
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Shenzhen Investment Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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深圳控股有限公司
SHENZHEN INVESTMENT LIMITED
(incorporated in Hong Kong with limited liability)

DISCLOSEABLE AND CONNECTED TRANSACTION

**in relation to the Acquisition of the remaining 60% equity interest in
Shenzhen Pengji (Holdings) Company Limited**

Financial adviser to Shenzhen Investment Limited

BNP PARIBAS PEREGRINE

**Financial adviser to the Independent Board of
Shenzhen Investment Limited**



Core Pacific – Yamaichi Capital Limited

A letter from the Chairman is set out on pages 5 to 15 of this circular and a letter from the Independent Board is set out on pages 16 to 17 of this circular.

A notice convening an extraordinary general meeting of Shenzhen Investment Limited to be held at Suite VI-VII, Hotel Inter-Continental Hong Kong, 18 Salisbury Road, Tsimshatsui, Kowloon, Hong Kong on Tuesday, 16th April, 2002 at 2:30 p.m. is set out on pages 245 to 246 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the registered office of Shenzhen Investment Limited at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy shall not preclude you from attending and voting at the meeting or any adjourned meeting should you so desire.

26th March, 2002

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Acquisition”	the acquisition of the remaining 60% equity interest in Pengji by the Company from Shum Yip Holdings pursuant to the Agreement
“Actual NAV”	the audited consolidated NAV of Pengji as at 31st December, 2001 as shown in the audited consolidated accounts of Pengji prepared in accordance with PRC accounting standard and adjusted in accordance with HKGAAP and for the revaluation surplus derived from a valuation report prepared by RHL Appraisal Limited
“Adjustment”	the adjustment of the consideration of the Acquisition pursuant to the formulae set out in clause 4.3 of the Agreement
“Agreement”	the conditional agreement dated 6th March, 2002 entered into between the Company and Shum Yip Holdings whereby the Company agreed to purchase and Shum Yip Holdings agreed to sell the 60% equity interest in Pengji
“Associates”	has the meaning as defined in the Listing Rules
“Banks”	Pengji’s principal bankers, who are independent third parties not connected with any of the directors, chief executive or substantial shareholder of the Company or its subsidiaries or any of their respective associates
“Bank Guarantees”	prior to Completion, the corporate guarantees provided by Shum Yip Holdings in favour of any of the Banks to secure the indebtedness due and owing by Pengji to any of the Banks
“Board”	board of Directors
“Business Day(s)”	any day other than a Saturday, Sunday or a day on which commercial banking institutions in Hong Kong are authorized or obligated by law or executive order to be closed

DEFINITIONS

“Company”	Shenzhen Investment Limited (formerly known as Shum Yip Investment Limited), a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange
“Completion”	the completion of the Agreement
“Consideration Shares”	the 60,846,983 new Shares to be issued under the Agreement to partly satisfy the consideration of the Acquisition
“CPY Capital”	Core Pacific – Yamaichi Capital Limited, a registered investment adviser and dealer under the Companies Ordinance (Chapter 333 of the Laws of Hong Kong)
“Deducted Amount”	an amount to be deducted from the cash portion of the consideration in relation to the Acquisition on the date of Completion should the Actual NAV be less than the Estimated NAV which amount shall be calculated in accordance with clause 4.3 of the Agreement
“Director(s)”	director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened on 16th April, 2002
“Estimated NAV”	the estimated consolidated NAV of Pengji as at 31st December, 2001 being RMB717.422 million (equivalent to approximately HK\$676.813 million)
“Fee”	a fee equivalent to 0.5% of the amount of the Bank Guarantees provided by Shum Yip Holdings to the relevant Bank
“First Frontier”	includes Lohu District, Futian District, and Shatoujiao District in Shenzhen
“G.F.A.”	gross floor area
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“HKGAAP”	the generally accepted accounting principles in Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Board”	Mr. Wong Po Yan, being an independent non-executive Director appointed by the board of Directors to advise the Independent Shareholders in respect of the Agreement and the transactions (including the issuance and allotment of the Consideration Shares) contemplated thereunder
“Independent Shareholders”	Shareholders other than Shum Yip Holdings and its associates (as defined under the Listing Rules)
“Latest Practicable Date”	20th March, 2002 being the latest practicable date before the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“NAV”	net asset value
“Option”	an option which allowed the Company to acquire an additional 20% equity interest in Pengji from Shum Yip Holdings up to the expiry of one year from the date of completion of the Previous Agreement.
“Pengji”	深圳鵬基(集團)有限公司(Shenzhen Pengji (Holdings) Company Limited), formerly known as深圳鵬基實業有限公司 (Shenzhen Pengji Industrial Company Limited), established in 1982 and reorganized as a wholly foreign owned enterprise in the PRC in September 1999
“Pengji Group”	Pengji, its subsidiaries and associated companies
“PRC”	People’s Republic of China
“Previous Agreement”	agreement dated 28th October, 1999 entered into between the Company and Shum Yip Holdings in relation to the acquisition of the 40% interests in Pengji by the Company with an option to acquire an additional 20% equity interests up to the expiry of one year from the date of its completion

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Shares”	shares of HK\$0.10 each in the Company
“Shenzhen”	Shenzhen Special Economic Zone, the PRC
“Shum Yip Holdings”	Shum Yip Holdings Company Limited, a company incorporated in Hong Kong with limited liability
“sq. m.”	square metre(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

In this circular, Renminbi has been converted into Hong Kong dollars at the rate of HK\$1 = RMB 1.06 for indication purpose only.

LETTER FROM THE CHAIRMAN



深圳控股有限公司

SHENZHEN INVESTMENT LIMITED

(incorporated in Hong Kong with limited liability)

Executive Directors:

Mr. SONG Zhiwang, *Chairman*
Mr. LIU Zixian, *Managing Director*
Mr. SUN Juyi, *Deputy Managing Director*
Mr. ZHANG Luzheng
Mr. ZHU Qiyi
Mr. YANG Yefang

Registered Office:

8th Floor
New East Ocean Centre
9 Science Museum Road
Tsimshastui
Kowloon
Hong Kong

Non-executive Directors:

Mr. WONG Po Yan
Mr. LEE Yip Wah, Peter

26th March, 2002

To the shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION

**in relation to the Acquisition of the remaining 60% equity interest in
Shenzhen Pengji (Holdings) Company Limited**

1. INTRODUCTION

On 6th March, 2002, the Board announced that the Company entered into a conditional agreement with Shum Yip Holdings, who is the controlling shareholder of the Company (holding 55.13% interest in the Company as at the Latest Practicable Date), to acquire the remaining 60% equity interest in Pengji from Shum Yip Holdings for an aggregate consideration of HK\$304.6 million (subject to the Adjustment).

The Agreement and the transactions contemplated thereunder (including the issuance and allotment of the Consideration Shares) constitute a discloseable and connected transaction for the Company under the Listing Rules and, therefore, is subject to the approval of the Independent Shareholders at the EGM as referred to in the paragraphs headed “EGM” below.

LETTER FROM THE CHAIRMAN

In view of the interest of Shum Yip Holdings and its associates in the Acquisition, the Independent Board has been appointed to advise the Independent Shareholders in relation to the Acquisition. CPY Capital has been appointed as independent financial adviser to advise the Independent Board in respect of the Acquisition. Besides, prior to Completion, Shum Yip Holdings has provided certain Bank Guarantees in favour of the Banks to secure the banking facilities being offered to Pengji. Upon Completion, the Bank Guarantees will continue to be provided by Shum Yip Holdings until expiry of the term of the Bank Guarantees. After Completion and the expiry of the term of the Bank Guarantees, the Bank Guarantees shall be replaced by corporate guarantees of the Company. The Directors consider that the granting of financial assistance by Shum Yip Holdings to Pengji are made on normal commercial terms (or better) and are in the interests of the Company and the Shareholders taken as a whole. Accordingly, the Bank Guarantees will not be subject to any disclosure or shareholders' approval requirement under Rule 14.24(8) of the Listing Rules.

The purpose of this circular is to provide the Shareholders with further information relating to the Acquisition, to set out the letter of advice from the Independent Board in respect of the Acquisition as advised by CPY Capital, to give you notice of the EGM at which ordinary resolution will be proposed to approve the Agreement and the transactions contemplated thereunder (including the issuance and allotment of the Consideration Shares) at the EGM.

2. AGREEMENT DATED 6TH MARCH, 2002

Parties:

Vendor : Shum Yip Holdings
Purchaser : The Company

Assets to be acquired:

The remaining 60% equity interest in Pengji not already owned by the Company.

3. INFORMATION ON PENGJI

Pengji was established in 1982 under the laws of the PRC to develop industrial zones in Lohu and Futian Districts, Shenzhen. The Pengji Group is principally engaged in property development, investment and management in the PRC. The Pengji Group has also invested in various businesses, including manufacturing of industrial and consumer products, such as crystal oscillator, liquid crystal devices, optical fibre connecting devices, disposable cameras and watches, and operation of hotels and restaurants.

The Pengji Group's property and non-property business account for approximately 73% and 27% of Pengji Group's adjusted NAV as at 30th September, 2001 respectively.

LETTER FROM THE CHAIRMAN

The following table sets out a summary of Pengji's property interests as at 31st December, 2001:

	Residential	Commercial	Industrial	Total
1. Property interest held for sale				
G.F.A. (approx. sq.m.)	8,261	9,692	11,131	29,084
Capital Value (RMB)	32,407,500	54,060,000	20,000,000	106,467,500
2. Property interest held for investment				
G.F.A. (approx. sq.m.)	75,754	71,583	122,622	269,959
Capital Value (RMB)	182,624,944	252,464,500	204,957,346	640,046,790
3. Property interest held under development				
G.F.A. (approx. sq.m.)	165,703	12,500	–	178,203
Capital Value (RMB)	288,000,000	15,000,000	–	303,000,000
4. Property interest held for future development				
G.F.A. (approx. sq.m.)	277,468	26,000	–	303,468
Capital Value (RMB)	232,249,000	6,000,000	–	238,249,000
5. Property interest held and occupied by the Pengji Group				
G.F.A. (approx. sq.m.)	5,919	3,678	14,791	24,388
Capital Value (RMB)	12,214,251	14,432,760	33,951,960	60,598,971
Total:				
G.F.A. (approx. sq.m.)	533,105	123,453	148,544	805,102
Capital Value (RMB)	747,495,695	341,957,260	258,909,306	1,348,362,261
(approx. HK\$ equivalent)	705,184,618	322,601,189	244,254,062	1,272,039,869

LETTER FROM THE CHAIRMAN

The existing registered capital of Pengji is RMB182.05 million (equivalent to approximately HK\$171.75 million) and such registered capital has been fully paid up.

Prior to Completion, Pengji is owned as to 60% and 40% by Shum Yip Holdings and the Company respectively. Upon Completion, Pengji will become a direct wholly owned subsidiary of the Company.

The board of directors of Pengji currently comprises 7 directors, 3 of whom are nominated by the Company and 4 by Shum Yip Holdings. Upon Completion, all directors of Pengji will be appointed by the Company.

The consolidated net assets value of Pengji based on the audited consolidated accounts of Pengji prepared in accordance with PRC accounting standard as at 31st December, 2000 was approximately RMB649 million (equivalent to approximately HK\$612 million). Such net assets value after adjusted for HKGAAP amounted to approximately RMB634 million (equivalent to approximately HK\$598 million).

The table below sets out the consolidated profit before and after taxation and minority interest of Pengji based on the accounts of Pengji prepared and audited in accordance with PRC accounting standards and adjusted, but not audited, in accordance with HKGAAP for the two years ended 31st December, 2000 and the unaudited consolidated profit before and after taxation and minority interest of Pengji based on the accounts of Pengji prepared in accordance with PRC accounting standards and adjusted, but not audited, in accordance with HKGAAP for the nine months ended 30th September, 2001:

	Year ended 31st December, 1999		Year ended 31st December, 2000		Nine months ended 30th September, 2001	
	Approx. RMB (in million)	Approx. HK\$ (in million)	Approx. RMB (in million)	Approx. HK\$ (in million)	Approx. RMB (in million)	Approx. HK\$ (in million)
Profit before taxation and minority interest	51.6	48.7	87.8	82.8	49.2	46.4
Profit after taxation and minority interest	36.6	34.5	46.5	43.9	31.2	29.4

4. CONSIDERATION AND PAYMENT TERMS

The consideration payable by the Company is HK\$304,600,000, of which HK\$152,300,000 will be satisfied in cash by internal resources of the Company and HK\$152,300,000 will be satisfied by the issue and allotment of 60,846,983 new Shares,

LETTER FROM THE CHAIRMAN

representing approximately 5.31% and 5.04% of the Company's total issued share capital before and after the issue of Consideration Shares respectively, to Shum Yip Holdings, at an issue price of HK\$2.503 per Share. Such issue price of the Consideration Shares represents:

- approximately a 25-day average closing price from 25th January, 2002 to 5th March, 2002, being the immediate trading day before the date of the Agreement, (both dates inclusive);
- approximately 0.72% premium of 10-day average closing price of HK\$2.485 per Share from 20th February, 2002 to 5th March, 2002, being the immediate trading day before the date of the Agreement, (both dates inclusive); and
- approximately 4.29% premium on the closing price of the Shares of HK\$2.40 per Share on 6th March, 2002, being the date of the Agreement, as quoted on the Stock Exchange.
- approximately 3.22% premium on the closing price of the Shares of HK\$2.425 per Share on 20th March, 2002, being the Latest Practicable Date, as quoted on the Stock Exchange.

The consideration of HK\$304,600,000 is arrived at based on an approximate 25% discount to an amount equivalent to 60% of the Estimated NAV. The Estimated NAV is based on (1) the audited consolidated net asset value of Pengji as at 31st December, 2000 prepared in accordance with the PRC accounting standards and adjusted for HKGAAP; (2) unaudited profit of Pengji, prepared in accordance with HKGAAP, for the nine months ended 30th September, 2001; (3) profit estimate for the three months ended 31st December, 2001 provided by Pengji's management; and (4) a valuation of the property interests of Pengji Group as at 31st December, 2001, as prepared by RHL Appraisal Ltd., an independent professional valuer. Should the Actual NAV be less than RMB717.422 million (equivalent to approximately HK\$676.813 million), the Deducted Amount (calculated in accordance with a formulae set out in clause 4.3 of the Agreement as shown below) will be deducted from the cash portion of the consideration which is to be paid by the Company to Shum Yip Holdings upon Completion:

$$\text{Deducted Amount} = (\text{Estimated NAV} - \text{Actual NAV}) \times (1-25\%) \times 60\%$$

The consideration (subject to the Adjustment) will be paid by the Company to Shum Yip Holdings on the date of Completion.

The terms of the Acquisition including, among other things, the consideration (subject to the Adjustment) have been arrived at after arm's length negotiations and are based on normal commercial terms.

An application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Consideration Shares.

LETTER FROM THE CHAIRMAN

5. CHANGE IN THE COMPANY'S SHAREHOLDING STRUCTURE

Based on the information as at the Latest Practicable Date, the following table sets out the change in the shareholding structure of the Company as a result of the issue and allotment of the Consideration Shares:

	Immediately before Completion		Immediately after Completion	
	Shares	approx. %	Shares	approx. %
Shum Yip Holdings	632,010,000	55.13	692,856,983	57.40
Public Shareholders	514,290,000	44.87	514,290,000	42.60
Total	<u>1,146,300,000</u>	<u>100.00</u>	<u>1,207,146,983</u>	<u>100.00</u>

6. Conditions of Agreement:

Completion of the Agreement is conditional upon satisfaction of the following conditions within 120 days after the signing of the Agreement or such later date as may be agreed in writing between the parties:

1. the due diligence review on the Pengji Group being completed by the Company and the result thereof being in the absolute opinion of the Company satisfactory to the Company;
2. the Company having executed the relevant documents in relation to amendments to the articles of association of Pengji following the Acquisition;
3. the passing of resolutions of the board of directors of Pengji, including but not limited to, approving the Agreement, the transactions contemplated thereunder and the respective amendments of the articles of association;
4. the approval of the Acquisition contemplated under the Agreement and the respective amendments of the articles of association by the relevant PRC government authorities, the issuance of certificate of approval, the grant of a new business licence of Pengji by 深圳市工商行政管理局 (Shenzhen Administration for Industry and Commerce) as a result of the Acquisition and the obtaining of the copies of the aforesaid approval documents and the business licence by the Company;
5. the approval of the Agreement (including the issuance of the Consideration Shares) and the transactions contemplated thereunder by ordinary resolution of the Independent Shareholders at the EGM;

LETTER FROM THE CHAIRMAN

6. the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Consideration Shares;
7. the obtaining of all other approvals and consents necessary for the completion of the transactions contemplated under the Agreement including any requisite bankers' consent and such other consent reasonably required by the parties;
8. the obtaining of a written confirmation from Shum Yip Holdings that there has been no adverse change in the financial position of the Pengji Group since 1st October, 2001 up to the date of Completion; and
9. the obtaining of an audited consolidated financial statements of Pengji by the Company for the year ended 31st December, 2001 prepared in accordance with the PRC accounting standards and adjusted in accordance with the HKGAAP.

If all of the above conditions are not fulfilled within 120 days after the signing of the Agreement or such later date as may be agreed in writing between the parties, the Agreement shall automatically terminate and all the obligations and liabilities of the parties to the Agreement will lapse, save in respect of antecedent breaches.

It is agreed between the parties that, upon Completion, the Company shall be entitled to all of the net profits or shall share the net loss of Pengji Group (as the case may be) together with any dividends, bonus shares and warrants etc distributed by Pengji with effect from 1st January, 2002.

7. COMPLETION OF THE AGREEMENT

Completion shall take place on the third Business Day after the satisfaction of all the above conditions.

LETTER FROM THE CHAIRMAN

8. BANK GUARANTEES PROVIDED BY SHUM YIP HOLDINGS TO PENGJI

Prior to Completion, Shum Yip Holdings has provided certain Bank Guarantees in favour of the Banks to secure the banking facilities being offered to Pengji by the Banks, details of which are summarized in the table below. In accordance with Shum Yip Holdings' group policy, an aggregate fee equivalent to 0.5% of the aggregate amount of the Bank Guarantees would be payable by Pengji to Shum Yip Holdings in return for such services.

The maximum principal amount⁽¹⁾ being secured by the Bank Guarantees	The outstanding principal balance as at 6th March, 2002	Term of the Bank Guarantees	Uses of funding
RMB 250 million ⁽³⁾	RMB 250 million	From 6 Mar 2001 to 6 Mar 2002, which was renewed to a period from 4 March 2002 to 4 Sept 2002 ⁽²⁾	For property development and working capital
RMB 100 million	RMB 90 million	From 29 May 2001 to 29 May 2002 ⁽²⁾	For working capital
RMB 100 million	RMB 60 million	From 20 Nov 2001 to 20 Nov 2002 ⁽²⁾	For working capital

Note:

- (1) Under the Bank Guarantees, Shum Yip Holdings would, in addition to this maximum principal amount, be liable for the respective interest, overdue interest, compound interest, fine, default charges and other related administrative charges, if any.
- (2) The guarantee period of each loan under the Bank Guarantee is effective from the commencement date of the relevant loan up to its maturity plus two years.
- (3) At the request of Pengji and subject to the relevant Bank's approval, Shum Yip Holdings may provide a higher amount of bank guarantee up to RMB350 million.

Upon Completion, Pengji will become a wholly owned subsidiary of the Company. It is intended that the Bank Guarantees will continue to be provided by Shum Yip Holdings in favour of the Banks until expiry of the term of the Bank Guarantees as indicated above. In this connection, pursuant to a memorandum dated 6th March, 2002 entered into between Shum Yip Holdings and Pengji, Pengji will no longer be liable for the Fee (if any) with effect from the date of Completion.

