comprises a residential unit on 1st floor together with a flat roof of a 6-storey tenement building completed in about 1992.	Pursuant to the tenancy agreement provided by the Group, the property was leased for residential use.	HKD2,760,000
3/30th equal and undivided shares of and in the Remaining Portion of Inland Lot No. 2526	The salcable area of the residential unit is approximately 186 square feet plus a bay window of approximately 5 square feet.	(Please refer to Note 3)	Interest attributable to the Group  10%
	The property is held under Government Lease for a term of 75 years renewable for 75 years commencing on 5 January 1927.		Market Value attributable to the Group as at 31 October 2014  HKD276,000
	The Government rent payable for the Remaining Portion of Inland Lot No. 2526 is HKD23,958 per annum.		

*Notes:*

1. The registered owners of the property are Real Plan Limited (Tenant in Common 90/100) and Mutual Wave Limited (Tenant in Common 10/100) vide Memorial No. 08022901660031 dated 31 January 2008 in which the former is an independent third party and the latter is a wholly owned subsidiary of the Group.
2. The property is subject to encumbrances as follows:
  - (i) An Occupation Permit vide Memorial No. UB5313157 dated 17 June 1992;
  - (ii) A Deed of Mutual Covenant and Management Agreement vide Memorial No. UB5350036 dated 18 June 1992;
  - (iii) A Notice No. WC/TB01799/09/HK-N02 by the Building Authority under Section 24C(1) of the Buildings Ordinance vide Memorial No. 12052201050064 dated 22 October 2009; and
  - (iv) An Order No. UBR/RB04-10/0002/11 by the Building Authority under Section 24(1) of the Buildings Ordinance vide Memorial No. 13121101610304 dated 31 December 2012.
3. Pursuant to a tenancy agreement dated 16 September 2013 entered into between Real Plan Limited and Mutual Wave Limited (the "Lessor") and Yeung Kin Hung (the "Lessee"), the property was leased for a term of two years commencing on 1 October 2013 and expiring on 30 September 2015 at a monthly rental of HKD8,500 inclusive of rates, government rent and management fee but exclusive of utility charge for residential use.
4. The said order and notice issued by the Building Authority under the Buildings Ordinance concerning the unauthorized building works including a structure and a glass balustrade and the illegal removal of the parapet wall on the flat roof. As verbally confirmed by the Group, the removal and reinstatement work are in progress. As the attributed value and the cost is minimal, there is no material impact to our valuation.

## VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
5. Flat F7 on 8/F & Roof (Front Portion on 8/F No. 76 Tung Ming Street) Tung Ming Building, Nos. 74-88 Tung Ming Street, Kowloon	The property comprises a residential unit on 8th floor together with a roof of a 9-storey composite building completed in 1963.	Pursuant to the tenancy agreement provided by the Group, the property is leased for residential use.  (Please refer to Note 3)	HKD1,630,000  Interest attributable to the Group  10%
1/241th equal and undivided shares of and in Kwan Tong Inland Lot Nos. 188 and 189	The saleable area of the residential unit is approximately 265 square feet.	The property is held under Conditions of Sale Nos. 6661 and 6662 for a term of 21 years renewable for 17 years commencing on 1 July 1959.  The term has been statutorily extended to 30 June 2047.	Market Value attributable to the Group as at 31 October 2014  HKD163,000

*Notes:*

1. The registered owner of the property is Auto-Plus Investment Company Limited (Tenant in Common 90/100) and Mutual Wave Limited (Tenant in Common 10/100) vide Memorial No. 08072101090089 dated 23 June 2008 in which the former is an independent third party and the latter is a wholly owned subsidiary of the Group.
2. The property is subject to encumbrances as follows:
  - (i) A Deed of Covenant vide Memorial No. UB417525 dated 28 October 1963; and
  - (ii) A Superseding Notice No. WCMS/TC03140/01/K-S19 by the Building Authority under Section 24C(1) of the Buildings Ordinance vide Memorial No. 10010700850319 dated 19 August 2009.
3. Pursuant to a tenancy agreement dated 17 June 2012 entered into between Auto-Plus Investment Company Limited (the "Lessor") and Kwan Ming Chiu (the "Lessee"), the property was leased for a term of five years commencing on 18 June 2012 and expiring on 17 June 2017 at a monthly rental of HKD3,000 inclusive of rates and government rent but exclusive of utility charge and management fee for residential use.
4. The said superseding notice issued by the Building Authority under the Buildings Ordinance concerning about unauthorized building works including a structure on and over the roof at the premises. As the attributed value and costs required complying with the said notice is minimal, therefore it has no material impact to our valuation.

## VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
6. 1st Floor, No. 49 Lytteleton Road, Hong Kong	The property comprises a residential unit on 1st floor of an 8-storey tenement building completed in about 1963.	As confirmed by the Group, the property is currently pending for lease renewal.	HKD9,800,000
1/16th equal and undivided shares of and in Sub-section 2 of Section K of Inland Lot No. 1216	The saleable area of the property is approximately 722 square feet.  The property is held under Government Lease for a term of 999 years commencing on 25 June 1862.		Interest attributable to the Group  50%
	The Government rent payable for Sub-Section 2 of Section K of Inland Lot No. 1216 is HKD4 per annum.		Market Value attributable to the Group as at 31 October 2014  HKD4,900,000

*Notes:*

1. The registered owners of the property are Good Profit Properties Limited (Tenant in Common 1/2) and Maison Investment Development Limited (Tenant in Common 1/2) vide Memorial No. 10061002060054 dated 13 May 2010 in which the former is an independent third party and the latter is a wholly owned subsidiary of the Group.
2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB432661 dated 9 March 1964.

## VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
7. 3rd Floor, No. 74C Waterloo Road, Kowloon	The property comprises a residential unit on 3rd floor of a 6-storey tenement building completed in about 1957.	Pursuant to the tenancy agreement provided by the Group, the property is leased for residential use.	HKD7,800,000
1/6th equal and undivided shares of and in Section G of Kowloon Inland Lot No. 3903	The saleable area of the property is approximately 806 square feet.	(Please refer to Note 3)	Interest attributable to the Group 50%
	The property is held under Government Lease for a term of 75 years renewable for 75 years commencing 13 April 1931.		Market Value attributable to the Group as at 31 October 2014 HKD3,900,000
	The Government rent payable for Section G of Kowloon Inland Lot No. 3903 is HKD16,290 per annum.		

*Notes:*

1. The registered owners of the property are Sentiment Great Limited (Tenant in Common 1/2) and Good Profit Properties Limited (Tenant in Common 1/2) vide Memorial No. 10052002690062 dated 5 May 2010 in which the former is a wholly owned subsidiary of the Group and the latter is an independent third party.
2. The property is subject to a Deed of Mutual Covenant and Grant vide Memorial No. UB278545 dated 2 June 1958.
3. Pursuant to a tenancy agreement dated 21 October 2014 entered into between Sentiment Great Limited and Good Profit Properties Limited (the "Lessor") and Mak, Shu Lung Daniel (the "Lessee"), the property was leased for a term of two years commencing on 21 October 2014 and expiring on 14 November 2016 at a monthly rental of HKD13,000 inclusive of rates, government rent, management fee but exclusive of utility charge for residential use with a rent free period from 21 October 2014 to 14 November 2014.



VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
8. 2nd Floor, No. 33 Lyttelton Road, Hong Kong	The property comprises a residential unit on 2nd floor of an 8-storey tenement building erected upon a basement carparking floor completed in about 1963.	Pursuant to the tenancy agreement provided by the Group, the property is leased for residential use.  (Please refer to Note 3)	HKD13,800,000
4/136th equal and undivided shares of and in Sections D, E, F and G of Inland Lot No. 1216	The saleable area of the property is approximately 1,006 square feet.  The property is held under Government Leases all for a term of 999 years commencing on 25 June 1862.  The total Government rent payable for Section D, E, F and G of Inland Lot No. 1216 is HKD2.45 per annum.		Interest attributable to the Group  33%
			Market Value attributable to the Group as at 31 October 2014  HKD4,554,000

Notes:

- The registered owners of the property are Lee Chee Joseph (Tenant in Common 1/3), Good Profit Properties Limited (Tenant in Common 1/3) and Wo Ming Limited (Tenant in Common 1/3) vide Memorial No. 10072002470045 dated 22 June 2010 in which the former two are independent third parties and the last one is a wholly owned subsidiary of the Group.
- The property is subject to a Deed of Mutual Covenant vide Memorial No. UB425716 dated 10 January 1964.
- Pursuant to a tenancy agreement dated 17 July 2014 entered into between Lee Chee Joseph, Wo Ming Limited and Good Profit Properties Limited (the "Lessor") and Ulrik Bagge Hansen (the "Lessee"), the property was leased for a term of two years commencing on 1 June 2014 and expiring on 31 May 2016 at a monthly rental of HKD26,000 inclusive of rates, government rent and management fee but exclusive of utility charge for residential use.



VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
9. Blocks A and B on Basement Floor, Cheung Lok Mansion, Nos. 222/224 & 226/228 Wan Chai Road, Hong Kong	The property comprises 2 commercial units of basement floor of a 10-storey composite building plus a basement completed in 1964.	As confirmed by the Company, the property is currently vacant.	HKD18,700,000
2/92th equal and undivided of and in the Remaining Portion of Section A and Section B of Marine Lot No. 123	The total saleable area of the property is approximately 3,290 square feet plus yard of approximately 310 square feet.  The property is held under 2 Government Leases both for a term of 999 years commencing on 26 December 1860.		Interest attributable to the Group  100%
	The Government rent payable for the Remaining Portion of Section A of Marine Lot No. 123 is HKD44 per annum.		Market Value attributable to the Group as at 31 October 2014
	The Government rent payable for Section B of Marine Lot No. 123 is HKD52 per annum.		HKD18,700,000

Notes:

1. The registered owner of the property is Prosper Day Limited vide Memorial No. 11042601650205 dated 30 March 2011 which is a wholly owned subsidiary of the Group.
2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB476232 dated 26 January 1965.





VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
10. Blocks C and D on Basement Floor, Cheung Lok Mansion, Nos. 222/224 & 226/228 Wan Chai Road, Hong Kong	The property comprises 2 commercial units of basement floor of a 10-storey composite building plus a basement completed in 1964.	As confirmed by the Company, the property is currently vacant.	HKD21,500,000
2/92th equal and undivided shares of and in the Remaining Portion of Section A and Section B of Marine Lot No. 123	The total saleable area of the property is approximately 3,800 square feet plus yard of approximately 270 square feet.	The property is held under 2 Government Leases both for a term of 999 years commencing on 26 December 1860.	Interest attributable to the Group 100%
	The Government rent payable for the Remaining Portion of Section A of Marine Lot No. 123 is HKD44 per annum.		Market Value attributable to the Group as at 31 October 2014
	The Government rent payable for Section B of Marine Lot No. 123 is HKD52 per annum.		HKD21,500,000

Notes:

1. The registered owner of the property is Glory Peak Holdings Limited vide Memorial No. 11122201320126 dated 28 November 2011 which is a wholly owned subsidiary of the Group.
2. The property is subject to encumbrances as follows:
  - (i) A Deed of Mutual Covenant vide Memorial No. UB476232 dated 26 January 1965;
  - (ii) A Notice No. WC/TB01856/07/HK-N04 by The Building Authority under Section 24C(1) of the Buildings Ordinance vide Memorial No. 08011801400336 dated 28 June 2007 (Re: Block C on Basement); and
  - (iii) A Notice No. WC/TB01859/07/HK-N04 by The Building Authority under Section 24C(1) of the Buildings Ordinance vide Memorial No. 08011801400324 dated 28 June 2007 (Re: Block D on Basement).
3. The said order and notice issued by the Building Authority under the Buildings Ordinance concerning the unauthorized building works including a structure on and over the yard. As confirmed by the Group, the cost for the removal and reinstatement work is about HKD30,000. As the cost of reinstatement is minimal when comparing to the assessment figure, there is no material impact to our valuation.



VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
11. Block H on 5th Floor, Cheung Lok Mansion, No. 228 Wan Chai Road, Hong Kong	The property comprises a residential unit on 5th floor of a 10-storey composite building plus a basement completed in 1964.	Pursuant to the tenancy agreement provided by the Group, the property is leased for residential use.	HKD5,020,000
1/92th equal and undivided of and in the Remaining Portion of Section A and Section B of Marine Lot No. 123	The saleable area of the property is approximately 421 square feet.  The property is held under 2 Government Leases both for a term of 999 years commencing on 26 December 1860.	(Please refer to Note 3)	Interest attributable to the Group  100%
	The Government rent payable for the Remaining Portion of Section A of Marine Lot No. 123 is HKD44 per annum.		Market Value attributable to the Group as at 31 October 2014
	The Government rent payable for Section B of Marine Lot No. 123 is HKD52 per annum.		HKD5,020,000

Notes:

1. The registered owner of the property is Glory Peak Holdings Limited vide Memorial No. 11122001340095 dated 23 November 2011 which is a wholly owned subsidiary of the Group.
2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB476232 dated 26 January 1965.
3. Pursuant to a tenancy agreement dated 21 August 2013 entered into between Glory Peak Holdings Limited (the "Lessor") and Ramos Alexander R. Junior, Ramos Ghirley Ragas and Torralba Glenn Colina (the "Lessee"), the property was leased for a term of two years commencing on 26 August 2013 and expiring on 25 August 2015 at a monthly rental of HKD11,000 inclusive of rates, government rent and management fee but exclusive of utility charge for residential use.



VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
12. Shop B1 (Nos. 58/60 Hill Road) on G/F, Sik On House, Nos. 54, 56, 58, 60 & 62 Hill Road, Hong Kong	The property comprises a shop on ground floor of a 12-storey composite building of reinforced concrete construction completed in about 1965.	As confirmed by the Company, the property is currently vacant.	HKD2,780,000
2/8 of 1/86th equal and undivided shares of and in Inland Lot No. 1802 and the Extension thereto	The saleable area of the property is approximately 189 square feet.  The property is held under a Government Lease for a term of 999 years commencing on 25 December 1891.  The Government rent payable for Inland Lot No. 1802 and the Extension thereto is HKD56 per annum.		Interest attributable to the Group  100%
			Market Value attributable to the Group as at 31 October 2014  HKD2,780,000

Notes:

- (1) The registered owner of the property is Merchant Haven Limited vide Memorial No. 12021501570024 dated 18 January 2012 which is a wholly owned subsidiary of the Group.
- (2) The property is subject to encumbrances as follows:
  - (i) A Deed of Grants and Covenants vide Memorial No. UB563819 dated 6 December 1966;
  - (ii) A Sub-Deed of Mutual Covenant vide Memorial No. UB3738642 dated 23 May 1988; and
  - (iii) A G.N. 1737 dated 26 March 2010 under Railways Ordinance (Chapter 519) vide Memorial No. 10041200320012 dated 26 March 2010. (Remarks: Mass Transit Railway ('MTR') West Island Line annexed with plans nos. RDM1114, RDM1115 and RDM1116. Re: Resumption of Underground Strata of Land Re (Portion)).

**VALUATION CERTIFICATE**

**Property interests held by the Remaining Group for investment in Hong Kong**

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014								
13. Portion No. 4, Flat No. 23, Shop Nos. 23A & 23B on Ground Floor and No. 23 on Mezzanine Floor, Wing Lee Building, Nos. 27 29, 31, 31A, 31B and 31C Kimberley Road, Kowloon	The property comprises four shop units on ground floor and a shop unit on mezzanine floor of a 21-storey composite building of reinforced concrete construction completed in about 1983.  The total saleable area of the property is approximately 3,394 square feet. The breakdowns are as follows:	Pursuant to the tenancy agreement provided by the Group, the property is leased for shop purposes.  (Please refer to Note 3)	HKD213,000,000  Interest attributable to the Group  100%  Market Value attributable to the Group as at 31 October 2014  HKD213,000,000								
21/180th equal and undivided shares of and in Kowloon Inland Lot Nos. 7404, 7416, 7431 and 7465		<table border="1"> <thead> <tr> <th></th> <th>Saleable Area (sq.ft.)</th> </tr> </thead> <tbody> <tr> <td>Ground Floor</td> <td style="text-align: center;">1,934</td> </tr> <tr> <td>Mezzanine Floor</td> <td style="text-align: center;">1,460</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;"><b><u>3,394</u></b></td> </tr> </tbody> </table>		Saleable Area (sq.ft.)	Ground Floor	1,934	Mezzanine Floor	1,460	<b>Total</b>	<b><u>3,394</u></b>	
	Saleable Area (sq.ft.)										
Ground Floor	1,934										
Mezzanine Floor	1,460										
<b>Total</b>	<b><u>3,394</u></b>										

The property is held under Conditions of Renewal No. 6022 and Conditions of Re-grant Nos. 6061, UB6172 and 6197 all for a term of 150 years commencing on 25 December 1888.