LETTER FROM THE CHAIRMAN

The Directors consider that the granting of financial assistance by Shum Yip Holdings to Pengji, the Company's wholly owned subsidiary after Completion, as envisaged by the Bank Guarantees are made on normal commercial terms (or better) and are in the interests of the Company and the Shareholders taken as a whole. Accordingly, the Bank Guarantees will not be subject to any disclosure or shareholders' approval requirement under the Listing Rules.

After Completion and the expiry of the term of the Bank Guarantees, the Bank Guarantees provided by Shum Yip Holdings shall be replaced by corporate guarantees of the Company.

9. REASONS FOR THE ACQUISITION

The Group is principally engaged in property development and investment, provision of transportation service and investment in infrastructure. The Directors believe that with China's accession to the WTO, increased investment in urban infrastructure and accelerated development in new high technology, Shenzhen provides the Group with ample opportunities for future property development. The Directors have been actively looking into opportunities that may enable the Group to take full advantage of its cash resources to acquire quality assets and expand its core business.

Pengji is an investment holding company which, through its various subsidiaries, is engaged principally in property development and investment, and 67% of the property interests attributable to Pengji, in terms of gross floor area, are located in the First Frontier in Shenzhen. As China's first Special Economic Zone, Shenzhen is one of the country's fastest growing economies and the leader in economic reform and development, experiencing double digit GDP growth for the past 20 years. For the past 10 years, the average annual GDP growth of Shenzhen was approximately 22%, which represented 11% above the national average. The Directors consider that land supply in the First Frontier of Shenzhen is limited and investment in Pengji will enable the Group to benefit from its land reserve in the First Frontier of Shenzhen, which has high potential for future development.

Indeed, pursuant to the agreement dated 28th October, 1999 entered into between the Company and Shum Yip Holdings, the Company has successfully capitalized this investment opportunity by acquiring 40% equity interests in Pengji from Shum Yip Holdings with an option to acquire an additional 20% equity interests up to the expiry of one year from the date of completion of the Previous Agreement (which expired on 23rd February, 2001). During these years, Pengji Group's profit contribution to the Group has been satisfactory. For the year ended 31st December, 2000, the net profit attributable to 40% equity interest of Pengji Group amounted to HK\$17,578,000, representing approximately 6% of the Group's net profit. Therefore, in view of the increasing positive sentiment towards the Shenzhen property market and before the Option was lapsed, the Directors have already considered that it will be more beneficial for the Company to acquire up to the entire interests in Pengji as opposed to the exercise of the Option.

LETTER FROM THE CHAIRMAN

The Directors further consider that since half of the consideration (subject to the Adjustment) will be settled by way of issue of the Consideration Shares, the Acquisition will not have a material impact on the cashflow of the Group. Besides, it will further strengthen the Company's capital base, earning base and property investment portfolio of the Group as a whole.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Acquisition are fair and reasonable and are in the interests of the Company and the Shareholders taken as a whole.

10. EGM

Set out on pages 245 to 246 of this circular is a notice convening the EGM, at which ordinary resolution will be proposed to consider and, if thought fit, inter alia to approve the Agreement and transactions contemplated thereunder (including the issuance and allotment of the Consideration Shares). Shum Yip Holdings (which, as at the Latest Practicable Date, beneficially owned 632,010,000 Shares, representing 55.13% of the issued share capital of the Company) and its associates will abstain from voting in respect of these resolutions because of its interests in the Agreement.

A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the EGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the registered office of the Company at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy shall not preclude you from attending and voting at the meeting or any adjourned meeting should you so desire.

11. RECOMMENDATION

In compliance with the Listing Rules, Mr. Wong Po Yan, an independent non-executive Director has been appointed to the Independent Board to advise the Independent Shareholders on the Acquisition. Mr. Lee Yip Wah, Peter, who is also an independent non-executive Director, will not advise the Independent Shareholders in respect of the terms of the Acquisition as he is a partner of the legal adviser on Hong Kong laws to the Company in respect of the Acquisition and receive normal legal fee from the Company.

Your attention is drawn to: (1) the letter from the Independent Board set out on pages 16 to 17 of this circular which contains his recommendation concerning the Acquisition; and (2) the letter from CPY Capital to the Independent Board in relation to the Acquisition and the key factors considered by CPY Capital in arriving at its recommendation.

LETTER FROM THE CHAIRMAN

12. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in appendices to this circular.

By order of the Board
Shenzhen Investment Limited
Song Zhiwang
Chairman

LETTER FROM THE INDEPENDENT BOARD



深圳控股有限公司

SHENZHEN INVESTMENT LIMITED

(incorporated in Hong Kong with limited liability)

26th March, 2002

To the Independent Shareholders

Dear Sir and Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION

I refer to the circular of Shenzhen Investment Limited dated 26th March, 2002 (the “Circular”) of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context otherwise requires.

Under the Listing Rules, the Acquisition constitutes a discloseable and connected transaction for the Company. Accordingly, the Acquisition is subject to, inter alia, the approval of the Independent Shareholders at the EGM.

In view of the interests of Shum Yip Holdings in the Acquisition, I have been appointed to the Independent Board to advise the Independent Shareholders in respect of the Acquisition, details of which are set out in the Letter from the Chairman contained in the Circular, of which this letter forms part.

CPY Capital has been appointed as the independent financial adviser to advise me regarding the terms of Agreement and the transactions (including the issuance and allotment of the Consideration Shares) contemplated thereunder. Details of their advice, together with the principal factors and reasons taken into consideration in arriving at such advice, are set out in their letter on pages 18 to 27 of the Circular.

I have discussed with the management of the Company as to the reasons for the Acquisition. I have also discussed with CPY Capital as to the basis upon which its advice has been given to the Independent Board. I have also considered the key factors taken into account by CPY Capital in arriving at its opinion regarding the Acquisition as set out in the letter from CPY Capital on pages 18 to 27 of the Circular, which I urge you to read carefully.

LETTER FROM THE INDEPENDENT BOARD

I concur with the views of CPY Capital and consider that the terms of the Agreement and the transactions contemplated thereunder (including the issuance and allotment of the Consideration Shares) are fair and reasonable and that they are in the interests of the Company and the Shareholders taken as a whole. Accordingly, I recommend the Independent Shareholders to approve the the Agreement and the transactions contemplated thereunder (including the issuance and allotment of the Consideration Shares) and to vote in favour of the ordinary resolution relating to the Acquisition to be proposed at the EGM.

Yours faithfully,
For and on behalf of Independent Board
WONG Po Yan
Independent non-executive Director

LETTER FROM CPY CAPITAL

The following is the text of a letter prepared by Core Pacific – Yamaichi Capital Limited for the purposes of inclusion in this circular.



Core Pacific – Yamaichi Capital Limited
30th Floor
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Hong Kong

The Independent Board
Shenzhen Investment Limited
8th Floor
New East Ocean Centre
9 Science Museum Road
Tsimshatsui
Hong Kong

26th March, 2002

Dear Sir,

**PROPOSED DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE ACQUISITION OF
THE REMAINING 60% EQUITY INTEREST IN
SHENZHEN PENGJI (HOLDINGS) COMPANY LIMITED**

We, CPY Capital, refer to our appointment by the Company as the independent financial adviser to advise the Independent Shareholders with respect to the Acquisition, details of which are set out in the circular to the Independent Board dated 26th March, 2002 (the “Circular”), of which this letter forms part. Terms used herein shall have the same meaning used in the Circular unless the context otherwise requires.

CPY Capital has been engaged to advise the Independent Board as to whether or not the terms of the Acquisition (including issuance and allotment of the Consideration Shares to Shum Yip Holdings by the Company) are fair and reasonable in so far as the Independent Shareholders are concerned. The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to their individual positions.

In formulating our opinion, we have relied on the Company to provide us with all relevant information relating to the Acquisition including, but not limited to, the audited financial statements of Pengji for the 2 years ended 31st December, 2000 and its unaudited results for the nine months ended 30th September, 2001, which are adjusted to conform to HKGAAP, and the valuation report dated 26th March, 2002 (the “Valuation Report”) prepared by RHL Appraisal Limited, an independent valuer, on the property interests held by Pengji.

LETTER FROM CPY CAPITAL

We have assumed that all information, representations and opinions contained or referred to in the Circular and all information, representations and opinions which have been provided by the Directors for which they are solely responsible, are true and accurate at the time they were made and continue to be so at the date hereof. We have also assumed that the Valuation Report is fair and accurate in all respects and that all information and representations made are true and accurate.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and the representations and opinions made to us untrue, inaccurate or misleading. Having made all reasonable enquires, the Directors have further confirmed that, to the best of their knowledge, they believe there are no other facts or representations the omission of which would make any statement in the Circular, including this letter, misleading. We have not, however, carried out any independent verification of the information provided by the Directors, nor have we conducted an independent investigation into the business and affairs of the Group and the Pengji Group.

In this letter, for purposes of illustration only, unless otherwise stated, amounts quoted in RMB have been converted into HK\$ at the exchange rate of HK\$1 to RMB1.06.

DISCLOSEABLE AND CONNECTED TRANSACTION

As at the Latest Practicable Date, Shum Yip Holdings was interested in approximately 55.13% of the entire issued share capital of the Company. Shum Yip Holdings is a connected person of the Company by virtue of its being a controlling shareholder of the Company. Accordingly, pursuant to Chapter 14 of the Listing Rules, the Acquisition and the issuance and allotment of the Consideration Shares to Shum Yip Holdings constitute a connected transaction for the Company and will require approval by the Independent Shareholders at the EGM. Given the interest of Shum Yip Holdings in the Acquisition, Shum Yip Holdings and its associates will abstain from voting at the EGM.

As the size of the Acquisition exceeds 15% of the audited consolidated net tangible assets of the Company as at 31st December, 2000, the Acquisition is also a discloseable transaction under the Listing Rules.

SUMMARY OF THE ACQUISITION

The Company entered into the Agreement with Shum Yip Holdings, the controlling shareholder of the Company, on 6th March, 2002 to acquire 60% equity interest in Pengji from Shum Yip Holdings for an aggregate consideration of HK\$304.6 million (the "Consideration"). Upon Completion, Pengji will become a direct wholly-owned subsidiary of the Company.

LETTER FROM CPY CAPITAL

The Consideration will be satisfied as to HK\$152.3 million by cash and as to the remaining HK\$152.3 million by the issuance and allotment of 60,846,983 Consideration Shares to Shum Yip Holdings by the Company at an issue price of HK\$2.503 (the “Issue Price”) per Consideration Share.

Upon Completion and the allotment of the Consideration Shares in full, Shum Yip Holdings will be interested in approximately 57.40% of the enlarged issued share capital of the Company. The Directors have confirmed that the terms of the Acquisition have been agreed after arm’s length negotiations and are based on normal commercial terms.

The Agreement is conditional upon the approval of the Independent Shareholders voting at the EGM convened to approve the Agreement. Please refer to the sub-section headed “Conditions of Agreement” of the section headed “Letter from the chairman” of the Circular for details of the conditions of Completion. The Directors (including the independent non-executive Directors) are of the view that the Acquisition will further enhance the Group’s property investment portfolio and earnings base and is in the interest of the Company and the Shareholders taken as a whole.

INFORMATION ON THE PENGJI GROUP

Please refer to the sub-section headed “Information on Pengji” of the section headed “Letter from the chairman” of the Circular for detailed information on the Pengji Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion relating to the Acquisition, we have taken into consideration, *inter alia*, the following principal factors:

1. Track record and land reserves of the Pengji Group

The following table sets out the consolidated profit after taxation and minority interest of Pengji prepared and audited in accordance with PRC accounting standards and adjusted, but not audited, in accordance with HKGAAP for each of the two years ended 31st December, 2000 and the unaudited consolidated profit after taxation and minority interest of Pengji prepared in accordance with PRC accounting standards and adjusted, but not audited, in accordance with HKGAAP for the nine months ended 30th September, 2001. We consider that presentation of the financial information of Pengji in HKGAAP is relevant in so far as the Independent Shareholders are concerned. Accordingly, the financial information of Pengji prepared in accordance with the PRC accounting standards is not presented in this letter.

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Approximately HK\$' million	Year ended 31st December,		Change	Nine months ended 30th September,
	1999	2000		2001
Profit after taxation and minority interest	34.5	43.9	+27%	29.4

As of 31st December, 2001, the total G.F.A. of the Pengji Group's property interests was approximately 805,102 sq.m.. Accordingly, we are of the view that it is beneficial to the Company to be interested in the entire issued share capital of Pengji which has an established track record and substantial land bank reserve.

The Consideration represents a historical price earnings multiple of approximately 11.6 times Pengji's after-tax earnings (adjusted for HKGAAP) for the year ended 31st December, 2000. Such price earnings multiple is lower than the average price earnings multiple of approximately 19.3 times historical earnings for some six profitable property companies listed on the Stock Exchange which in our opinion are comparable to Pengji in terms of operation in the PRC. As such, we are of the view that the Consideration is fair and reasonable in so far as the Independent Shareholders are concerned.

2. The Consideration for the Acquisition

Effect on net assets

Pursuant to the Valuation Report, the appraised capital value of the Pengji Group as at 31st December, 2001, amounted to approximately HK\$1,272 million. Such valuation was arrived at by adopting direct comparison approach assuming sale of the property in existing state with immediate vacant possession and by making reference to comparable site transaction and land prices as available in the relevant market. This valuation methodology is within the parameters as set out in the Listing Rules.

The Consideration represents a discount of approximately 25% to the Estimated NAV attributable to the 60% equity interest of Pengji under the Acquisition. The Estimated NAV is based on (1) the audited consolidated net asset value of Pengji as at 31st December, 2000 prepared in accordance with the PRC accounting standards and adjusted for HKGAAP; (2) unaudited profit of Pengji, prepared in accordance with HKGAAP, for the nine months ended 30th September, 2001; (3) an estimated profit of Pengji for the three months ended 31st December, 2001; and (4) the valuation surplus of the property interests of Pengji as at 31st December, 2001 pursuant to the Valuation Report. Any of the Deducted Amount (being (Estimated NAV – Actual NAV) X (1 – 25% discount) X 60% interests) will be deducted from the cash portion of the Consideration. As such, the discount of approximately 25% to the Estimated NAV will not be affected by the Actual NAV. We are of the view that the determination of the Estimated NAV and the Deducted Amount are fair and reasonable in so far as the Independent Shareholders are concerned.

LETTER FROM CPY CAPITAL

The Group's pro forma adjusted net assets upon Completion are calculated as follow:

	Approximately <i>HK\$ million</i>
Net assets as at 30th June, 2001 after dividend payment	2,421.8
<i>Add:</i> Proceeds from placing of 50,000,000 new Shares	100.9
Adjusted pro forma net assets	2,522.7
<i>Add:</i> 60% of the Estimated NAV	406.1
<i>Less:</i> Cash payable pursuant to the Acquisition	(152.3)
Adjusted pro forma net assets upon Completion	2,776.5

Based on 1,146,300,000 Shares in issue as at the Latest Practicable Date, the Group's unaudited adjusted pro forma net assets of approximately HK\$2.5 billion before Completion represented approximately HK\$2.20 per Share. The Group's adjusted pro forma net assets upon Completion will be approximately HK\$2.30 per Share, based on 1,207,146,983 Shares in issue upon Completion (assuming that no Shares are issued and/or repurchased during the period from the Latest Practicable Date to the date of Completion except for the Consideration Shares). As such, the Acquisition will effectively raise the Group's pro forma net assets per Share by approximately 4.5%.

Effect on earnings

The Group's profit attributable to shareholders for the year ended 31st December, 2000 was approximately HK\$288.7 million or HK\$0.25 per Share, calculated based on 1,146,300,000 Shares in issue as at the Latest Practicable Date. Had the Acquisition been completed on 1st January, 2000, the Group's pro forma profit attributable to shareholders would have been as follow:

	Approximately <i>HK\$ million</i>
Audited profit attributable to shareholders for the year ended 31st December, 2000	288.7
<i>Add:</i> 60% of the audited profit attributable to shareholders of Pengji's for the year ended 31st December, 2000	26.3
<i>Less:</i> Notional bank interest at 3.5% per annum forfeited on HK\$152.3 million (the cash portion of the Consideration) for the year ended 31st December, 2000	(5.3)
	309.7

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The table above shows that, with the Acquisition, the Group's pro forma earnings per Share for the year ended 31st December, 2000 would have been increased to HK\$0.26 per Share (based on its pro forma profit attributable to shareholders of approximately HK\$309.7 million and the enlarged share capital of the Company upon Completion (assuming that no Shares are issued and/or repurchased during the period from the Latest Practicable Date to the date of Completion except for the Consideration Shares)). As such, the Acquisition will effectively raise the Group's pro forma net earnings per Share by approximately 4%.

As the net asset value per Share and the earnings per Share would be enhanced by the Acquisition, we are of the view that the Consideration arrived at is fair and reasonable in so far as the Independent Shareholders are concerned.

3. Impact of payment for the Acquisition on the Group's cashflow

The Consideration will be satisfied as to only HK\$152.3 million by cash, which the Directors have confirmed will be financed by the Group's internal cash resources, and as to the remaining HK\$152.3 million by the issuance and allotment of 60,846,983 Consideration Shares to Shum Yip Holdings by the Company. As at the Latest Practicable Date, the Company had cash and bank balances of approximately HK\$821 million. Accordingly, we concur with the Directors' view that the Acquisition will not have a material impact on the present cashflow position of the Company. The Directors also expect that the Group's increase in shareholding in Pengji will substantially enhance the cash inflow of the Group when pre-sale, sale and lease of the properties of the Pengji Group commence and continue.

The Directors have confirmed that the Company did not intend to fully settle the Consideration by cash because Shum Yip Holdings had the intention to increase its stakes in the Company and the Company itself preferred to retain more cash for future developments. In addition, the Issue Price is higher than the placing price of HK\$2.075 per Share of the placing of 50 million new Shares by the Company on 13th December, 2001. Accordingly, the Directors considered that it would be in the interest of the Company to reserve its cash by issuing the Consideration Shares at the Issue Price.

Notwithstanding the slight dilution of the existing Shareholders' interests in the Company as a result of the issuance of the Consideration Shares, the net profit per Share and the net asset value per Share will be increased upon Completion. As such, we are of the view that the issuance of the Consideration Shares will be in the interest of the Company and the Independent Shareholders taken as a whole.

4. The Group's development strategies

The Group is principally engaged in property development and investment in Shenzhen. Although the Group is also involved in transportation services, infrastructure and other industrial investments, its property development and investment businesses have accounted for approximately 78% and 70% of the Group's turnover and operating profit for the six months ended 30th June, 2001.

Pengji is an investment holding company which, through its various subsidiaries, is principally engaged in property development and investment in Shenzhen. As the first special economic zone of the PRC, Shenzhen is one of the PRC's fastest growing economies and the pioneer in economic reform and development. Pursuant to a report released by Shenzhen Municipal Statistics Bureau (深圳市統計局), the gross domestic product value and investments in property development and investment in Shenzhen in 2001 were increased by approximately 13% and 16% from 2000. According to Shanghai Municipal Statistics Bureau (上海市統計局), disposable income of the residents of Shenzhen ranked the highest in the PRC in 2001.

With the PRC's accession to the WTO and the increased investment in urban infrastructure and accelerated development in new and high technologies in Shenzhen, the Directors believe that the Group will have ample opportunities in future property development in Shenzhen. The Directors also believe that the recent interest rate cut by the People's Bank of China (中國人民銀行) will further stimulate the property market in the PRC including Shenzhen. The Directors have confirmed that the Group has been actively looking into opportunities that may enable it to take full advantage of its cash resources to acquire quality property assets and expand its core business.

As of 31st December, 2001, the total G.F.A. of the Pengji Group's property interests was approximately 805,102 sq.m.. 67% of the property interests attributable to Pengji, in terms of G.F.A., were located in the First Frontier, being the core area of Shenzhen. The Directors consider that land supply in the First Frontier is limited and accordingly, its investment in Pengji will enable it to benefit from the land bank reserve of Pengji in the First Frontier, which has high potential for future development.