The total Government rent payable for Kowloon Inland Lot Nos. 7404, 7416, 7431 and 7465 is HKD1,217 per annum.



Notes:

1. The registered owner of the property is Central Fly Limited vide Memorial No. 12061402450031 dated 16 May 2012 which is a wholly owned subsidiary of the Group.
2. The property is subject to the followings:
  - (i) A Deed of Mutual Covenant vide Memorial No. UB436884 dated 9 March 1964; and
  - (ii) A Sub-Deed of Mutual Covenant vide Memorial No. UB8565889 dated 3 December 2001. (Re: For Flat No. 23 on Ground Floor and No. 23 on Mezzanine Floor only).
  - (iii) A Mortgage in favour of Hang Seng Bank Limited vide Memorial No. 12061402450042 dated 16 May 2012 (Please refer to Note 3); and
  - (iv) A Rent Assignment in favour of Hang Seng Bank Limited vide Memorial No. 12061402450051 dated 16 May 2012 (Please refer to Note 3).
3. We have been advised by the Group that outstanding of the loan in the sum of HKD86,004,647.25 had been fully settled to Hang Seng Bank Limited on 16 September 2014 and the Group is pending to redeem the title document as at the Valuation Date.
4. Pursuant to a tenancy agreement dated 13 November 2013 entered into between Central Fly Limited (the "Lessor") and Kai Kee (Food & Beverage Limited (the "Lessee"), the property was leased for a term of four years commencing on 15 October 2013 and expiring on 14 October 2017 at a monthly rental of HKD544,000 for the first 3 years of tenancy, HKD648,000 for the fourth year of the tenancy exclusive of rates, government rent, management fee and utility charge with an option to renew for another 3 years from 15 October 2017 to 14 October 2020 for shop purpose. The details of rent free period are as follows:

Time Period	From	To
During the first term of 4 years	15 October 2013	14 December 2013
	15 April 2014	14 May 2014
	15 January 2015	14 February 2015
	15 September 2015	14 October 2015
	15 May 2016	14 June 2016
	15 April 2017	14 May 2017
During the renewed period of 3 years	15 February 2018	14 March 2018
	15 November 2018	14 December 2018
	15 August 2019	14 September 2019
	15 May 2020	14 June 2020

5. The property is located along Kimberley Road abutting to Nathan Road in Tsim Sha Tsui which is one of the prime tourist spots and business centres in Hong Kong. The locality largely comprises various high street shops, retail arcades, hotels, offices and composite buildings. Transportation is convenient, it is accessible via bus, taxi and is within 5 minutes walking distance to Tsim Sha Tsui MTR Station. According to the information from the Rating and Valuation Department, the latest average yield is about 2.4% for retail property.



VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
14. Roof of Block C, Sea View Estate, No. 8 Watson Road, Hong Kong	The property comprises a roof and a signboard space erected upon of a 15-storey non-domestic building completed in 1966.	As confirmed by the Company, the property is currently vacant.	HKD22,400,000
1/3 of 1/95000th equal and undivided shares of and in Section A of Marine Lot No. 293 and Inland Lot No. 1780	The roof area of the property is approximately 8,970 square feet.  The property is held under 2 Government Leases both for a term of 75 years renewable for 75 years commencing on 5 November 1906 and 23 December 1907 respectively.  The total Government rent payable for Section A of Marine Lot No. 293 and Inland Lot No. 1780 is HKD157,368 per annum.		Interest attributable to the Group  100%  Market Value attributable to the Group as at 31 October 2014  HKD22,400,000

Notes:

1. The registered owner of the property is Brilliant Icon Limited vide Memorial No. 12012601330026 dated 3 January 2012 which is a wholly owned subsidiary of the Group.
2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB2226951 dated 23 January 1982.
3. Pursuant to the latest approval letter dated 19 September 2014 issued by the Buildings Department in respect of Building and Structure (Alterations & Additions – Signboard) Amendment, the Group was approved to commence the demolition and re-construction work of steel structure frame of the signboard.