Accordingly, we concur with the Directors' view that the Acquisition is in line with the Group's development strategies and will further strengthen the capital base and earning base and the property investment portfolio of the Group.

5. Future cashflow commitments of Pengji

The Directors have confirmed that the development of existing property projects and future developments of the Pengji Group will be financed by the Group's internal resources, the on-going proceeds from pre-sale and sale of the development properties

LETTER FROM CPY CAPITAL

and lease of the investment properties and bank borrowings, if necessary. As at 31st December, 2001, the Pengji Group had an aggregate of unutilised banking facilities of approximately HK\$47 million and cash and bank balances of approximately HK\$489 million. Based on the Directors' representations and the established relationship between the Pengji Group and its financial creditors, we are of the view that the Acquisition will not adversely affect the cashflow of the Group.

As at the Latest Practicable Date, Shum Yip Holdings had provided certain Bank Guarantees in favour of the Banks to secure the banking facilities being offered to Pengji for the period from the commencement dates of the relevant loans up to their respective maturity plus two years. It is intended that the Bank Guarantees will continue to be provided by Shum Yip Holdings in favour of the Banks until expiry of the term of the Bank Guarantees as mentioned above. In accordance with the policy of the Shum Yip Holdings group of companies, the Fee, being an aggregate fee equivalent to 0.5% of the aggregate amount of the Bank Guarantees, would be payable by Pengji to Shum Yip Holdings in return for such services. Pursuant to a memorandum entered into between Shum Yip Holdings and Pengji on 6th March, 2002, Pengji will no longer be liable for the Fee, if any, with effect from the date of Completion.

The Directors have confirmed that after expiry of the Bank Guarantees, the Company is prepared, if and only if it thinks fit, to provide corporate guarantee for replacement of any or all of the Bank Guarantees. The Directors are aware that such corporate guarantees to be provided by the Company will increase the Group's contingent liabilities. The Directors expect that given the healthy financial conditions and asset value of Pengji, Pengji will be able to repay the underlying banking facilities. Furthermore, it is normal for the Company to offer guarantees to the bank loans granted to Pengji, which will become its wholly-owned subsidiary after Completion.

6. The Issue Price

The Issue Price is determined at the average closing price of the Shares of approximately HK\$2.503 for the 25 trading days up to and including 5th March, 2002 quoted on the Stock Exchange, being the date of determination of the Issue Price.

The Issue Price represents a premium of approximately 17% to the unaudited consolidated book net asset value of the Company of approximately HK\$2.14 per Share as at 30th June, 2001. Accordingly, we are of the view that the Issue Price is fair and reasonable in so far as the Independent Shareholders are concerned.

7. Effect on shareholding

As at the Latest Practicable Date, Shum Yip Holdings and the Independent Shareholders held approximately 55.13% and 44.87% interests in the Company

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respectively. Upon issuance of the Consideration Shares in full, the interests of Shum Yip Holdings and the Independent Shareholders in the Company will be changed slightly to approximately 57.40% and 42.60% respectively.

As the above dilution of the shareholding of the Independent Shareholders is immaterial and the net profit per Share and the net asset value per Share will be enhanced upon Completion, we are of the opinion that such dilution effect is acceptable to the Independent Shareholders.

8. Lapse of the Option

Pursuant to the Previous Agreement, the Company has acquired a 40% equity interest in Pengji from Shum Yip Holdings with the Option to acquire an additional 20% equity interest in Pengji at a discount of 25% to the then adjusted net tangible assets value of Pengji as at 31st December, 1998, prepared in accordance with the PRC accounting standards and adjusted for: (i) international accounting standards; (ii) unaudited profit of Pengji prepared in accordance with international accounting standards for the six months ended 30th June, 1999; and (iii) a valuation of the property interests of Pengji as at 31st August, 1999, as prepared by Francis Lau & Co., (Surveyors) Ltd., an independent valuer, within one year from the date of completion of the Previous Agreement. The Directors have confirmed that the Company has been confident in the business and future prospects of Pengji and intended to acquire the entire interests in Pengji. However, the Directors considered acquisition of the entire interest in Pengji prior to the expiry of the term of the Option not being very favourable to the Company as recovery of the PRC property market was not yet confirmed at that moment. Accordingly, the Company did not exercise the Option and the Option lapsed on 23rd February, 2001. The Directors consider that it is now the appropriate timing for the Company to enter into the Agreement as the PRC property market sentiments have been substantially improved after the PRC's accession to WTO and Pengji's profit contribution to the Group after completion of the Previous Agreement has been satisfactory. For the year ended 31st December, 2000, the net profit attributable to 40% equity interest of Pengji amounted to approximately HK\$17.6 million, representing approximately 6% of the Group's net profit for the same period. Given the increasing positive sentiment towards the Shenzhen property market, the Directors are of the view that it will be more beneficial for the Company to acquire up to the entire interests in Pengji as opposed to the exercise of the Option.

As the Consideration is in line with the terms contained in the Option and the Acquisition enables the Group to take up 100% interests in Pengji, we are of the view that the Company's entering into the Agreement even after the expiry of the Option is in the interests of the Company and the Independent Shareholders taken as a whole.

LETTER FROM CPY CAPITAL

OPINION AND RECOMMENDATION

Having considered the above principal factors and reasons, we are of the opinion that the terms of the Acquisition (including issuance and allotment of the Consideration Shares to Shum Yip Holdings by the Company) are fair and reasonable in so far as the Independent Shareholders are concerned. Accordingly, we would advise the Independent Board to recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the Acquisition at the EGM.

Yours faithfully,
For and on behalf of
Core Pacific – Yamaichi Capital Limited
Lee Deng Charng
Managing Director

The following is the text of a letter prepared for the purpose of incorporation in this circular received from RHL Appraisal Ltd., an independent valuer, in connection with its valuation as at 31st December, 2001 of the properties held by the Pengji Group.



Member of RHL International Property Consultants
永利行國際物業顧問集團成員

RHL Appraisal Ltd.
永利行評值顧問有限公司

Surveyors, Valuers, Land & Property Consultants

26th March, 2002

The Directors

Shenzhen Investment Limited

8th Floor, New East Ocean Centre
No.9 Science Museum Road
Tsimshatsui East, Kowloon
Hong Kong

Dear Sirs,

Re: Valuation of Properties in the People's Republic of China

1. INSTRUCTION

In accordance with the instructions from Shenzhen Investment Limited (referred to as the "Instruction Party"), we have carried out a valuation on the property interests held by 深圳鵬基(集團)有限公司 (Shenzhen Pengji (Holdings) Company Limited) (formerly known as 深圳鵬基實業有限公司 (Shenzhen Pengji Industrial Company Limited) and 深圳市鵬基工業發展總公司 (Shenzhen Pengji Development Industrial General Corporation) (which is referred to as the "Company"), its subsidiaries and its associated companies (the Company, its subsidiaries and its associated companies together referred to as the "Group") in the People's Republic of China (referred to as the "PRC"). 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 the open market values of such properties as at 31st December 2001 (referred to as the "valuation date").

This letter, which forms part of our valuation report explains the basis and methodology of valuation and set out assumptions made and other qualifications.

2. BASIS OF VALUATION

Unless stated as otherwise, our valuation is our opinion of the open market values which we would define as intended to mean "the best price at which the sale of an interest in the property would have been completed unconditionally for cash consideration on the date of valuation assuming:

- (i) a willing seller;

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

For properties (except Property Numbered 124) which were granted to the Group through administrative allocation, we have assessed their open market values on the basis that it has settled all necessary land premium to the government such that the properties can be used for their existing purposes as prevailing on the valuation date and can be freely transferred to any third parties on the market. Property Numbered 124 was granted to the Group through administrative allocation for a term of land use rights expiring on 11th October, 2003, we have valued the Group’s interest in the property for the unexpired term of land use rights.

3. VALUATION METHODOLOGY

The properties are valued by the comparison method where comparison based on prices realized on market prices of comparable properties is made. Comparable properties of similar size, character and location are analysed and carefully weighted against all respective advantage and disadvantage of each property in order to arrive at a fair comparison of capital values.

In undertaking our valuation of the properties which are held for future development, we have considered their development or redevelopment potential.

In arriving at our valuation regarding those properties under development, we have taken into account of the development cost already expended.

Where properties are let to the parties outside the Group, we have adopted the investment method by which the amount of rent receivable by the Group on the valuation date was capitalised for the residual term of the lease. Full market rent was applied for capitalization after the current lease expired in valuing the reversionary interest of the Group (if any). The comparison method is also adopted to obtain the full market rental value.

4. ASSUMPTIONS

Our valuation has been made on the assumption that the owners sell the property interests on the open market in their existing states without the benefit of deferred terms contracts, leaseback, joint ventures, management agreements or any similar arrangement which would serve to affect the value of the property interests.

For properties held by the Group under long term Land Use Right Contracts, we have assumed that the Group has free and uninterrupted rights to use the properties for the whole of the unexpired terms of their respective Land Use Right Contracts.

For those properties acquired by the Group through administrative allocation (except Property Numbered 124), we have assumed that they can be transferred on the market by payment of land premium to the government with reference to the prevailing land policies and history of land grant of the concerned properties.

Other special assumptions of each property, if any, have been stated out in the footnotes of the valuation certificate for each corresponding property.

5. TITLE AND LAND TENURE INVESTIGATION

We have been provided with extracts of title documents relating to the properties. However, we have not searched the original documents to verify ownership or to verify the existence of any lease amendments which do not appear on the copies handed to us. All legal documents disclosed in this report are for reference only.

We have relied upon the advice given by the PRC legal advisers to the Company on the relevant laws and regulations in the PRC and on the Group's land use rights in the properties as at the valuation date.

6. LIMITING CONDITIONS

We have inspected the exterior of some of the properties valued and the interior of most of the premises but no structural survey has been made. In the course of our inspection, we did not note any 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 on any of the services. All dimensions, measurements and areas are approximate.

We must point out that we have not carried out site investigations to determine the suitability of the ground conditions or the services of all development sites of the property portfolio. Our valuation has been made on the basis that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period.

No allowance has been made in our valuation for any charges, mortgages, outstanding land premium or amounts owing on any property interest nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the property interests are free from encumbrances, restrictions and outgoing of an onerous nature and all land premium, acquisition costs or development costs of the properties have been settled in full.

We have relied to a considerable extent on the information provided by the Company and have accepted advice given to us by the Company on matters such as statutory notices, easements, tenure, occupancy, site and floor areas and in the identification of all appraised properties.

7. REMARKS

In preparing this valuation report, we have complied with all the requirements contained in the Practice Notes 12 issued by the Stock Exchange of Hong Kong Limited.

We enclose herewith our summary of valuation and valuation certificates.

Yours faithfully,
For and on behalf of
RHL Appraisal Ltd.

Serena S.W. Lau
AHKIS AAPI RPS (GP)
Managing Director

Tse Wai Leung
BSc MRICS AHKIS RPS (GP)
Director

Serena S. W. Lau, who is an Associate of the Hong Kong Institute of Surveyors, an Associate of the Australian Property Institute and a Registered Professional Surveyor in General Practice, and Tse Wai Leung, who is a member of the Royal Institution of Chartered Surveyors, an Associate of the Hong Kong Institute of Surveyor and a Registered Professional Surveyor in General Practice, have over six years' experience in valuation of properties in Hong Kong, in Macau and in the PRC.

SUMMARY OF VALUATION

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
Group I: Property Interest Held by the Group for Sale				
	深圳鵬基(集團)有限公司			
1.	Various Residential Units, Peng Xing Garden, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB2,920,000.-	100	RMB2,920,000.-
2.	Various Residential Units, Block Nos. 2 and 5 and Retail Units on Levels 1 to 3, Block No. 4, Peng Yi Garden, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB57,400,000.-	100	RMB57,400,000.-
3.	Unit Nos. 407, 507 and 508, Apartment Block No. 50, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB551,000.-	100	RMB551,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
4.	Unit No. 710, Apartment Block No. 52, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB152,000.-	100	RMB152,000.-
5.	Unit Nos. 105, 111, 707 and 711 Block No. 407, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	RMB808,000.-	100	RMB808,000.-
6.	Unit Nos. 105, 107 and 305, Block No. 409, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	RMB604,000.-	100	RMB604,000.-
7.	Unit Nos. 101, 103, 105, 203 and 707, Block No. 410, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	RMB1,008,000.-	100	RMB1,008,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
	深圳鵬基物業發展公司			
8.	House Nos. A25 and C32, Blossom Village, Longhua Town, Bao An District, Shenzhen, the PRC.	RMB1,325,000.-	100	RMB1,325,000.-
	深圳中發實業股份有限公司			
9.	Garden House No. 4, Dian Hua Xin Cun, Zhendong District, Haikou, Hainan Province, the PRC.	No commercial value	74.57	No commercial value
	深圳市高發實業有限公司			
10.	Unit Nos. 101A, 101B, 201A, 201B, 301A, 301B, 403, 503 and 803, Gao Fa Residential Building, Binhe Road/Yitian Road, Futian District, Shenzhen, the PRC.	RMB919,000.-	50	RMB459,500.-
11.	Units 14B and 16B of Block 1 and Unit 15A of Block 2, Jia Yuan, Fuqiang Road, Shixia South, Futian District, Shenzhen, the PRC.	RMB1,340,000.-	50	RMB670,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
12.	<p>Unsold Portion of Dongfang Keji Yuan, Qiao Cheng Road North, Mao Tou Shan, Nanshan District, Shenzhen, the PRC.</p> <p>成都鵬恒實業發展有限公司</p>	RMB57,000,000.-	50	RMB28,500,000.-
13.	<p>Various Residential Units of Peng Heng Apartment, No. 43 Xi Ding Zi Street, Chengdu, Sichuan Province, the PRC</p> <p>深圳龍崗鵬基房地產有限公司</p>	RMB2,000,000.-	55	RMB1,100,000.-
14.	<p>Various Residential Units and Retail Units in Phase 1, Yangguang Garden, Mo Shi Keng, Buji 1st Village, Buji Town, Longgang District, Shenzhen, the PRC.</p> <p>深圳國際建築機械有限公司</p>	RMB10,870,000.-	100	RMB10,870,000.-
15.	<p>Unit No. 105 on Level 1, Block No. 13, Bu Xin Garden, Cui Zhu District, Shenzhen, the PRC.</p>	RMB200,000.-	50	RMB100,000.-
Sub-total:		RMB137,097,000.-		RMB106,467,500.-

No. Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
Group II: Property Interest Held by the Group for Under Development			
深圳鵬基(集團)有限公司			
16. Development Site of Baolian Court, Liantong District No.4, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	RMB123,000,000.-	100	RMB123,000,000.-
17. Development Site at Liantong District No. 2, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	RMB95,000,000.-	100	RMB95,000,000.-
深圳龍崗鵬基房地產有限公司			
18. Development Site of Yangguang Garden (Phase 2), Mo Shi Keng, Buji 1st Village, Buji Town, Longgang District, Shenzhen, the PRC.	RMB70,000,000.-	100	RMB70,000,000.-
深圳鵬盛房地產實業有限公司			
19. Development Site of Lot No. B311-10(3), District No. 3-3, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB30,000,000.-	50	RMB15,000,000.-
Sub-total:	<u>RMB318,000,000.-</u>		<u>RMB303,000,000.-</u>

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
Group III: Property Interest Held by the Group for Future Development				
	深圳鵬基(集團)有限公司			
20.	Development Site at Liantong District No. 3, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	RMB89,260,000.-	100	RMB89,260,000.-
21.	Development Site at Liantong District No. 8, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	RMB16,450,000.-	100	RMB16,450,000.-
	深圳龍崗鵬基房地產有限公司			
22.	Development Site of Yangguang Garden (Undevelopment Portion), Mo Shi Keng, Buji 1st Village, Buji Town, Longgang District, Shenzhen, the PEC.	RMB32,000,000.-	100	RMB32,000,000.-
	深圳鵬盛房地產實業有限公司			
23.	Development Site of Lot No. B310-6, District No. 6-2, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB188,000,000.-	50	RMB94,000,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
	成都鵬恒實業發展有限公司			
24.	Development Site in Ban Zhu Yuan Town, Xindu County, Chengdu, Sichuan Province, the PRC.	RMB980,000.-	55	RMB539,000.-
	成都深港實業發展有限公司			
25.	Development Site at No.57 Renmin Zhong Road Section 3, Chengdu, Sichuan Province, the PRC.	RMB30,000,000.-	20	RMB6,000,000.-
	深圳萬廈居業公司			
26.	Lot No. 1-2, Bei Ling Tourism Resort Area, Zhao Qing City, Guangdong Province, the PRC.	No commercial value	67.5	No commercial value
Sub-total:		<u>RMB356,690,000.-</u>		<u>RMB238,249,000.-</u>