## VALUATION CERTIFICATE

### Property interests held by the Remaining Group under development in Hong Kong

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at 31 October 2014
15. Nos. 142, 144, 146, 148, 150, 152 and 154 Carpenter Road, Kowloon City, Kowloon	The property comprises seven 5-storey tenement buildings completed in about 1953. The property is built on a rectangular site with an area of approximately 9,122.5 square feet (847.5 sq.m.).	Ground Floor of No. 144 Carpenter Road is currently leased for a term of three years commencing from 1 December 2013 to 30 November 2016 at a monthly rent of HKD41,000.	HKD440,000,000  Interest attributable to the Group  51%
New Kowloon Inland Lot Nos. 3715, 3956, 3957 and 3958 and Sections A, E and F of New Kowloon Inland Lot No. 3715	<p>Except the Ground Floor of No. 142 Carpenter Road, each building comprises a domestic unit on each floor. Pursuant to an alteration and additional plan for the change of use of the Ground Floor of No. 142 Carpenter Road from domestic use to shop use was approved on 23 January 1961.</p> <p>As scaled off from the building plans and property information obtained from the Rating and Valuation Department, the total saleable area excluding yard, lavatories at yard, balcony of the property is approximately 34,355square feet.</p> <p>New Kowloon Inland Lot Nos. 3715, 3956, 3957 and 3958 are held under various Government Leases all for terms of 75 years renewable for 24 years commencing on 1 July 1898.</p> <p>Sections A, E and F of New Kowloon Inland Lot No. 3715 are held under Conditions of Exchange No. UB4754 for terms of 75 years renewable for 24 years commencing on 1 July 1898. The term of the property has been statutorily extended to 30 June 2047.</p>	<p>The remaining portion of the property is vacant in possession.</p>	<p>Market Value attributable to the Group as at 31 October 2014</p> <p>HKD224,400,000</p>



Notes:

1. Pursuant to complete searches at the Land Registry, the Property is held by subsidiaries of the Company and the details of the ownership are as follow:

Portion of Property	Registered Owner
G/F of No. 142 Carpenter Road	Wofeng Holding Limited
1/F to 4/F of No. 142 Carpenter Road	High Bond Limited
144, 146, 148, 150 and 152 Carpenter Road	High Bond Limited
154 Carpenter Road	Macro Win Limited

2. The property is subject to various building orders and notices issued by the Building Authority under the Buildings Ordinance concerning about unauthorized building works, dangerous building and defective or insanitary drainage condition. As verbally confirmed by the Group, the property will be demolished accordingly after the application of land exchange as well as relevant development applications being approved. As the Group intends to demolish the property which in turn nullifying the said orders and notices. Therefore, we consider that there will be no material impart to our valuation.
3. Pursuant to the Special Conditions of Conditions of Exchange No. UB4754 in respect of the property, it contains, *inter alia*, the following development covenants:
 

“The lots shall not be used for industrial purposes and no factory building shall be erected thereon.”
4. Pursuant to New Kowloon Inland Lot Nos. 3715, 3956, 3957 and 3958 in respect of the property, it contains, *inter alia*, the following development covenants:
 

“...the said Lessees will not use or allow to be used the said piece or parcel of ground or any part thereof or any building erected thereon or any part of such building for industrial purposes and will not erect or allow to be erected any factory building on the said piece or parcel of ground. AND will not erect or allow to be erected on the said piece or parcel of ground more than one house...”
5. Pursuant to an approved Ma Tau Kok OZP No. S/K.10/20 dated 14 November 2008, the Property is designated as “Residential (Group A) 2”.
6. As confirmed by the Group, the property is still pending for land exchange application without immediate development potential for the time being such that the completed development value, the estimated total development cost and planning or other regulatory consent is unavailable as at the valuation date.
7. The property is located along Carpenter Road in the Kowloon City District which is primarily a residential area. The vicinity mainly comprises with low to medium rise old tenement or composite buildings and dispersed with some newly completed residential redevelopments. The Kowloon City Plaza is located in adjacent to the property whereas the rest of the retail are primarily on-street shops of neighbourhood nature scattered around. It is accessible via bus, light bus and taxi. According to the information from Rating and Valuation Department, the latest average yields are about 2.4% for retail property, 2.6% and 2.8% for Grade B and C private domestic property respectively.