Group IV: Property Interest Held by the Group for Investment

	深圳鵬基(集團)有限公司			
27.	Portion of Level 4, Level 6 and Level 7, Factory Block No. 702, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB4,890,000.-	100	RMB4,890,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
28.	Levels 2 to 7, Factory Block No. 703, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB15,689,000.-	100	RMB15,689,000.-
29.	Level 5, Factory Block No. 705, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB3,171,000.-	100	RMB3,171,000.-
30.	Level 6, Factory Block No. 709, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB2,362,000.-	100	RMB2,362,000.-
31.	Levels 3 to 7, Factory Block No. 711, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB11,129,000.-	100	RMB11,129,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
32.	Levels 4 to 7, Factory Block No. 712, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB9,462,000.-	100	RMB9,462,000.-
33.	Dormitory Block No. 101, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB10,871,000.-	100	RMB10,871,000.-
34.	Dormitory Block No. 102, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB11,015,000.-	100	RMB11,015,000.-
35.	Dormitory Block No. 103, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB7,253,000.-	100	RMB7,253,000.-
36.	Levels 1, 4, 6, 7 and 8, Dormitory Block No. 104, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB5,592,000.-	100	RMB5,592,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
37.	Levels 1 and 2, Dormitory Block No. 105, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB3,100,000.-	100	RMB3,100,000. -
38.	Levels 1, 6, 7 and 8, Dormitory Block No. 106, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB3,619,000.-	100	RMB3,619,000.-
39.	Levels 1, 7 and 8, Dormitory Block No. 107, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB3,124,000.-	100	RMB3,124,000.-
40.	Levels 2 to 8, Dormitory Block No. 108, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB5,931,000.-	100	RMB5,931,000.-
41.	Levels 1 to 8, Dormitory Block No. 109, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB11,015,000.-	100	RMB11,015,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
42.	Levels 1 to 8, Dormitory Block No. 110, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB11,015,000.-	100	RMB11,015,000.-
43.	Level 1, Dormitory Block No. 49, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,790,000.-	100	RMB3,790,000.-
44.	Level 1, Apartment Block No. 50, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB2,212,000.-	100	RMB2,212,000.-
45.	Level 1, Apartment Block No. 51, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB4,057,000.-	100	RMB4,057,000.-
46.	Level 1, Apartment Block No. 52, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB4,204,000.-	100	RMB4,204,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
47.	Level 1, Apartment Block No. 53, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB4,204,000.-	100	RMB4,204,000.-
48.	Levels 1 and 2, Dormitory Block No. 6, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB6,360,000.-	100	RMB6,360,000.-
49.	Level 1, Dormitory Block No. 5, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,185,000.-	100	RMB3,185,000.-
50.	Level 1, Dormitory Block No. 431, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,832,000.-	100	RMB3,832,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
51.	Level 1, Dormitory Block No. 21, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,200,000.-	100	RMB1,200,000.-
52.	Levels 1 and 2, Apartment Block No. 33, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB7,171,000.-	100	RMB7,171,000.-
53.	Levels 3 to 6, Dormitory Block No. 6, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB7,434,000.-	100	RMB7,434,000.-
54.	Levels 1 to 7, Dormitory Block No. 7, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB11,668,000.-	100	RMB11,668,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
55.	Level 3, Apartment Block No. 11, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB921,000.-	100	RMB921,000.-
56.	20 dormitory units on Level 5, Dormitory Block No. 24, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,468,000.-	100	RMB1,468,000.-
57.	4 dormitory units on Level 2 (East), Dormitory Block No. 30, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB273,000.-	100	RMB273,000.-
58.	Levels 1, 2 and 5, Dormitory Block No. 31, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,124,000.-	100	RMB3,124,000.-
59.	Dormitory Block No. 32, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB13,202,000.-	100	RMB13,202,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
60.	Dormitory Block No. 35, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB6,425,000.-	100	RMB6,425,000.-
61.	Dormitory Block No. 41, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB13,000,000.-	100	RMB13,000,000.-
62.	Levels 2 to 5, Dormitory Block No. 5, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB6,234,000.-	100	RMB6,234,000.-
63.	Levels 2 to 6, Dormitory Block No. 431, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB11,388,000.-	100	RMB11,388,000.-
64.	Levels 1 to 5, Dormitory Block No. 534, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB7,385,000.-	100	RMB7,385,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
65.	Levels 1 to 6, Block 610, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB21,209,000.-	100	RMB21,209,000.-
66.	Levels 7 and 8, Factory Block 618, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB5,743,000.-	100	RMB5,743,000.-
67.	Level 6, Factory Block No. 511, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB2,246,000.-	100	RMB2,246,000.-
68.	Level 3, Factory Block No. 513, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,746,000.-	100	RMB1,746,000.-
69.	Level 5, Factory Block No. 515, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,551,000.-	100	RMB3,551,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
70.	Levels 1 and 2, Factory Block No. 523, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB2,358,000.-	100	RMB2,358,000.-
71.	Level 5, Factory Block No. 532, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,908,000.-	100	RMB1,908,000.-
72.	Levels 1 and 2, Factory Block No. 306, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB7,000,000.-	100	RMB7,000,000.-
73.	Levels 1 and 3, Factory Block No. 311, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB6,028,000.-	100	RMB6,028,000.-
74.	Level 5, Factory Block No. 424, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB4,134,000.-	100	RMB4,134,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
75.	Levels 1 and 2, Factory Block No. 430, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB6,061,000.-	100	RMB6,061,000.-
76.	Levels 1 to 3, Factory Block No. 102C, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB2,115,000.-	100	RMB2,115,000.-
77.	Level 1, Factory Block No. 201, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB3,029,000.-	100	RMB3,029,000.-
78.	36 dormitory units on Level 5, Dormitory Block No. 402A, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB2,639,000.-	100	RMB2,639,000.-
79.	31 dormitory units on Level 5, Dormitory Block No. 503, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB2,571,000.-	100	RMB2,571,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
80.	Level 1, Dormitory Block No. 505, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB12,850,000.-	100	RMB12,850,000.-
81.	Section A of Level 1, the whole of Levels 2, 3 and 4, Management Centre Block No.501, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB6,419,000.-	100	RMB6,419,000.-
82.	Levels 1 to 6, Zhenxing Hotel, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB12,074,000.-	100	RMB12,074,000.-
83.	Levels 1 and 2, Zhenxing Restaurant, Block No. 502, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB9,683,000.-	100	RMB9,683,000.-
84.	Peng Xing Commercial Complex, Peng Sheng Village, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB18,000,000.-	100	RMB18,000,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
85.	A residential unit in Chi Wei Village Pengji Shangbu Industrial Area, Huaqiang Road South, Futian District, Shenzhen, the PRC.	RMB300,000.-	100	RMB300,000.-
86.	Nanhua Composite Building, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,727,000.-	100	RMB3,727,000.-
87.	Portion of Level 1, Factory Block No. 615, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,885,000.-	100	RMB3,885,000.-
88.	Zhongxin Keji Building Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB78,000,000.-	100	RMB78,000,000.-
89.	Unit Nos. 509, 510, 513, 514, 705, 1303, 1305, 1307, 1311 to 1315, 1403 and 1405, Block No. 4, Nantian Mansion, Shangbu Zhong Road, Futian District, Shenzhen, the PRC.	RMB5,190,000.-	100	RMB5,190,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
90.	Unit No. 301 on Level 3 Block No. 9, Cui Zhu District, Bu Xin Garden, Shenzhen, the PRC.	RMB288,000.-	100	RMB288,000.-
91.	Level 5, Factory Block No. 514, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,180,000.-	100	RMB3,180,000.-
92.	深圳國際建築機械有限公司 Levels 3 to 6, Composite Building, No. 2 Ba Gua Fifth Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,584,000.-	50	RMB1,792,000.-
93.	Unit No. 501, Block No. 24, Fu Min New Village, Huanggang Residential District, Futian District, Shenzhen, the PRC.	No commercial value	50	No commercial value
94.	鵬基工業區管理服務公司 10 shop units on Levels 1 and 2, Ba Gua Ling Commercial Street, Ba Gua Eighth Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB2,106,000.-	100	RMB2,106,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
	深圳鵬盛房地產實業有限公司			
95.	Various retail units on Levels 1 and 2 of Apartment Block Nos. 1 to 4, Peng Sheng Village, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB58,500,000.-	50	RMB29,250,000
96.	Various retail units on Level 1 of Apartment Block Nos. 5 to 10, Peng Sheng Village, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB40,000,000.-	50	RMB20,000,000.-
	深圳圳峰工業聯合公司			
97.	Level 2, Factory Block No. 102, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB2,536,000.-	40	RMB1,014,400.-
98.	Unit A on Level 6, Management Centre Block No.501, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB1,140,000.-	40	RMB456,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
99.	Unit Nos. 626, 628, 629, 631, 633 and 635, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Futian District, Shenzhen, the PRC.	RMB768,000.-	40	RMB307,200.-
100.	Unit Nos. 101 to 104, 202, 204, 301 to 304, 402, 403, 504, 601, 602, 604, 701, 702 and 704, Hua Xin Village Eastern Area, Hong Li Road West, Futian District, Shenzhen, the PRC.	RMB6,960,000.-	40	RMB2,784,000.-
101.	深圳萬廈居業公司 Retail Spaces on Level 1, Block 14, Hong Li Village, Zhen Xing Road, Futian District, Shenzhen, the PRC	RMB10,323,000.-	100	RMB10,323,000.-
102.	Unit A on Level 3, Block 17, Hong Li Village, Hong Li Road, Futian District, Shenzhen, the PRC.	RMB1,858,000.-	100	RMB1,858,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
	深圳中發實業股份有限公司			
103.	Levels 1, 2, 3 and 5 of Zhong Fa Industrial Building, Ba Gua Ling Industrial Area, Ba Gua Road, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB10,000,000.-	74.57	RMB7,457,000.-
104.	Levels 1 and 2, Ba Gua Ling Commercial Centre Block No. 33, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB5,000,000.-	74.57	RMB3,728,500.-
	深圳市鵬基機電工貿公司			
105.	Level 1 and Portion of Level 2, Factory Block No. 523, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB5,469,000.-	25	RMB1,367,250.-
	深圳榮生化工有限公司			
106.	Research and Development Building (excluding Portion of the Level 6), Ba Gua Third Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB33,987,000.-	30	RMB10,196,100.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
107.	Rong Sheng Chemical Industrial Complex, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB28,000,000.-	30	RMB8,400,000.-
108.	Levels 3 and 4, Dormitory Block No. 28, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB4,148,000.-	30	RMB1,244,400.-
109.	7 dormitory units on Level 3, Apartment Block No. 11 (North), Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB539,000.-	30	RMB161,700.-
110.	Unit Nos. 708 to 717, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,259,000.-	30	RMB377,700.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
111.	Unit Nos. 206 to 209, 211, 216 to 220, Apartment Block No. 52, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,573,000.-	30	RMB471,900.-
	龍崗鵬基物業管理公司			
112.	Pengji Industrial City, Ma Di Village, Lu Yao, Henggang Town, Longgang District, Shenzhen, the PRC.	RMB25,669,000.-	100	RMB25,669,000.-
	深圳鵬基物業發展公司			
113.	Unit Nos. 106 and 107, Le Yi House, No. 96 Xian Hu Road, Liantong Luohu District, Shenzhen, the PRC.	RMB275,000.-	100	RMB275,000.-
	深圳鵬基龍電安防股份有限公司			
114.	Unit No. 104 on Level 1, No. 192 Tiyu Heng Street West, Tiyu Road East, Tianhe District, Guangzhou, the PRC.	RMB261,000.-	50.4	RMB131,544.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
115.	Dong Jiao Tou Composite Building Shekou, Nanshan District Shenzhen, the PRC.	RMB17,400,000.-	50.4	RMB8,769,600.-
116.	Dong Jiao Tou Factory Block No. 1, Shekou Nanshan District, Shenzhen, the PRC.	RMB18,749,000.-	50.4	RMB9,449,496.-
	深圳市高發實業有限公司			
117.	Levels 4, 5 and Portion of Level 7, Factory Block No. 1, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	RMB4,270,000.-	50	RMB2,135,000.-
118.	Multi-purpose Building Block No. 2, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	RMB7,591,000.-	50	RMB3,795,500.-
119.	Unsold Portion of Factory Block No. 7, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	RMB4,780,000.-	50	RMB2,390,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
120.	Level 5, Factory Block No. 3, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	RMB4,776,000.-	50	RMB2,388,000.-
121.	Commercial Spaces on Level 1 and Level 2, No. 2 Hong Gui Road, Futian District, Shenzhen, the PRC.	RMB4,060,000.-	50	RMB2,030,000.-
122.	Three units on Level 1, Dormitory Block No. 4, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	RMB1,465,000.-	50	RMB732,500.-
123.	高發特種工業氣體公司 Factory Blocks A and B of No. 6, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	RMB2,060,000.-	50	RMB1,030,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
124.	鹏基上林苑酒店 Shanglin Yuan Hotel, Lot No. B311-29, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB5,472,000.-	100	RMB5,472,000.-
125.	16 dormitory units on Level 2 and 26 dormitory units on Level 3, Dormitory Block No. 31, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB3,071,000.-	100	RMB3,071,000.-
126.	Various dormitory units of Dormitory Block No. 23, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB477,000.-	100	RMB477,000.-
127.	14 dormitory units on Level 1, Dormitory Block No. 24, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,027,000.-	100	RMB1,027,000.-
	Sub-total:	RMB787,062,000.-		RMB640,046,790.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
Group V: Property Interest Held and Occupied by the Group				
	深圳鵬基(集團)有限公司			
128.	Level 1, South Portion of Level 2, Levels 4 to 8, Factory Block 611, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB23,550,000.-	100	RMB23,550,000.-
129.	Liantong Kindergarten, Peng Xing Garden, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB6,880,000.-	100	RMB6,880,000.-
130.	12 dormitory units on the western portion of Level 4, Dormitory Block No. 1, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB881,000.-	100	RMB881,000.-
131.	Unit No. 4B, Real Estate Building, No.1007 Renmin Road South, Luohu District, Shenzhen, the PRC.	RMB1,190,000.-	100	RMB1,190,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
132.	Unit Nos. 407 and 806, Le Yi House, No. 96 Xian Hu Road, Liantong Luohu District, Shenzhen, the PRC.	RMB272,000.-	100	RMB272,000.-
	深圳鵬基龍電安防股份有限公司			
133.	Unit Nos. 401, 402 and 403, Culture Composite Building Block No. 3, Shekou Old Street, Nanshan District, Shenzhen, the PRC.	RMB893,000.-	50.4	RMB450,072.-
134.	Unit No. 101, Block No. 11, Cui Zhu Xin Village, Xiang Zhou District, Zhuhai, the PRC.	RMB205,000.-	50.4	RMB103,320.-
135.	Dong Jiao Tou Factory Block No. 2, Shekou Nanshan District, Shenzhen, the PRC.	RMB8,440,000.-	50.4	RMB4,253,760.-
136.	Dong Jiao Tou Factory Block No. B4, Shekou Nanshan District, Shenzhen, the PRC.	RMB3,090,000.-	50.4	RMB1,557,360.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
	深圳榮生化工有限公司			
137.	Unit No. 115 on Level 1, Apartment Block No. 19, Song Ping Shan, Shen Bao Road, Nanshan District, Shenzhen, the PRC.	No commercial value	30	No commercial value
	鵬基商場			
138.	Eastern and Western Portion of Level 1, Block No. 11, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,175,000.-	100	RMB1,175,000.-
139.	2 dormitory units on Level 2, Dormitory Block No. 31 Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB136,000.-	100	RMB136,000.-
	深圳晶華顯示器材有限公司			
140.	Level 7, Factory Block No. 511 Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB2,246,000.-	70	RMB1,572,200.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
141.	Unit Nos. 101 to 1011 Dormitory Block No. 10, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB706,000.-	70	RMB494,200.-
142.	Unit Nos. 504 to 515, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,511,000.-	70	RMB1,057,700.-
143.	Unit Nos. 401 to 408, Dormitory Block No.46, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB833,000.-	70	RMB583,100.-
144.	深圳科鵬微電子有限公司 Eastern Portion on Level 4, Factory Block No. 702, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB1,686,000.-	34.91	RMB588,583.-
145.	Unit No. 704, Block No. 401, Peng Lian Garden Luosha Road Luohu District, Shenzhen, the PRC.	RMB296,000.-	34.91	RMB103,334.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
146.	Unit Nos. 622 and 623, Block No. 8, Peng Sheng Village, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB252,000.-	34.91	RMB87,973.-
147.	Unit Nos. 201 to 222 Dormitory Block No. 107, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB1,553,000.-	34.91	RMB542,152.-
148.	深圳中發實業股份有限公司 Levels 4 and 6, Zhong Fa Industrial Building, Ba Gua Ling Industrial Area, Ba Gua Road, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB4,810,000.-	74.57	RMB3,586,817.-
149.	成都鵬恒實業發展有限公司 Unit Nos. 403 and 404, Apartment Block No. 50, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB483,000.-	55	RMB265,650.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
150.	深圳市鵬基機電工貿公司 Unit Nos. 401 to 426, Dormitory Block No. 24, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,908,000.-	25	RMB477,000.-
151.	Unit Nos. 601 and 602, Dormitory Block No. 11, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB147,000.-	25	RMB36,750.-
152.	Unit Nos. 501 to 506 and 701 to 704 Dormitory Block No. 4, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB734,000.-	25	RMB183,500.-
153.	Portion of Level 2, Factory Block No. 523, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,168,000.-	25	RMB292,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
	深圳鵬基低壓電器設備公司			
154.	Unit Nos. 828 and 835, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB252,000.-	25	RMB63,000.-
	深圳鵬基物業發展公司			
155.	The western portion of Level 18, An Hua Building, Luohu District, Shenzhen, the PRC.	No commercial value	100	No commercial value
156.	Unit Nos. 706 and 807, Le Yi House, No. 96 Xian Hu Road, Liantong Luohu District, Shenzhen, the PRC.	RMB275,000.-	100	RMB275,000.-
	鵬基勞動服務公司			
157.	Unit No. 824, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB188,000.-	100	RMB188,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
158.	Unit Nos. 218 and 219, Apartment Block No. 51, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB231,000.-	100	RMB231,000.-
159.	Shop unit in between Block B and C on Level 1, Nanyang Building, Jian She Road, Luohu District, Shenzhen, the PRC.	RMB279,000.-	100	RMB279,000.-
160.	深圳國際建築機械有限公司 Levels 1 to 2, Composite Building, No. 2 Ba Gua Fifth Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,310,000.-	50	RMB655,000.-
161.	Factory Building at No. 2 Ba Gua Fifth Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,260,000.-	50	RMB630,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
162.	Unit No. 1, Block No. 21, Ni Gang Residential District, Shenzhen, the PRC. 深圳市高發實業有限公司	RMB275,000.-	50	RMB137,500.-
163.	Factory Building, Bao Zi Industrial City, Keng Zi Town, Longgang District, Shenzhen, the PRC. 鵬基工業區管理服務公司	RMB4,350,000.-	50	RMB2,175,000.-
164.	8 units on Level 4, Dormitory Block No. 303, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	RMB571,000.-	100	RMB571,000.-
165.	Level 2, Dormitory Block No. 49, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB2,600,000.-	100	RMB2,600,000.-
166.	Unit Nos. 401 to 407, 410, 415 to 419, Apartment Block No. 52, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	RMB1,680,000.-	100	RMB1,680,000.-

No.	Property	Capital value in existing state as at 31st December 2001	Interest Attributable to the company (%)	Value of property interest attributable to the company as at 31st December 2001
167.	Unit Nos. 201 to 205, Dormitory Block No. 108, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB365,000.-	100	RMB365,000.-
168.	Unit Nos. 206 to 211 Dormitory Block No. 108, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	RMB430,000.-	100	RMB430,000.-
Sub-total:		<u>RMB79,111,000.-</u>		<u>RMB60,598,971.-</u>
Grand total:		<u><u>RMB1,677,960,000.-</u></u>		<u><u>RMB1,348,362,261.-</u></u>

VALUATION CERTIFICATE

Group I: Property Interest Held by the Group for Sale

深圳鵬基(集團)有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
1. Various Residential Units, Peng Xing Garden, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises 5 residential units of 5 blocks of medium-rise residential building completed in between 1998 and 2001.</p> <p>The total gross floor area of the property is 729.38 square metres.</p> <p>The property is held for a term of 70 years commencing on 25th February 1992 and expiring on 24th February 2062.</p>	As at the valuation date, the property was vacant.	<p>RMB2,920,000.-</p> <p>(100% interest attributable to the Company: RMB2,920,000.-)</p>

Notes:

1. As stipulated in the Land Use Certificate and the Supplement Land Use Right Contract dated 20th November 1994 and 26th May 1999 respectively, the development site of the subject property namely Lot Nos. H227-33, H227-34, H227-89 and H227-90 are held by Shenzhen Pengji Industrial Development Corporation.
2. As advised by the Company, the land premium for the development site of the subject property has been settled to the government.
3. According to an instrument dated 18th December 1997 issued by the People's Government of Shenzhen, the land of the subject development covering an area of 96,526.9 square metres is permitted for commercial/residential use.
4. As confirmed by the Company, the property comprises the following residential units:

Unit 705 of Block 10; Unit 101 of Block 13; Unit 701 of Block 14; Unit 1006 of Block 37 and Unit 212 of Block 47.
5. The PRC Legal Opinion is summarised as follows:
 - 5.1 The legal interest of the property is exclusively held by the Company;
 - 5.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 5.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001								
2. Various Residential Units, Block Nos. 2 and 5 and Retail Units on Levels 1 to 3, Block No. 4, Peng Yi Garden, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 22 apartment units and retail premises of two blocks of apartment building completed in between 1994 and 1996.</p> <p>The total gross floor area of the property is 11,215.23 square metres as followings:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;">Use</th> <th style="text-align: right;">Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Apartment</td> <td style="text-align: right;">1,522.90</td> </tr> <tr> <td>Retail</td> <td style="text-align: right;">9,692.33</td> </tr> <tr> <td>Total:</td> <td style="text-align: right;">11,215.23</td> </tr> </tbody> </table> <p>The property is held for a term of 50 years commencing on 28th June 1992 and expiring on 27th June 2042.</p>	Use	Gross Floor Area (sq.m.)	Apartment	1,522.90	Retail	9,692.33	Total:	11,215.23	As at the valuation date, the property was vacant.	RMB57,400,000.- (100% interest attributable to the Company: RMB 57,400,000.-)
Use	Gross Floor Area (sq.m.)										
Apartment	1,522.90										
Retail	9,692.33										
Total:	11,215.23										

Notes:

1. Pursuant to the Land Use Right Contract dated 23rd June 1992, the land of the subject development namely Lot No. B310-1 having an area of 27,217 square metres was granted to Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 28th June 1992.
2. We were confirmed by the Company that the following apartment units were held by it as at the valuation date:

Units 1510, 1610 and 2010 of Block 2; Units 610, 611, 701, 706, 801, 806, 811, 906, 1006, 1010, 1706, 1806, 2010, 2110, 2210, 2211, 2305, 2306 and 2307 of Block 5.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
3. Unit Nos. 407, 507 and 508, Apartment Block No. 50, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC	<p>The property comprises 3 apartment units of an 8-storey apartment building completed in 1995.</p> <p>The total gross floor area of the property is 172.28 square metres.</p> <p>The property is held for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.</p>	As at the valuation date, the property was vacant.	<p>RMB551,000.-</p> <p>(100% interest attributable to the Company: RMB551,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 30th November 1993, the land of the subject development was granted to Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 30th November 1993.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company;
 - 3.2 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
4. Unit No. 710, Apartment Block No. 52, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises an apartment unit of an 8-storey apartment building completed in 1995.</p> <p>The gross floor area of the property is 50.51 square metres.</p> <p>The property is held for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.</p>	As at the valuation date, the property was vacant.	RMB152,000.- (100% interest attributable to the Company: RMB152,000.-)

Notes:

1. Pursuant to the Land Use Right Contract dated 30th November 1993, the land of the subject property was granted to Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 30th November 1993.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company;
 - 3.2 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
5. Unit Nos. 105, 111, 707 and 711 Block No. 407, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	<p>The property comprises four apartment units of an apartment building completed in 1993.</p> <p>The total gross floor area of the property is 351.18 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was vacant.	<p>RMB808,000.-</p> <p>(100% interest attributable to the Company: RMB808,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing from 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
6. Unit Nos. 105, 107 and 305, Block No. 409, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	<p>The property comprises three apartment units of an apartment building completed in 1993.</p> <p>The total gross floor area of the property is 262.82 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was vacant.	<p>RMB604,000.-</p> <p>(100% interest attributable to the Company: RMB604,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing from 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
7. Unit Nos. 101, 103, 105, 203 and 707, Block No. 410, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	<p>The property comprises five dormitory units of a dormitory building completed in 1993.</p> <p>The total gross floor area of the property is 438.38 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was vacant.	<p>RMB1,008,000.-</p> <p>(100% interest attributable to the Company: RMB1,008,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing from 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

深圳鵬基物業發展公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
8. House Nos. A25 and C32, Blossom Village, Longhua Town, Bao An District, Shenzhen, the PRC.	The property comprises two 2 to 3-storey garden houses within a large scale low density residential development. They were completed in 1996 and have a total gross floor area of 530.10 square metres. The property is held for a term of 70 years commencing from 1st October 1995 and expiring on 30th September 2065.	As at the valuation date, the property was vacant.	RMB1,325,000.- (100% interest attributable to the Company: RMB1,325,000.-)

Notes:

1. By virtue of the Certificate dated 18th November 1999 entered into between 深圳鵬基物業發展公司 ("Party A"), which is a wholly-owned subsidiary of the Company, and Shenzhen Baoan District Longhua Town Property Development Company (深圳保安區龍華鎮物業發展公司) (Party B), a total of 24 garden houses of the subject development (including the property) were acquired by Party A.
2. As confirmed by the Group, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳鵬基物業發展公司 and its interest in the property is legal and valid;
 - 3.2 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

深圳中發實業股份有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
9. Garden House No. 4, Dian Hua Xin Cun, Zhendong District, Haikou, Hainan Province, the PRC.	The property comprises a 2-storey garden house completed in 1988. The gross floor area of the property is 150 square metres.	As at the valuation date, the property was vacant.	No commercial value (74.57% interest attributable to the Company: No commercial value.-)

Notes:

1. As stipulated in the Property Ownership Certificate dated 2nd November 1988, the property is held by 海南深寶聯合實業有限公司.
2. In the course of our valuation, we have assumed that the property is held for a maximum term of 70 years from the issue date of the Land Use Right Certificate for the purpose of residential use as stipulated in the Article of the Provisional Regulation of People's Republic of China and Granting and Transferring the Land Use Right of State-owned Land in Cities and Towns.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The property was acquired by 深圳中發實業股份有限公司; and
 - 3.2 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

深圳市高發實業有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
10. Unit Nos. 101A, 101B, 201A, 201B, 301A, 301B, 403, 503 and 803, Gao Fa Residential Building, Binhe Road/Yitian Road, Futian District, Shenzhen, the PRC.	<p>The property comprises nine residential units on Levels 1, 2, 3, 4, 5 and 8 of an 8-storey residential building completed in 1998.</p> <p>The total gross floor area of the property is 459.38 square metres.</p> <p>The property is held for a term of 70 years commencing on 25th July 1997 and expiring on 24th July 2067.</p>	As at the valuation date, the property was vacant.	RMB919,000.- (50% interest attributable to the Company: RMB459,500.-)

Notes:

1. As stipulated in the Title Realty Certificate dated 21st December 1998, the subject building having a gross floor area of 3,765.44 square metres is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 70 years commencing on 25th July 1997 and expiring on 24th July 2067.
2. As confirmed by the Group, the subject units are the unsold portion of the subject building held by it.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 3.2 The property is permitted to be disposed of or sold to the employee of 深圳市高發實業有限公司;
 - 3.3 Upon paying all land premium, the property can be freely transferred, mortgaged or leased free from additional land premium; and
 - 3.4 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.
4. The land of the subject development is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB459,380. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
11. Units 14B and 16B of Block 1 and Unit 15A of Block 2, Jia Yuan, Fuqiang Road, Shixia South, Futian District, Shenzhen, the PRC.	<p>The property comprises three residential units of two blocks of 16-storey residential building completed in 2000.</p> <p>The total gross floor area of the property is 278.21 square metres.</p> <p>The property is held for a term of 70 years commencing on 10th August 1998 and expiring on 9th August 2068.</p>	As at the valuation date, the property was vacant.	<p>RMB1,340,000.-</p> <p>(50% interest attributable to the Company: RMB670,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 23rd September 1998, the subject development is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 70 years commencing on 10th August 1998 and expiring on 9th August 2068 for residential purpose.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
12. Unsold Portion of Dongfang Keji Yuan, Qiao Cheng Road North, Mao Tou Shan, Nanshan District, Shenzhen, the PRC.	<p>The property comprises various industrial units and residential units of various blocks of industrial buildings and residential buildings all completed in January 2002.</p> <p>The total gross floor area of the industrial units and residential units are 22,262.41 square metres and 5,920.48 square metres respectively.</p> <p>The property is held for a term of 50 years commencing on 28th February 1998 and expiring on 27th February 2048.</p>	As at the valuation date, the property was vacant.	RMB57,000,000.- (50% interest attributable to the Company: RMB 28,500,000.-)

Notes:

1. As stipulated in the Title Realty Certificate dated 1st April 1998, the property is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 50 years commencing on 28th February 1998 and expiring on 27th February 2048 for industrial use.
2. As revealed in the Land Use Right Contract dated 26th February 1998, the plot ratio and site coverage of the property shall not be greater than 1.3 and 45% respectively.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land use rights in the property are exclusively held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 3.2 The property can be freely transferred, mortgaged or leased; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

成都鵬恒實業發展有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
13. Various Residential Units of Peng Heng Apartment, No. 43 Xi Ding Zi Street, Chengdu, Sichuan Province, the PRC.	Peng Heng Apartment comprises an 8-storey commercial/residential building (Block A) and a 7-storey residential building (Block B) all completed in 1998. The property comprises a total of 13 residential units of the development. The total gross floor area of the property is 1,385.68 square metres.	As at the valuation date, the property was vacant.	RMB2,000,000.- (55% interest attributable to the Company: RMB1,100,000.-)

Notes:

1. Pursuant to the Land Use Right Contract dated 7th September 1993 entered into between Chengdu State-owned Land Management Bureau (the "Bureau") and Sichuan Jing Wei Real Estate Development Company (四川經緯房地產開發公司) (the "Jing Wei"), the land use rights in the property were granted to Jing Wei for a term of 50 years.
2. Pursuant to the Land Use Right Transfer Contract dated 27th October 1993 entered into between Jing Wei and 成都鵬恒實業發展有限公司 (「成都鵬恒」) which is a 55%-owned subsidiary of the Company, the land use rights in the property were subsequently transferred from Jing Wei to 成都鵬恒.
3. As stipulated in two sets of Property Ownership Certificate both dated 17th November 1998, the property is held by 成都鵬恒.
4. As confirmed by the Group, the property comprises the following units which are the unsold portion of the subject development held by it:

Units 1, 2, 3, 4 and 5 on Level 4; Unit 2 on Level 6; Units 2, 3, 4 and 5 on Level 7; Units 2, 3 and 4 on Level 8 of Block A.
5. The PRC Legal Opinion is summarised as follows:
 - 5.1 The legal interest of the property is exclusively held by 成都鵬恒;
 - 5.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 5.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

深圳龍崗鵬基房地產有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
14. Various Residential Units and Retail Units in Phase 1, Yangguang Garden, Mo Shi Keng, Buji 1st Village, Buji Town, Longgang District, Shenzhen, the PRC.	<p>Yangguang Garden covers 5 parcels of adjoining land with a total area of 98,057.60 square metres for residential development.</p> <p>The property comprises the unsold portion of phase 1 including 3 residential units and 47 retail units of the development completed in 2000.</p> <p>The gross floor areas of the residential units and the retail units are 171.49 square metres and 3,453.2 square metres respectively.</p> <p>The property is held for a term of 70 years commencing on 23rd February 1995 and 22nd February 2065.</p>	As at the valuation date, the property was vacant.	RMB10,870,000.- (100% interest attributable to the Company: RMB 10,870,000.-)

Notes:

1. As stipulated in five sets of Title Realty Certificate all dated 23rd February 1998, the subject development is held by 深圳龍崗鵬基房地產有限公司 which is a wholly-owned subsidiary of the Company for residential purpose for a term of 70 years commencing on 23rd February 1995 and 22nd February 2065.
2. As stipulated in the aforesaid Title Realty Certificates, the subject development is subject to various mortgages.
3. As stipulated in the aforesaid Title Realty Certificates, the plot ratio of the subject development shall not be greater than 2.8.
4. The PRC Legal Opinion is summarised as follows:
 - 4.1 The legal interest of the property is exclusively held by 深圳龍崗鵬基房地產有限公司 and its interest is protected by law;
 - 4.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

深圳國際建築機械有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
15. Unit No. 105 on Level 1, Block No. 13, Bu Xin Garden, Cui Zhu District, Shenzhen, the PRC.	<p>The property comprises a residential unit on the level 1 of a residential building completed in 1988.</p> <p>The gross floor area of the property is 83.7 square metres.</p> <p>The property is held for a term of 50 years commencing from December 1987 and expiring in December 2037.</p>	As at the valuation date, the property was vacant.	<p>RMB200,000.-</p> <p>(50% interest attributable to the Company: RMB100,000.-)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 9th December 1987, the property was acquired by 深圳國際建築機械有限公司 which is a 50%-owned subsidiary of the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳國際建築機械有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 2.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 深圳國際建築機械有限公司 obtaining the Title Realty Certificate; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Group II: Property Interest Held by the Group for Under Development

深圳鵬基(集團)有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
16. Development Site of Baolian Court, Liantong District No. 4, Liantong, Luosha Road Luohu District, Shenzhen, the PRC. Lot H227-32	The property comprises a parcel of land with an area of 17,590.80 square metres on which a residential development is being built. Upon completion, the development will provide a total gross floor area of 61,702.55 square metres plus basement area of 15,922.15square metres. It is scheduled for completion in August 2002. The property is held for a term of 70 years commencing on 25th February 1992 and expiring on 24th February 2062.	As at the valuation date, the property was under construction.	RMB123,000,000.- (100% interest attributable to the Company: RMB 123,000,000.-)

Notes:

1. As stipulated in the Title Realty Certificate dated 20th November 1994, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 70 years commencing from 25th February 1992.
2. As revealed by a Construction Permit, the permitted gross floor area of the property is 61,702.55 square metres plus a basement area of 15,922.15 square metres.
3. As revealed by the aforesaid Construction Permit, the permitted use of the property is residential.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The legal interest of the property is exclusively held by the Company;
 - 4.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.
5. As advised by the Company, the construction costs expended on the property up to the valuation date is approximately RMB61,700,000 and the construction costs to be expended to complete the property is approximately RMB62,000,000.
6. The capital value of the property as if it were fully completed as at the valuation date is RMB246,800,000.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
17. Development Site at Liantong District No. 2, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	<p>The property comprises a parcel of land with an area of 29,386.20 square metres.</p> <p>As advised by the Company, the property is planned for a commercial/residential development with a total gross floor area of 52,620 square metres. It is scheduled for completion in August 2002.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was under construction.	<p>RMB95,000,000.-</p> <p>(100% interest attributable to the Company: RMB 95,000,000.-)</p>

Notes:

1. As stipulated in the Land Use Certificate dated 20th November 1994, the land of the whole Liantong District No. 2 namely Lot No. H227-29 having an area of 50,805.5 square metres is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing from 25th February 1992 for industrial ancillary purpose.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by the Company;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.
3. As advised by the Company, the construction costs expended on the property up to the valuation date is approximately RMB 52,000,000 and the construction costs to be expended to complete the property is approximately RMB 53,000,000.
4. The capital value of the property as if it were fully completed as at the valuation date is RMB210,000,000.

深圳龍崗鵬基房地產有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
18. Development Site of Yangguang Garden (Phase 2), Mo Shi Keng, Buji 1st Village, Buji Town, Longgang District, Shenzhen, the PRC.	<p data-bbox="528 459 863 597">Yangguang Garden covers 5 parcels of contiguous land with a total area of 98,057.60 square metres for residential development.</p> <p data-bbox="528 636 863 746">Upon full completion, the subject development will provide a total gross floor area of 243,217.9 square metres.</p> <p data-bbox="528 785 863 1098">As advised, the subject development will be completed by phasing. Phase 1 of the subject development was completed in 2000. The construction work of Phase 2 is in progress whilst the remaining portion of the subject development was vacant land. Phase 2 of the subject development will be completed by the end of 2002.</p> <p data-bbox="528 1136 863 1278">The property comprises the aforesaid Phase 2. Upon completion, the property will provide a total gross floor area of 104,000 square metres.</p> <p data-bbox="528 1317 863 1423">The property is held for a term of 70 years commencing on 23rd February 1995 and 22nd February 2065.</p>	As at the valuation date, the property was under construction.	RMB70,000,000.- (100% interest attributable to the Company: RMB 70,000,000.-)

Notes:

1. As stipulated in five sets of Title Realty Certificate all dated 23rd February 1998, the property is held by 深圳龍崗鵬基房地產有限公司 which is a wholly-owned subsidiary of the Company for residential purpose for a term of 70 years commencing on 23rd February 1995 and 22nd February 2065.
2. As stipulated in the aforesaid Title Realty Certificates, the subject development is subject to various mortgages.
3. As stipulated in the aforesaid Title Realty Certificates, the plot ratio of the subject development shall not be greater than 2.8.
4. The PRC Legal Opinion is summarised as follows:
 - 4.1 The legal interest of the property is exclusively held by 深圳龍崗鵬基房地產有限公司 and its interest is protected by law;
 - 4.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.
5. As advised by the Group, the construction costs expended on the property up to the valuation date is approximately RMB33,000,000 and the construction costs to be expended to complete the property is approximately RMB50,000,000.
6. The capital value of the property as if it were fully completed as at the valuation date is RMB312,000,000.

深圳鵬盛房地產實業有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
19. Development Site of Lot No. B311-10(3), District No. 3-3, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a parcel of land with an area of 8,307.2 square metres for theatre use.</p> <p>As advised by the Company, the proposed development will provide a total gross floor area of 25,000 square metres and will be completed in May 2003</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.</p>	As at the valuation date, the property was under construction.	<p>RMB30,000,000.-</p> <p>(50% interest attributable to the Company: RMB 15,000,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 30th March 1995, the property is held by 深圳鵬盛房地產實業有限公司 which is a 50%-owned subsidiary of the Company for theatre use for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The land use rights in the property are exclusively held by 深圳鵬盛房地產實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.
3. As advised by the Group, the construction costs expended on the property up to the valuation date is approximately RMB 14,000,000 and the construction costs to be expended to complete the property is approximately RMB 106,000,000.
4. The capital value of the property as if it were fully completed as at the valuation date is RMB125,000,000.

Group III: Property Interest Held by the Group for Future Development

深圳鵬基集團有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
20. Development Site at Liantong District No. 3, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	<p>The property comprises a parcel of land with an area of 28,739.20 square metres for commercial/residential purpose.</p> <p>As advised by the Company, the property is planned for a commercial/residential development with a total gross floor area of 89,260 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992.</p>	As at the valuation date, the property was vacant.	<p>RMB89,260,000.-</p> <p>(100% interest attributable to the Company: RMB 89,260,000.-)</p>

Notes:

1. As stipulated in the Land Use Certificate dated 20th November 1994, the land of the whole Liantong District No. 3 namely Lot No. H227-30 having an area of 33,723 square metres is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing from 25th February 1992 for industrial ancillary use.
2. As advised by the Company, the property is proposed to be developed into a commercial/residential development. The additional land premium for the development site of the subject property has been settled by the Company to the government for the change of land use.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
21. Development Site at Liantong District No. 8, Liantong, Luosha Road Luohu District, Shenzhen, the PRC.	The property comprises a parcel of land with an area of 35,350 square metres. As advised by the Company, the property is planned for a low-density residential development with a total gross floor area of 16,450 square metres.	As at the valuation date, the property was vacant.	RMB16,450,000.- (100% interest attributable to the Company: RMB 16,450,000.-)
	The property is held for a term of 50 years commencing on 25th February 1992.		

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing from 25th February 1992.
2. As revealed by a Construction Land Use Planning Permit dated 24th November 1997, the land user of the property with a land area of 35,350 square metres is held by the Company for residential purpose. As advised by the Company, the additional land premium for the change of land use of the subject property has been settled by the Company to the government.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

深圳龍崗鵬基房地產有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
22. Development Site of Yangguang Garden (Undeveloped Portion), Mo Shi Keng, Buji 1st Village, Buji Town, Longgang District, Shenzhen, the PRC.	<p>Yangguang Garden covers 5 parcels of contiguous land with a total area of 98,057.60 square metres for residential development.</p> <p>Upon full completion, the subject development will provide a total gross floor area of 243,217.9 square metres.</p>	As at the valuation date, the property was vacant.	<p>RMB32,000,000.-</p> <p>(100% interest attributable to the Company: RMB 32,000,000.-)</p>
	<p>As advised, the subject development will be completed by phasing. Phase 1 of the subject development was completed in 2000. The construction work of the Phase 2 is in progress whilst the remaining portion of the subject development is vacant land.</p>		
	<p>The property comprises the aforesaid vacant land. Upon completion, the property will provide a total gross floor area of 92,000 square metres.</p>		
	<p>The property is held for a term of 70 years commencing on 23rd February 1995 and 22nd February 2065.</p>		

Notes:

1. As stipulated in five sets of Title Realty Certificate all dated 23rd February 1998, the property is held by 深圳龍崗鵬基房地產有限公司 which is a wholly-owned subsidiary of the Company for residential purpose for a term of 70 years commencing on 23rd February 1995 and 22nd February 2065.
2. As stipulated in the aforesaid Title Realty Certificates, the property is subject to various mortgages.
3. As stipulated in the aforesaid Title Realty Certificates, the plot ratio of the property shall not be greater than 2.8.
4. The PRC Legal Opinion is summarised as follows:
 - 4.1 The land use rights in the property are exclusively held by 深圳龍崗鵬基房地產有限公司 and its interest is legal and valid;
 - 4.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.3 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

深圳鵬盛房地產實業有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001								
23. Development Site at Lot No. B310-6, District No. 6-2, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a parcel of land with an area of 31,195.60 square metres for multi-functional development.</p> <p>Upon completion, the proposed multi-functional development will provide a total gross floor area of 121,230 square metres which comprises the followings:</p> <table border="1"> <thead> <tr> <th>Use</th> <th>Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td>109,230</td> </tr> <tr> <td>Retail</td> <td>12,000</td> </tr> <tr> <td>Total:</td> <td><u>121,230</u></td> </tr> </tbody> </table> <p>The property is held for a term of 50 years commencing on 18th November 1992 and expiring on 17th November 2042.</p>	Use	Gross Floor Area (sq.m.)	Residential	109,230	Retail	12,000	Total:	<u>121,230</u>	As at the valuation date, the property was vacant.	RMB188,000,000.- (50% interest attributable to the Company: RMB 94,000,000.-)
Use	Gross Floor Area (sq.m.)										
Residential	109,230										
Retail	12,000										
Total:	<u>121,230</u>										

Notes:

- As stipulated in the Title Realty Certificate dated 31st May 1999, the property is held by 深圳鵬盛房地產實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 50 years commencing on 18th November 1992 and expiring on 17th November 2042.
- As stipulated in the Planning Approval dated 11th March 1992 issued by the Shenzhen Planning and State-owned Land Bureau, the property is subject to the following development conditions:

Plot ratio	:	not greater than 5.77; and
Site coverage	:	not greater than 40% of site area.
Use	:	commercial/exhibition/office/technology/apartment development.
- The PRC Legal Opinion is summarised as follows:
 - The land use rights in the property are exclusively held by 深圳鵬盛房地產實業有限公司 and its interest is legal and valid;
 - The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

成都鵬恒實業發展有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
24. Development Site in Ban Zhu Yuan Town, Xindu County, Chengdu, Sichuan Province, the PRC.	<p>The property comprises a parcel of land with an area of 4,846.69 square metres for residential development.</p> <p>As advised by the Group, the property is planned for a residential development.</p> <p>The property is held for a term of 50 years commencing from 21st March 1995.</p>	As at the valuation date, the property was vacant.	<p>RMB980,000.-</p> <p>(55% interest attributable to the Company: RMB539,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Acquisition Contract (徵用土地使用權合同) dated 21st March 1995 entered into between the People's Government of Ban Zhu Yuan Town (the "People's Government") and 成都鵬恒實業發展有限公司 (「成都鵬恒」) which is a 55%-owned subsidiary of the Company, the land use rights in the property were granted to 成都鵬恒 for a term of 50 years commencing on 21st March 1995.
2. The land use rights in the property were obtained by 成都鵬恒 and it is required to pay land premium to the government in order to dispose of the property. The outstanding amount of land premium payable for the property is estimated to be RMB582,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by 成都鵬恒 and its interest is legal and valid; and
 - 3.2 Upon paying all land premium to the government, there is no legal impediment to 成都鵬恒 obtaining the Title Realty Certificate and then the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

成都深港實業發展有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
25. Development Site at No. 57 Renmin Zhong Road Section 3, Chengdu, Sichuan Province, the PRC.	<p>The property comprises a parcel of land with an area of 8,868.54 square metres for commercial/service apartment development namely “Shengang Building”.</p> <p>As advised by the Group, the proposed commercial/service apartment development will provide a total gross floor area of 100,000 square metres. Site clearance work have been completed and the work was suspended as at the valuation date.</p> <p>The property is held for a term of 50 years commencing on 22nd June 1993 and expiring on 21st June 2043.</p>	As at the valuation date, the property was occupied by various blocks of single to 3-storey squatters.	RMB30,000,000.- (20% interest attributable to the Company: RMB6,000,000.-)

Notes:

1. As revealed by the Land Use Certificate dated 22nd June 1993, the property is held by 成都深港實業發展有限公司 which is a 20%-owned associated company of the Company for a term of 50 years commencing on 22nd June 1993 and expiring on 21st June 2043.
2. As specified in the Joint-venture Agreement dated 24th July 1993 entered into between Shenzhen Pengji Industrial Development Corporation, Communication Bank-Pan Zhi Hua Branch (深圳鵬基工業發展總公司), Pan Zhi Hua City Trust Co-operation (攀枝花城市信用合作社) (“Party C”) and Yanlord (Holdings) Industrial Limited (仁恒實業有限公司) (“Party D”), all parties agreed to form a joint venture namely “Chengdu Shengang Industry Development Co., Ltd.” to develop the property with share holding proportion of 20%, 20%, 15% and 45% respectively.
3. The following material conditions are contained in the Demolition and Resettlement Contract and its Supplemental Contract entered into between 成都深港實業發展有限公司 (“Party A”) and Litong Real Estate Co., Ltd. (利通房地產有限公司) (“Party B”) dated 13th May 1993 and 20th May 1993 respectively:–
 - i All the resettlement costs and compensation costs of RMB35,000,000.- for the development shall be borne by Party A;
 - ii Party A will pay to Party B a management fee at 3% of the aforesaid resettlement costs and compensation costs; and
 - iii Party B agreed to complete all the development approval applications, demolition works and resettlement works for the development.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The land use rights in the property are exclusively held by 成都深港實業發展有限公司 and its interest is legal and valid;
 - 4.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government’s prior approval; and
 - 4.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

深圳萬廈居業公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
26. Lot No. 1-2, Bei Ling Tourism Resort Area, Zhao Qing City, Guangdong Province, the PRC.	The property comprises a parcel of land with an area of 33,300 square metres for residential purpose. The property is planned for a low-density residential development.	As at the valuation date, the property was vacant.	No commercial value (67.5% interest attributable to the Company; No commercial value)

Notes:

1. As revealed by the PRC Lawyer, the property is held by 深圳萬廈居業公司 which is a 67.5%-owned subsidiary of the Company.
2. In the course of our valuation, we have assumed that the property is held for a maximum terms of 70 years from the date of issue of the Land Use Certificate for the purpose of residential uses as stipulated in the Article of the Provisional Regulation of People's Republic of China and Granting and Transferring the Land Use Right of State-owned Land in Cities and Towns.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The property is jointly developed by 深圳萬廈居業公司, 肇慶北嶺發展公司 and 香港康宏公司;
 - 3.2 The joint venture is legal, valid and enforceable; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

Group IV: Property Interest Held by the Group for Investment

深圳鵬基(集團)有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
27. Portion of Level 4, Level 6 and Level 7, Factory Block No. 702, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 4, 6 and 7 of a 7-storey industrial building completed in 1991.</p> <p>The total gross floor area of the property is 3,492.50 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was leased at a monthly rent of RMB64,986 for a term of 3 years commencing on 1st April 2001 and expiring on 31st March 2004.	RMB4,890,000.- (100% interest attributable to the Company: RMB4,890,000.-)

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing from 25th February 1992.
2. As confirmed by the Company, the subject units were held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
28. Levels 2 to 7, Factory Block No. 703, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 2 to 7 of a 7-storey industrial building completed in 1994.</p> <p>The total gross floor area of the property is 11,206.53 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB204,433.46 for a term commencing on 1st May 1999 and expiring on 17th April 2003.</p>	<p>RMB15,689,000.-</p> <p>(100% interest attributable to the Company: RMB 15,689,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
29. Level 5, Factory Block No. 705, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 5 of a 6-storey industrial building completed in 1989.</p> <p>The gross floor area of the property is 2,265 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB42,725 for a term of 4 years commencing on 1st March 1999 and expiring on 28th February 2003.</p>	<p>RMB3,171,000.-</p> <p>(100% interest attributable to the Company: RMB3,171,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
30. Level 6, Factory Block No. 709, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 6 of a 6-storey industrial building completed in 1991.</p> <p>The gross floor area of the property is 1,687.44 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB26,999 for a term of 3 years commencing on 1st March 2000 and expiring on 28th February 2003.</p>	<p>RMB2,362,000.-</p> <p>(100% interest attributable to the Company: RMB2,362,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
31. Levels 3 to 7, Factory Block No. 711, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 3 to 7 of a 7-storey industrial building completed in 1994.</p> <p>The total gross floor area of the property is 7,949.14 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB148,490 for a term of 2 years commencing on 1st March 2000 and expiring on 28th February 2002.</p>	<p>RMB11,129,000.-</p> <p>(100% interest attributable to the Company: RMB 11,129,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the subject units were held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
32. Levels 4 to 7, Factory Block No. 712, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 4 to 7 of a 7-storey industrial building completed in 1994.</p> <p>The total gross floor area of the property is 6,758.55 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB128,412 for a term of 1 year commencing on 1st March 2001 and expiring on 28th February 2002.</p>	<p>RMB9,462,000.-</p> <p>(100% interest attributable to the Company: RMB9,462,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
33. Dormitory Block No. 101, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises a 7-storey dormitory building completed in 1993.</p> <p>The total gross floor area of the property is 4,726.34 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 4,412 square metres was leased at a monthly rent of RMB88,248 for a term commencing on 1st August 2000 and expiring on 19th October 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB10,871,000.-</p> <p>(100% interest attributable to the Company: RMB 10,871,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
34. Dormitory Block No. 102, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises a 7-storey dormitory building completed in 1993.</p> <p>The total gross floor area of the property is 4,789.24 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB95,424 for a term commencing on 1st March 2001 and expiring on 17th October 2002.</p>	<p>RMB11,015,000.-</p> <p>(100% interest attributable to the Company: RMB 11,015,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
35. Dormitory Block No. 103, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises a 7-storey dormitory building completed in 1993.</p> <p>The total gross floor area of the property is 3,153.67 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 2,694 square metres was leased at a monthly rent of RMB52,580 for a term commencing on 1st March 2000 and expiring on 31st May 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB7,253,000.-</p> <p>(100% interest attributable to the Company: RMB7,253,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
36. Levels 1, 4, 6, 7 and 8, Dormitory Block No. 104, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1, 4, 6 to 8 of an 8-storey dormitory building completed in 1993.</p> <p>The total gross floor area of the property is 2,431.50 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 2,394.62 square metres was leased at a monthly rent of RMB47,892 for a term commencing on 1st July 1999 and expiring on 30th November 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB5,592,000.-</p> <p>(100% interest attributable to the Company: RMB5,592,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
37. Levels 1 and 2, Dormitory Block No. 105, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1 and 2 of a 7-storey dormitory building completed in 1993.</p> <p>The total gross floor area of the property is 1,348.92 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 184.5 square metres was leased at a monthly rent of RMB3,700 for a term commencing on 26th December 2000 and expiring on 31st October 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB3,100,000.-</p> <p>(100% interest attributable to the Company: RMB3,100,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
38. Levels 1, 6, 7 and 8, Dormitory Block No. 106, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1, 6 to 8 of an 8-storey dormitory building completed in 1992.</p> <p>The total gross floor area of the property is 1,573.29 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 1,193.16 square metres was leased at a monthly rent of RMB23,863 for a term commencing on 1st April 1999 and expiring on 31st October 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB3,619,000.-</p> <p>(100% interest attributable to the Company: RMB3,619,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
39. Levels 1, 7 and 8, Dormitory Block No. 107, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1, 7 and 8 of an 8-storey dormitory building completed in 1992.</p> <p>The total gross floor area of the property is 1,358.27 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 1,143.25 square metres was leased at a monthly rent of RMB22,865 for a term commencing on 1st August 1998 and expiring on 30th November 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB3,124,000.-</p> <p>(100% interest attributable to the Company: RMB3,124,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
40. Levels 2 to 8, Dormitory Block No. 108, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 2 to 8 of an 8-storey dormitory building completed in 1994.</p> <p>The total gross floor area of the property is 2,578.63 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 1,444.97 square metres was leased at a monthly rent of RMB28,899 for a term commencing on 1st March 2001 and expiring on 31st July 2004 whilst the remaining portion of the property was vacant.</p>	<p>RMB5,931,000.-</p> <p>(100% interest attributable to the Company: RMB5,931,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
41. Levels 1 to 8, Dormitory Block No. 109, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1 to 8 of an 8-storey dormitory building completed in 1994.</p> <p>The total gross floor area of the property is 4,789.24 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 2,250 square metres was leased at a monthly rent of RMB38,620 for a term of 4 years commencing on 1st September 2000 and expiring on 31st August 2004 whilst the remaining portion of the property was vacant.</p>	<p>RMB11,015,000.-</p> <p>(100% interest attributable to the Company: RMB 11,015,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing on 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
42. Levels 1 to 8, Dormitory Block No. 110, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1 to 8 of an 8-storey dormitory building completed in 1995.</p> <p>The total gross floor area of the property is 4,789.24 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	<p>As at the valuation date, the property was leased at a monthly of RMB106,400 for a term of 1 year commencing on 1st March 2001 and expiring on 28th February 2002.</p>	<p>RMB11,015,000.-</p> <p>(100% interest attributable to the Company: RMB 11,015,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 25th February 1992, two parcels of land with a total area of 871,604.7 square metres (of which the property forms part) were granted to Shenzhen Pengji Industrial Development Corporation for industrial purpose for a term of 50 years commencing from 25th February 1992.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 3.2 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
43. Level 1, Dormitory Block No. 49, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises retail premises on the level 1 of an 8-storey dormitory building completed in 1991.</p> <p>The gross floor area of the property is 842.23 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB32,904 for a term 4 years commencing on 15th July 2000 and expiring on 14th July 2004.</p>	<p>RMB3,790,000.-</p> <p>(100% interest attributable to the Company: RMB3,790,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 9th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,684,460. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
44. Level 1, Apartment Block No. 50, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises retail premises on the level 1 of an 8-storey apartment building completed in 1995. The gross floor area of the property is 491.60 square metres. The property is held for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.	As at the valuation date, the property was leased at a monthly rent of RMB49,160 for a term of 7 years commencing on 15th April 1996 and expiring on 14th April 2002.	RMB2,212,000.- (100% interest attributable to the Company: RMB2,212,000.-)

Notes:

1. Pursuant to the Land Use Right Contract dated 30th November 1993, the land of the subject development namely Lot No. B311-25 with an area of 8,755.3 square metres was granted to Shenzhen Pengji Industrial Development Corporation for residential purpose for a term of 50 years commencing on 30th November 1993.
2. As confirmed by the Company, the property was the unsold portion of the subject building held by it.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB983,200. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 4.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
45. Level 1, Apartment Block No. 51, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises retail premises on the level 1 of an 8-storey apartment building completed in 1995. The gross floor area of the property is 901.56 square metres. The property is held for a term of 50 years commencing on 30th November 1993.	As at the valuation date, the property was leased at a monthly rent of RMB42,373 on monthly basis.	RMB4,057,000.- (100% interest attributable to the Company: RMB4,057,000.-)

Notes:

1. Pursuant to the Land Use Right Contract dated 30th November 1993, the land of the subject development namely Lot No. B311-25 with an area of 8,755.3 square metres was granted to Shenzhen Pengji Industrial Development Corporation for residential purpose for a term of 50 years commencing on 30th November 1993.
2. As confirmed by the Company, the property was the unsold portion of the subject building held by it.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,803,120. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 4.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
46. Level 1, Apartment Block No. 52, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises retail premises on the level 1 of an 8-storey apartment building completed in 1995. The gross floor area of the property is 934.33 square metres. The property is held for a term of 50 years commencing on 30th November 1993.	As at the valuation date, the property was leased at a monthly rent of RMB43,914 on monthly basis.	RMB4,204,000.- (100% interest attributable to the Company: RMB4,204,000.-)

Notes:

1. Pursuant to the Land Use Right Contract dated 30th November 1993, the land of the subject development namely Lot No. B311-25 with an area of 8,755.3 square metres was granted to Shenzhen Pengji Industrial Development Corporation for residential purpose for a term of 50 years commencing on 30th November 1993.
2. As confirmed by the Company, the property was the unsold portion of the subject building held by it.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,868,660. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 4.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
47. Level 1, Apartment Block No. 53, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises retail premises on the level 1 of an 8-storey apartment building completed in 1995.</p> <p>The gross floor area of the property is 934.33 square metres.</p> <p>The property is held for a term of 50 years commencing on 30th November 1993.</p>	As at the valuation date, the property was leased at a monthly rent of RMB43,914 on monthly basis.	<p>RMB4,204,000.-</p> <p>(100% interest attributable to the Company: RMB4,204,000.-)</p>

Notes:

1. Pursuant to the Land Use Right Contract dated 30th November 1993, the land of the subject development namely Lot No. B311-25 with an area of 8,755.3 square metres was granted to Shenzhen Pengji Industrial Development Corporation for residential purpose for a term of 50 years commencing on 30th November 1993.
2. As confirmed by the Company, the property was the unsold portion of the subject building held by it.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,868,660. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 4.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
48. Levels 1 and 2, Dormitory Block No. 6, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises retail premises on the levels 1 and 2 of a dormitory building completed in 1984.</p> <p>The gross floor area of the property is 1,589.90 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB73,135 for a term commencing on 25th April 1998 and expiring on 20th August 2005.</p>	<p>RMB6,360,000.-</p> <p>(100% interest attributable to the Company: RMB6,360,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB3,179,800. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
49. Level 1, Dormitory Block No. 5, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises retail premises on the level 1 of a dormitory building completed in 1995. The gross floor area of the property is 707.73 square metres. The property is held for a term of 50 years commencing on 12th October 1983.	As at the valuation date, portion of the property with a gross floor area of 545.83 square metres was leased at a monthly rent of RMB44,269 for a term commencing on 1st May 2000 and expiring on 30th November 2004 whilst the remaining portion of the property was vacant.	RMB3,185,000.- (100% interest attributable to the Company: RMB3,185,000.-)

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,415,460. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
50. Level 1, Dormitory Block No. 431, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises retail premises on the level 1 of a dormitory building completed in 1995.	As at the valuation date, the property was leased at a monthly rent of RMB41,216 for a term of 5 years commencing on 1st June 2000 and expiring on 31st May 2005.	RMB3,832,000.- (100% interest attributable to the Company: RMB3,832,000.-)
	The gross floor area of the property is 851.58 square metres.		
	The property is held for a term of 50 years commencing on 12th October 1983.		

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,703,160. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
51. Level 1, Dormitory Block No. 21, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises retail premises on the level 1 of a dormitory building completed in 1986. The gross floor area of the property is 266.65 square metres. The property is held for a term of 50 years commencing on 12th October 1983.	As at the valuation date, the property was subject to various tenancies.	RMB1,200,000.- (100% interest attributable to the Company: RMB1,200,000.-)

Notes:

1. As stipulated in two sets of Title Realty Certificate both dated 11th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificates, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB533,300. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
52. Levels 1 and 2, Apartment Block No. 33, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises retail premises on the levels 1 and 2 of a dormitory building completed in 1986.</p> <p>The gross floor area of the property is 1,792.67 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB44,816 for a term 5 years commencing on 1st January 1997 and expiring on 31st December 2002.</p>	<p>RMB7,171,000.-</p> <p>(100% interest attributable to the Company: RMB7,171,000.-)</p>

Notes:

1. As stipulated in four sets of Title Realty Certificate all dated 14th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificates, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB3,585,340. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
53. Levels 3 to 6, Dormitory Block No. 6, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 3 to 6 of a dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 3,232.29 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 2,439.86 square metres was leased at a monthly rent of RMB47,800 for a term commencing on 1st August 1999 and expiring on 31st August 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB7,434,000.-</p> <p>(100% interest attributable to the Company: RMB7,434,000.-)</p>

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB3,232,290. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 The Title Realty Certificate of the property has been obtained by the Company;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
54. Levels 1 to 7, Dormitory Block No. 7, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1 to 7 of a dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 5,072.88 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 4,849.78 square metres was leased at a monthly rent of RMB121,625 for a term commencing on 21st March 2001 and expiring on 31st October 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB11,668,000.-</p> <p>(100% interest attributable to the Company: RMB 11,668,000.-)</p>

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB5,072,880. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
55. Level 3, Apartment Block No. 11, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises dormitory units on the level 3 of a dormitory building completed in 1985. The total gross floor area of the property is 400.61 square metres. The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.	As at the valuation date, portion of the property with a gross floor area of 369.84 square metres was leased at a monthly rent of RMB8,136 for a term commencing on 1st May 2001 and expiring on 10th July 2002 whilst the remaining portion of the property was vacant.	RMB921,000.- (100% interest attributable to the Company: RMB921,000.-)

Notes:

1. As stipulated in two sets of Title Realty Certificate dated 14th December 1998 and 4th March 1999 respectively, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB400,610. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
56. 20 dormitory units on Level 5, Dormitory Block No. 24, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 20 dormitory units on the level 5 of a dormitory building completed in 1986.</p> <p>The total gross floor area of the property is 638.11 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was leased at a monthly rent of RMB12,000 for a term of 1 year commencing on 16th June 2001 and expiring on 15th June 2002.	RMB1,468,000.- (100% interest attributable to the Company: RMB1,468,000.-)

Notes:

1. As stipulated in the Title Realty Certificate dated 14th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB638,110. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
57. 4 dormitory units on Level 2 (East), Dormitory Block No. 30, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises 4 dormitory units on the level 2 of a dormitory building completed in 1986. The total gross floor area of the property is 118.52 square metres. The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.	As at the valuation date, the property was leased at a monthly rent of RMB2,133 for a term of 5 years commencing on 15th December 1997 and expiring on 14th December 2002.	RMB273,000.- (100% interest attributable to the Company: RMB273,000.-)

Notes:

1. As stipulated in the Title Realty Certificate dated 14th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB118,520. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
58. Levels 1, 2 and 5, Dormitory Block No. 31, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1, 2 and 5 of a dormitory building completed in 1986.</p> <p>The total gross floor area of the property is 1,358.28 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 1,050.2 square metres was leased at a monthly rent of RMB16,803 for a term commencing on 1st January 2000 and expiring on 31st August 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB3,124,000.-</p> <p>(100% interest attributable to the Company: RMB3,124,000.-)</p>

Notes:

1. As stipulated in four sets of Title Realty Certificate all dated 14th December 1998, portion of the property with a gross floor area of 651.81 square metres is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983. As confirmed by the PRC Lawyer, the remaining portion of the property is held by the Company.
2. As confirmed by the PRC Lawyer, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,358,280. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
59. Dormitory Block No. 32, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a dormitory building completed in 1986.</p> <p>The gross floor area of the property is 5,740.19 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB154,985 for a term of 5 years commencing on 1st November 1997 and expiring on 31st October 2002.</p>	<p>RMB13,202,000.-</p> <p>(100% interest attributable to the Company: RMB 13,202,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 18th November 1993, the property is held by Shenzhen Pengji Industrial Development Corporation.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB5,740,190. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
60. Dormitory Block No. 35, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 2,793.59 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 1,816 square metres was leased at a monthly rent of RMB37,430 for a term commencing on 1st February 2001 and expiring on 13th February 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB6,425,000.-</p> <p>(100% interest attributable to the Company: RMB6,425,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 18th November 1993, the property is held by Shenzhen Pengji Industrial Development Corporation.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB2,793,590. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
61. Dormitory Block No. 41, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a dormitory building completed in 1988.</p> <p>The gross floor area of the property is 5,652.60 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB102,060 for a term commencing on 1st April 1996 and expiring on 31st December 2002.</p>	<p>RMB13,000,000.-</p> <p>(100% interest attributable to the Company: RMB 13,000,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 25th November 1996, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB5,652,600. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
62. Levels 2 to 5, Dormitory Block No. 5, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises all dormitory units on the levels 2 to 5 of a dormitory building completed in 1995.	As at the valuation date, the property was subject to various tenancies.	RMB6,234,000.- (100% interest attributable to the Company: RMB6,234,000.-)
	The total gross floor area of the property is 2,710.37 square metres.		
	The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.		

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB2,710,370. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 The Title Realty Certificate of the property has been obtained by the Company;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
63. Levels 2 to 6, Dormitory Block No. 431, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises dormitory units on the levels 2 to 6 of a dormitory building completed in 1995.	As at the valuation date, the property was subject to various tenancies.	RMB11,388,000.- (100% interest attributable to the Company: RMB 11,388,000.-)
	The total gross floor area of the property is 4,951.43 square metres.		
	The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.		

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB4,951,430. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 The Title Realty Certificate of the property has been obtained by the Company;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
64. Levels 1 to 5, Dormitory Block No. 534, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 1 to 5 of a dormitory building completed in 1996.</p> <p>The total gross floor area of the property is 3,210.78 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB54,583 for a term commencing on 10th November 1999 and expiring on 3rd December 2005.</p>	<p>RMB7,385,000.-</p> <p>(100% interest attributable to the Company: RMB7,385,000.-)</p>

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB3,210,780. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 The Title Realty Certificate of the property has been obtained by the Company;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
65. Levels 1 to 6, Block 610, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises all car parking spaces on the levels 1 to 6 of a multi-story carpark building completed in 1986.</p> <p>The total gross floor area of the property is 14,139 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 12,809.71 square metres was leased at a monthly rent of RMB134,097 for a term commencing on 1st January 2001 and expiring on 31st January 2003 whilst the remaining portion of the property was vacant.</p>	<p>RMB21,209,000.-</p> <p>(100% interest attributable to the Company: RMB 21,209,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 18th November 1993, the property is held by Shenzhen Pengji Industrial Development Corporation.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB7,069,500. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
66. Levels 7 and 8, Factory Block 618, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises workshops on the levels 7 and 8 of an industrial building completed in 1985.</p> <p>The total gross floor area of the property is 3,190.68 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB54,741 for a term commencing on 26th November 1998 and expiring on 31st July 2004.</p>	<p>RMB5,743,000.-</p> <p>(100% interest attributable to the Company: RMB5,743,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 25th November 1996, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,595,340. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
67. Level 6, Factory Block No. 511, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 6 of an industrial building completed in 1985.</p> <p>The gross floor area of the property is 1,248 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB24,960 for a term of 3 years commencing on 1st August 2001 and expiring on 31st July 2004.</p>	<p>RMB2,246,000.-</p> <p>(100% interest attributable to the Company: RMB2,246,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 10th July 1996, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB624,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
68. Level 3, Factory Block No. 513, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 3 of an industrial building completed in 1986.</p> <p>The gross floor area of the property is 969.81 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB20,366 for a term of 3 years commencing on 1st November 1999 and expiring on 31st October 2002.</p>	<p>RMB1,746,000.-</p> <p>(100% interest attributable to the Company: RMB1,746,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 10th July 1996, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB484,905. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
69. Level 5, Factory Block No. 515, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 5 of an industrial building completed in 1984.</p> <p>The gross floor area of the property is 1,972.50 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB39,440 for a term of 5 years commencing on 10th February 1998 and expiring on 9th February 2003.</p>	<p>RMB3,551,000.-</p> <p>(100% interest attributable to the Company: RMB3,551,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 10th July 1996, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB986,250. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
70. Levels 1 and 2, Factory Block No. 523, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 1 and 2 of an industrial building completed in 1984.</p> <p>The gross floor area of the property is 1,179 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	As at the valuation date, the property was leased at a monthly rent of RMB59,549 for a term commencing on 1st June 1998 and expiring on 30th June 2004.	<p>RMB2,358,000.-</p> <p>(100% interest attributable to the Company: RMB2,358,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 10th July 1996, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB589,500. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
71. Level 5, Factory Block No. 532, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises industrial premises on the level 5 of an industrial building completed in 1985.	As at the valuation date, the property was subject to various tenancies.	RMB1,908,000.- (100% interest attributable to the Company: RMB1,908,000.-)
	The gross floor area of the property is 1,060.10 square metres.	The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.	

Notes:

1. As stipulated in the Title Realty Certificate dated 10th July 1996, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB530,050. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
72. Levels 1 and 2, Factory Block No. 306, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises industrial premises on the levels 1 and 2 of an industrial building completed in 1984.	As at the valuation date, the property was subject to various tenancies.	RMB7,000,000.- (100% interest attributable to the Company: RMB7,000,000.-)
	The gross floor area of the property is 2,501.59 square metres.		
	The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 11th October 2033.		

Notes:

1. As stipulated in two sets of Title Realty Certificate both dated 10th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,250,795. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
73. Levels 1 and 3, Factory Block No. 311, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 1 and 3 of an industrial building completed in 1985.</p> <p>The gross floor area of the property is 2,078.58 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB41,572 for a term commencing on 1st March 2001 and expiring on 31st May 2002.</p>	<p>RMB6,028,000.-</p> <p>(100% interest attributable to the Company: RMB6,028,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 15th January 1999, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,039,290. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
74. Level 5, Factory Block No. 424, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 5 of an industrial building completed in 1986.</p> <p>The gross floor area of the property is 2,296.68 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB49,149 for a term of 1 year commencing on 1st August 2001 and expiring on 31st July 2002.</p>	<p>RMB4,134,000.-</p> <p>(100% interest attributable to the Company: RMB4,134,000.-)</p>

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,148,340. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
75. Levels 1 and 2, Factory Block No. 430, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 1 and 2 of an industrial building completed in 1993.</p> <p>The total gross floor area of the property is 2,020.37 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB47,178 for a term commencing on 15th August 1998 and expiring on 30th November 2002.</p>	<p>RMB6,061,000.-</p> <p>(100% interest attributable to the Company: RMB6,061,000.-)</p>

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,010,185. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
76. Levels 1 to 3, Factory Block No. 102C, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 1 to 3 of an industrial building completed in 1983.</p> <p>The total gross floor area of the property is 705 square metres.</p> <p>The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 436 square metres was leased at a monthly rent of RMB54,875 for a term of 3 years commencing on 1st October 1999 and expiring on 30th September 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB2,115,000.-</p> <p>(100% interest attributable to the Company: RMB2,115,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 13th January 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 3rd January 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB373,650. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
77. Level 1, Factory Block No. 201, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	The property comprises industrial premises on the level 1 of an industrial building completed in 1983.	As at the valuation date, the property was subject to various tenancies.	RMB3,029,000.- (100% interest attributable to the Company: RMB3,029,000.-)
	The gross floor area of the property is 865.43 square metres.		
	The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.		

Notes:

1. As stipulated in three sets of Title Realty Certificate all dated 12th January 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 3rd January 1983.
2. As specified in the aforesaid Title Realty Certificates, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB458,678. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
78. 36 dormitory units on Level 5, Dormitory Block No. 402A, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises 36 dormitory units on the level 5 of a dormitory building completed in 1984.</p> <p>The total gross floor area of the property is 1,055.40 square metres.</p> <p>The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 403.52 square metres was leased at a monthly rent of RMB11,298 for a term commencing on 25th February 2001 and expiring on 12th December 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB2,639,000.-</p> <p>(100% interest attributable to the Company: RMB2,639,000.-)</p>

Notes:

1. As stipulated in three sets of Title Realty Certificate all dated 12th January 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 3rd January 1983.
2. As specified in the aforesaid Title Realty Certificates, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB2,005,260. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
79. 31 dormitory units on Level 5, Dormitory Block No. 503, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises 31 dormitory units on the level 5 of a dormitory building completed in 1989.</p> <p>The total gross floor area of the property is 1,028.33 square metres.</p> <p>The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB25,708 for a term commencing on 1st February 2001 and expiring on 12th December 2002.</p>	<p>RMB2,571,000.-</p> <p>(100% interest attributable to the Company: RMB2,571,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 12th January 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 3rd January 1983.
2. As specified in the afrosaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,953,827. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
80. Level 1, Dormitory Block No. 505, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises retail premises on the level 1 of a dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 2,142.30 square metres.</p> <p>The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 1,959.39 square metres was leased at a monthly rent of RMB225,329 for a term commencing on 1st April 2001 and expiring on 31st March 2006 whilst the remaining portion of the property was vacant.</p>	<p>RMB12,850,000.-</p> <p>(100% interest attributable to the Company: RMB 12,850,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 12th January 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 3rd January 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB6,426,900. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
81. Section A of Level 1, the whole of Levels 2, 3 and 4, Management Centre Block No.501, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises office premises on the levels 1, 2, 3 and 4 of a 12-storey industrial building completed in 1984.</p> <p>The total gross floor area of the property is 2,139.56 square metres.</p> <p>The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB139,330 for a term commencing on 1st June 1997 and expiring on 17th May 2006.</p>	<p>RMB6,419,000.-</p> <p>(100% interest attributable to the Company: RMB6,419,000.-)</p>

Notes:

1. As stipulated in four Title Realty Certificate all dated 12th January 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 3rd January 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,133,967. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
82. Levels 1 to 6, Zhenxing Hotel, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	The property comprises a 6-storey hotel building completed in 1984. The total gross floor area of the property is 3,018.44 square metres. The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.	As at the valuation date, the property was leased at a monthly rent of RMB135,830 for a term of 9 years commencing on 18th April 1997 and expiring on 17th April 2006.	RMB12,074,000.- (100% interest attributable to the Company: RMB 12,074,000.-)

Notes:

1. As stipulated in two sets of Title Realty Certificate both dated 12th January 1998, the property (also known as Section B and Section C of Level 2, Management Centre Block No. 501) is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983.
2. As specified in the aforesaid Title Realty Certificates, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB9,055,320. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
83. Levels 1 and 2, Zhenxing Restaurant, Block No. 502, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises restaurant premises. The subject building was completed in 1984.</p> <p>The total gross floor area of the property is 1,613.85 square metres.</p> <p>The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB120,119 for a term of 11 years commencing on 1st July 1996 and expiring on 30th June 2007.</p>	<p>RMB9,683,000.-</p> <p>(100% interest attributable to the Company: RMB9,683,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 12th January 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 3rd January 1983.
2. As specified in the aforesaid Title Realty Certificate, the land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB6,455,400. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
84. Peng Xing Commercial Complex, Peng Sheng Village, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises a 2-storey commercial compound completed in 1998.</p> <p>The gross floor area of the property is 5,112.42 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was subject to various tenancies.	<p>RMB18,000,000.-</p> <p>(100% interest attributable to the Company: RMB 18,000,000.-)</p>

Notes:

1. As stipulated in the Land Use Right Certificate dated 20th November 1994, the development site of the subject property namely Lot No. H227-33 is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 25th February 1992.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by the Company;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 2.3 The Title Realty Certificate of the property has been obtained by the Company; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
85. A residential unit in Chi Wei Village Pengji Shangbu Industrial Area, Huaqiang Road South, Futian District, Shenzhen, the PRC.	<p>The property comprises a residential unit of a residential building.</p> <p>The gross floor area of the property is 95 square metres.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB1,200 for a term commencing on 11th December 2001 and expiring on 10th June 2002.</p>	<p>RMB300,000.-</p> <p>(100% interest attributable to the Company: RMB300,000.-)</p>

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation.
2. The land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB180,500. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. In the course of our valuation, we have assumed that the property is held for a maximum term of 70 years from the date of issue of the Land Use Certificate for the purpose of residential uses as stipulated in the Article of the Provisional Regulation of People's Republic of China and Granting and Transferring the Land Use Right of State-owned Land in Cities and Towns.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 4.4 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 4.5 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
86. Nanhua Composite Building, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises a composite building completed in 1988. The total gross floor area of the property is 1,064.75 square metres.	As at the valuation date, the property was leased at a monthly rent of RMB21,478 for a term commencing on 1st October 2001 and expiring on 30th September 2002.	RMB3,727,000.- (100% interest attributable to the Company: RMB3,727,000.-)

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation.
2. The land use rights in the property were obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB2,235,975. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. In the course of our valuation, we have assumed that the property is held for a maximum term of 50 years from the date of issue of the Land Use Certificate for the purpose of composite uses as stipulated in the Article of the Provisional Regulation of People's Republic of China and Granting and Transferring the Land Use Right of State-owned Land in Cities and Towns.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 4.4 The Title Realty Certificate has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate; and
 - 4.5 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
87. Portion of Level 1, Factory Block No. 615, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises workshops on the level 1 of an 8-storey factory building completed in 1984.</p> <p>The gross floor area of the property is 1,110 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 993 square metres was leased at a monthly rent of RMB58,297 for a term commencing on 5th January 2001 and expiring on 4th July 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB3,885,000.-</p> <p>(100% interest attributable to the RMB3,885,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 5th October 1991, the property is held by 深圳快樂冷凍設備工貿公司. As confirmed by the PRC Lawyer, the property has been transferred to the Company.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB555,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
88. Zhongxin Keji Building Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a 20-storey commercial building completed in 2001.</p> <p>The total gross floor area of the property is 25,864.91 square metres.</p> <p>The property is held for a term commencing on 12th December 2001 and expiring on 11th November 2051.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 24,649.48 square metres was leased at a monthly rent of RMB1,183,659 for a term commencing on 20th February 2001 and expiring on 10th December 2006 whilst the remaining portion of the property was vacant.</p>	<p>RMB78,000,000.-</p> <p>(100% interest attributable to the Company: RMB 78,000,000.-)</p>

Notes:

1. Pursuant to the Title Realty Certificate dated 30th January 2002, the property is held by the Company for office purpose for a term commencing on 12th December 2001 and expiring on 11th November 2051.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by the Company and its interest in the property is protected by law;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
89. Unit Nos. 509, 510, 513, 514, 705, 1303, 1305, 1307, 1311 to 1315, 1403 and 1405, Block No. 4, Nantian Mansion, Shangbu Zhong Road, Futian District, Shenzhen, the PRC.	<p>The property comprises 15 residential units on levels 5, 7, 13 and 14 of a residential building completed in 1993.</p> <p>The total gross floor area of the property is 1,298.10 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th July 1992 and expiring on 27th July 2042.</p>	As at the valuation date, the property was leased at a monthly rent of RMB29,400 for a term commencing on 4th October 2000 and expiring on 30th September 2002.	RMB5,190,000.- (100% interest attributable to the Company: RMB5,190,000.-)

Notes:

1. Pursuant to an Agreement for Sale and Purchase, the property was acquired by Shenzhen Pengji Industrial Development Corporation.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by the Company and its interest is legal, valid and protected by law;
 - 2.2 The Title Realty Certificate of the property has been obtained by the Company;
 - 2.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
90. Unit No. 301 on Level 3 Block No. 9, Cui Zhu District, Bu Xin Garden, Shenzhen, the PRC.	<p>The property comprises a residential unit on the level 3 of a residential building.</p> <p>The gross floor area of the property is 90 square metres.</p>	As at the valuation date, the property was leased at a monthly rent of RMB1,100 for a term commencing on 1st December 2001 and expiring on 31st May 2002.	RMB288,000.- (100% interest attributable to the Company: RMB288,000.-)

Notes:

1. As confirmed by the PRC Lawyer, the property is held by Shenzhen Pengji Industrial Development Corporation.
2. In the course of our valuation, we have assumed that the property is held for a maximum term of 70 years from the date of issue of the Land Use Certificate for the purpose of residential uses as stipulated in the Article of the Provisional Regulation of People's Republic of China and Granting and Transferring the Land Use Right of State-owned Land in Cities and Towns.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal, valid and protected by law;
 - 3.2 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government; and
 - 3.4 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
91. Level 5, Factory Block No. 514, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 5 of an industrial building completed in 1987.</p> <p>The gross floor area of the property is 1,766.63 square metres.</p> <p>The property is held for a term of 25 years commencing on 30th October 1987 and expiring on 30th October 2012.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB33,185 for a term commencing on 1st November 1999 and expiring on 31st March 2002.</p>	<p>RMB3,180,000.-</p> <p>(100% interest attributable to the Company: RMB3,180,000.-)</p>

Notes:

1. As confirmed by the PRC Lawyer, the property is held by the Company.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB883,315. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property has been vested in the Company;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 3.4 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.5 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

深圳國際建築機械有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
92. Levels 3 to 6, Composite Building, No. 2 Ba Gua Fifth Rod, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises all the office units on the levels 3 to 6 of a 6-storey composite building completed in 1993.</p> <p>The total gross floor area of the property is 1,024 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring in 12th October 2033.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB36,280 for a term of 1 year commencing from September 2001 and expiring in September 2002.</p>	<p>RMB3,584,000.-</p> <p>(50% interest attributable to the Company: RMB1,792,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by 深圳國際建築機械有限公司 for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,536,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
93. Unit No. 501, Block No. 24, Fu Min New Village, Huanggang Residential District, Futian District, Shenzhen, the PRC.	<p>The property comprises a residential unit on the level 5 of a residential building completed in 1993.</p> <p>The gross floor area of the property is 75.08 square metres.</p> <p>The property is held for a term of 50 years commencing on 8th April 1990 and expiring on 8th April 2040.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB1,200 for a term of 1 year commencing from December 2001 and expiring in December 2002.</p>	<p>No commercial value</p> <p>(50% interest attributable to the Company: No commercial value)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 25th May 1992, the property was acquired by 深圳國際建築機械有限公司.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳國際建築機械有限公司 and its interest is legal and valid
 - 2.2 The property is in the nature of welfare housing and is not permitted to be transferred; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

鵬基工業區管理服務公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
94. 10 shop units on Levels 1 and 2, Ba Gua Ling Commercial Street, Ba Gua Eighth Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a total of 10 shop units on the levels 1 and 2 of a commercial compound completed in 1992.</p> <p>The total gross floor area of the property is 324 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was leased at a monthly rent of RMB28,351 for a term commencing on 1st January 2001 and expiring on 31st September 2002.	RMB2,106,000.- (100% interest attributable to the Company: RMB2,106,000.-)

Notes:

- 1, The PRC Legal Opinion is summarized as follows:
 - 1.1 The legal interest of the property is exclusively held by the Company and its interest is protected by law; and
 - 1.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

深圳鵬盛房地產實業有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
95. Various retail units on Levels 1 and 2 of Apartment Block Nos. 1 to 4, Peng Sheng Village, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises retail space on the level 1 and level 2 under four blocks of 23-storey apartment building completed in 1997.</p> <p>The total gross floor area of the property is 9,757.40 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.</p>	As at the valuation date, the property was subject to various tenancies.	<p>RMB58,500,000.-</p> <p>(50% interest attributable to the Company: RMB 29,250,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 20th August 1992, the property is held by 深圳鵬盛房地產實業有限公司 for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳鵬盛房地產實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
96. Various retail units on Level 1 of Apartment Block Nos. 5 to 10, Peng Sheng Village, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises retail space on the level 1 under six blocks of 8-storey apartment building completed in 1992.</p> <p>The total gross floor area of the property is 5,161.59 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 3,821 square metres was leased at a monthly rent of RMB428,090 for a term commencing from March 2001 and expiring in September 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB40,000,000.-</p> <p>(50% interest attributable to the Company: RMB20,000,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 20th August 1992, the property is held by 深圳鵬盛地產實業有限公司 for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳鵬盛地產實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

深圳圳峰工業聯合公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
97. Level 2, Factory Block No. 102, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on Level 2 within a 6-storey industrial building completed in 1983.</p> <p>The gross floor area of the property is 1,267.88 square metres.</p> <p>The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.</p>	As at the date of our valuation, the property was leased at a monthly rent of RMB104,529 for a term commencing from January 1999 and expiring in December 2007.	RMB2,536,000.- (40% interest attributable to the Company: RMB1,014,400.-)

Notes:

1. As revealed by the Title Realty Certificate dated 1st March 1999 (No.3000028403), the property is held by 深圳圳峰工業聯合公司 which is a 40%-owned associated company of the Company for a term of 30 years commencing on 3rd January 1983 and expiring on 3rd January 2013.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳圳峰工業聯合公司 and its interest is protected by law;
 - 2.2 The property is subject to a mortgage in favour of Shenzhen Commercial Bank – Futian Branch to an extent of RMB2,000,000.-;
 - 2.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
98. Unit A on Level 6, Management Centre Block No.501, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises an unit on the level 6 of a 12-storey industrial building completed in 1984.</p> <p>The gross floor area of the property is 569.68 square metres.</p> <p>The property is held for a term of 30 years commencing on 3rd January 1983 and expiring on 1st January 2013.</p>	<p>As at the date of valuation, the property was leased at a monthly rent of RMB18,000 for a term of 2 years commencing from January 2001 and expiring in December 2002.</p>	<p>RMB1,140,000.-</p> <p>(40% interest attributable to the Company: RMB456,000.-)</p>

Notes:

1. As revealed by the Title Realty Certificate dated 1st March 1999 (No.3000028403), the property is held by 深圳圳峰工業聯合公司 which is a 40%-owned associated company the Company for a term of 30 years commencing on 3rd January 1983 and expiring on 1st January 2013.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳圳峰工業聯合公司 and its interest is protected by law;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
99. Unit Nos. 626, 628, 629, 631, 633 and 635, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Futian District, Shenzhen, the PRC.	<p>The property comprises 6 residential units of an 8-storey residential building completed in 1992.</p> <p>The total gross floor area of the property is 191.88 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.</p>	As at the valuation date, the property was leased at a monthly rent of RMB4,900 for a term of 2 years commencing from January 2001 and expiring in December 2002.	RMB768,000.- (40% interest attributable to the Company: RMB307,200.-)

Notes:

1. As revealed by six sets of the Title Realty Certificate dated 13th January 1997 and 15th January 1997 respectively, the property is held by 深圳圳峰工業聯合公司 which is a 40%-owned associated company for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳圳峰工業聯合公司 and its interest is legal, valid and protected by law;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
100. Unit Nos. 101 to 104, 202, 204, 301 to 304, 402, 403, 504, 601, 602, 604, 701, 702 and 704, Hua Xin Village Eastern Area, Hong Li Road West, Futian District, Shenzhen, the PRC.	<p>The property comprises 19 residential units of a 7-storey residential building completed in 1984.</p> <p>The total gross floor area of the property is 1,784.24 square metres.</p> <p>The property is held for a term of 50 years commencing on 22nd September 1981 and expiring on 21st September 2031.</p>	As at the valuation date, the property was leased at a monthly rent of RMB45,950 for a term of 2 years commencing from January 2001 and expiring in December 2002.	RMB6,960,000.- (40% interest attributable to the Company: RMB2,784,000.-)

Notes:

1. As revealed by the Title Realty Certificate dated 6th June 1995, Unit No. 202 of the property is held by 深圳圳峰工業聯合公司 which is a 40%-owned associated company for a term of 50 years commencing on 22nd September 1981 and expiring on 21st September 2031.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳圳峰工業聯合公司 and its interest is protected by law; and
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

深圳萬廈居業公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
101. Retail Spaces on Level 1, Block 14, Hong Li Village, Zhen Xing Road, Futian District, Shenzhen, the PRC	<p>The property comprises retail spaces on the level 1 of a 7-storey commercial/residential building completed in 1991.</p> <p>The gross floor area of the property is 1,032.32 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th August 1988 and expiring on 11th August 2038.</p>	As at the valuation date, the property was leased at a monthly rent of RMB185,817 for a term of 3 years commencing from January 2001 and expiring in December 2003.	RMB10,323,000.- (100% interest attributable to the Company RMB 10,323,000.-)

Notes:

- 1 As revealed by the Title Realty Certificate dated 13th March 1992, the property is held by深圳萬廈居業公司 which is wholly-owned subsidiary of the Company for a term of 50 years commencing on 12th August 1988 and expiring on 11th August 2038.
- 2 As stipulated in the aforesaid Title Realty Certificate, the property is subject to a mortgage in favour of Agriculture Bank – Shangbu Branch.
- 3 The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by深圳萬廈居業公司 and its interest is legal and valid;
 - 3.2 The property is in the nature of welfare housing;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred; and
 - 3.4 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.
- 4 The land of the subject development was obtained by深圳萬廈居業公司 through private treaty and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB2,064,640. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
102. Unit A on Level 3, Block 17, Hong Li Village, Hong Li Road, Futian District, Shenzhen, the PRC.	<p>The property comprises an office unit on the level 3 of a 3-storey commercial building completed in 1991.</p> <p>The gross floor area of the property is 464.41 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th August 1988 and expiring on 11th August 2038.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB9,288 for a term of 3 years commencing from April 2001 and expiring in March 2004.</p>	<p>RMB1,858,000.-</p> <p>(100% interest attributable to the Company: RMB1,858,000.-)</p>

Notes:

1. As revealed by the Title Realty Certificate dated 9th April 1992, the property is held by 深圳萬廈居業公司 which is a wholly-owned subsidiary of the Company for a term of 50 years commencing on 12th August 1988 and expiring on 11th August 2038.
2. As stipulated in the aforesaid Title Realty Certificate, the property is subject to a mortgage in favour of Agriculture Bank – Shangbu Branch.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳萬廈居業公司 and its interest is legal and valid;
 - 3.2 The property is in the nature of welfare housing;
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred; and
 - 3.4 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.
4. The land of the subject development was obtained by 深圳萬廈居業公司 through private treaty and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB246,137. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.

深圳中發實業股份有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
103. Levels 1, 2, 3 and 5 of Zhong Fa Industrial Building, Ba Gua Ling Industrial Area, Ba Gua Road, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 1, 2, 3 and 5 of a 6-storey industrial building completed in 1993.</p> <p>The gross floor area of the property is 4,524.34 square metres.</p> <p>The property is held for a term of 30 years commencing on 8th November 1992 and expiring on 7th November 2022.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 1,788 square metres was leased at a monthly rent of RMB119,400 for a term of 1 year commencing from June 2001 and expiring in June 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB10,000,000.-</p> <p>(74.57% interest attributable to the Company: RMB7,457,000.-)</p>

Notes:

1. Pursuant to six sets of Title Realty Certificate respectively dated 21st May 1996, 16th April 1996, 6th May 1996 and 14th March 1995 (Nos. 0103085, 0102907, 0103041, 0098741, 0098742 and 0098753), the property is held by 深圳中發實業股份有限公司 which is a 74.57%-owned subsidiary of the Company for a term of 30 years commencing on 8th November 1992 and expiring on 7th November 2022.
2. As stipulated in the aforesaid Title Realty Certificates, Level 1 of the property is subject to a mortgage in favour of Bank of China – Shangbu Branch.
3. The PRC Legal Opinion is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳中發實業股份有限公司;
 - 3.2 The property can be freely transferred, mortgaged or leased;
 - 3.3 Levels 1 and 2 of the property are subject to two mortgages in favour of Bank of China – Shangbu Branch and Communication Bank – Shenzhen Branch (Luohu Sub-branch) respectively to a total extent of RMB3,700,000; and
 - 3.4 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
104. Levels 1 and 2, Ba Gua Ling Commercial Centre Block No. 33, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises the commercial premises on level 1 and 12 residential units on the level 2 of a 7-storey commercial/residential building completed in 1986.</p> <p>The total gross floor area of the property is 1,104.01 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was subject to various tenancies.	RMB5,000,000.- (74.57% interest attributable to the Company: RMB3,728,500.-)

Notes:

1. As stipulated in three sets of Title Realty Certificate all dated 9th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.
2. The property was injected by the Company to 深圳中發實業股份有限公司 which is a 74.57%-owned subsidiary of the Company via an investment certificate.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB552,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The property was injected by the Company to 深圳中發實業股份有限公司;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

深圳市鵬基機電工貿公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
105. Level 1 and Portion of Level 2, Factory Block No. 523, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 1 and portion of the level 2 of an 8-storey industrial building completed in 1984.</p> <p>The gross floor area of the property is 1,709 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	As at the valuation date, the property was subject to various tenancies.	<p>RMB5,469,000.-</p> <p>(25% interest attributable to the Company: RMB1,367,250.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 11th January 1999, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983 and expiring on 12th October 2013.
2. The property was injected by the Company to 深圳市鵬基機電工貿公司 via an investment certificate.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB854,500. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The property was acquired by 深圳市鵬基機電工貿公司 from the Company;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

深圳榮生化工有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
106. Research and Development Building (excluding Portion of the Level 6), Ba Gua Third Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises of an 8-storey industrial building (except portion of the level 6) completed in 2000.</p> <p>The total gross floor area of the property is 11,329 square metres.</p> <p>The property is held for a term of 50 years commencing on 16th June 1996 and expiring on 15th June 2046.</p>	As at the valuation date, the property was leased on monthly basis at a monthly rent of RMB507,900.	RMB33,987,000.- (30% interest attributable to the Company: RMB 10,196,100.-)

Notes:

1. As stipulated in the Title Realty Certificate dated 21st June 1996, the property is held by深圳榮生化工有限公司 which is a 30%-owned associated company of the Company for a term of 50 years commencing on 16th June 1996 and expiring on 15th June 2046.
2. In our valuation, we have assumed that the property can be freely transferred with the relevant government approval.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land use rights in the property are exclusively held by深圳榮生化工有限公司 and its interest is legal and valid;
 - 3.2 Units 501 to 507 and 701 to 708 of the property are subject to two mortgages both in favour of China Merchant Bank Shenzhen Shangbu Branch to a total extent of RMB4,000,000; and
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred.
4. The land of the subject development is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB5,644,500. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be transferred on the market.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
107. Rong Sheng Chemical Industrial Complex, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises various blocks of industrial building and ancillary structures having a total gross floor area of 14,200.41 square metres. They were all completed in 1991.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 5,500 square metres was leased on monthly basis at a monthly rent of RMB183,800 whilst the remaining portion of the property was vacant.</p>	<p>RMB28,000,000.-</p> <p>(30% interest attributable to the Company: RMB8,400,000.-)</p>

Notes:

1. The PRC Legal Opinion is summarized as follows:
 - 1.1 The legal interest of the the property is held by 深圳榮生化工有限公司;
 - 1.2 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 深圳榮生化工有限公司's obtaining the Title Realty Certificate; and
 - 1.3 Upon paying the City Facilities Fees with an amount of RMB2,600,000 to the government and obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.
2. In our valuation, we have assumed that the aforesaid City Facilities Fees have been fully settled.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
108. Levels 3 and 4, Dormitory Block No. 28, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises dormitory units on the levels 3 and 4 of a dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 1,659.08 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 11th October 2033.</p>	<p>As at the valuation date, portion of a property with the gross floor area of 1,200 square metres was leased on monthly basis at a monthly rent of RMB28,000 whilst the remaining portion of the property was vacant.</p>	<p>RMB4,148,000.-</p> <p>(30% interest attributable to the Company: RMB1,244,400.-)</p>

Notes:

1. As stipulated in two sets of Title Realty Certificate, the property is held by 深圳榮生化工有限公司 which is a 30%-owned associated company of the Company for a term of 50 years commencing on 12th October 1983 and expiring on 11th October 2033.
2. The land of the subject development was obtained by 深圳榮生化工有限公司 through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. As advised by the Company, all land premium for the development site of the subject property has been settled to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by 深圳榮生化工有限公司 through administrative allocation; and
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
109. 7 dormitory units on Level 3, Apartment Block No. 11 (North), Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 7 dormitory units on the level 3 of a dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 215.74 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 120 square metres was leased on monthly basis at a monthly rent of RMB2,800 whilst the remaining portion of the property was vacant.</p>	<p>RMB539,000.-</p> <p>(30% interest attributable to the Company: RMB161,700.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 17th April 1999, the property is held by 深圳榮生化工有限公司 which is a 30%-owned associated company of the Company for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.
2. The land of the subject development was obtained by 深圳榮生化工有限公司 through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. As advised by the Company, all land premium for the development site of the subject property has been settled to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by 深圳榮生化工有限公司 through administrative allocation; and
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
110. Unit Nos. 708 to 717, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 10 residential units on the level 7 of an 8-storey residential building completed in 1992.</p> <p>The total gross floor area of the property is 314.80 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.</p>	As at the valuation date, the property was leased on monthly basis at a monthly rent of RMB6,000.	RMB1,259,000.- (30% interest attributable to the Company: RMB377,700.-)

Notes:

1. As stipulated in ten sets of Title Realty Certificate dated 13th October 1997 and 14th October 1997, the property is held by 深圳榮生化工有限公司 which is a 30%-owned associated company of the Company for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳榮生化工有限公司 and its interest is protected by law;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
111. Unit Nos. 206 to 209, 211, 216 to 220, Apartment Block No. 52, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 10 apartment units on the level 2 of an apartment building completed in 1995.</p> <p>The total gross floor area of the property is 393.24 square metres.</p> <p>The property is held for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.</p>	<p>As at the valuation date, the property was leased on monthly basis at a monthly rent of RMB8,000.</p>	<p>RMB1,573,000.-</p> <p>(30% interest attributable to the Company: RMB471,900.-)</p>

Notes:

1. As stipulated in ten sets of Title Realty Certificate all dated 17th October 1997, the property is held by 深圳榮生化工有限公司 which is a 30%-owned associated company of the Company for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳榮生化工有限公司;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

龍崗鵬基物業管理公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001								
112. Pengji Industrial City, Ma Di Village, Lu Yao, Henggang Town, Longgang District, Shenzhen, the PRC.	<p>The property comprises a parcel of land with an area of 32,809.50 square metres on which an industrial complex consisting three blocks of 4-storey factory building (Block Nos. 1, 2 and 3) and three blocks of 5-storey dormitory building (Block Nos. 6, 7 and 8) are erected. The property was completed in 1993.</p> <p>The total gross floor area of the property is 25,669 square metres as followings:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Use</th> <th style="text-align: right;">Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Factory</td> <td style="text-align: right;">18,118.50</td> </tr> <tr> <td>Dormitory</td> <td style="text-align: right;"><u>7,550.50</u></td> </tr> <tr> <td>Total:</td> <td style="text-align: right;"><u>25,669.00</u></td> </tr> </tbody> </table> <p>The property is held for a term of 30 years commencing on 27th November 1991 and expiring on 27th November 2041.</p>	Use	Gross Floor Area (sq.m.)	Factory	18,118.50	Dormitory	<u>7,550.50</u>	Total:	<u>25,669.00</u>	As at the valuation date, the property was subject to various tenancies.	RMB25,669,000.- (100% interest attributable to the Company: RMB 25,669,000.-)
Use	Gross Floor Area (sq.m.)										
Factory	18,118.50										
Dormitory	<u>7,550.50</u>										
Total:	<u>25,669.00</u>										

Notes:

1. As stipulated in six sets of Title Realty Certificate dated either 6th January 1999 or 31st May 1999, the property is held by 龍崗鵬基物業管理公司 which is a wholly-owned subsidiary of 深圳鵬基物業發展公司 for a term of 30 years commencing on 27th November 1991 and expiring on 27th November 2041.
2. As stipulated in the aforesaid Title Realty Certificates, the property (excluding Block No. 2) is subject to various mortgages.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳鵬基物業發展公司 and its interest is legal and valid;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 Factory Block No. 1 and Dormitory Block Nos. 6 and 7 of the property are subject to two mortgages in favour of Shenzhen City Commercial Bank – Longgang Branch and Shenzhen Development Bank – Longgang Branch to an extent of RMB2,900,000.- and RMB1,200,000.- respectively; and
 - 3.4 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

深圳鵬基物業發展公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
113. Unit Nos. 106 and 107, Le Yi House, No. 96 Xian Hu Road, Liantong Luohu District, Shenzhen, the PRC.	<p>The property comprises two residential units of an 8-storey residential building completed in 1995.</p> <p>The total gross floor area of the property is 152.6 square metres.</p> <p>The property is held for a term of 50 years commencing on 1st January 1993 and expiring on 30th December 2043.</p>	As at the valuation date, the property was subject to various tenancies.	<p>RMB275,000.-</p> <p>(100% interest attributable to the Company: RMB275,000.-)</p>

Notes:

1. As stipulated in 2 sets of Property Ownership Certificate both dated 17th December 1996, the property is held by 深圳鵬基物業發展公司 which is a wholly-subsiary of the Company for a term of 50 years commencing on 1st January 1993 and expiring on 30th December 2043.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The subject development is jointly developed by 深圳鵬基物業發展公司 and 深圳市羅湖區坳下企業公司;
 - 2.2 By virtue of the joint venture agreement, the property interest in the property was vested in 深圳鵬基物業發展公司;
 - 2.3 Upon obtaining the Title Realty Certificate and paying all premium to the government, the legal interest of the property is exclusively held by 深圳鵬基物業發展公司;
 - 2.4 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 深圳鵬基物業發展公司 obtaining the Title Realty Certificate;
 - 2.5 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.6 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.
3. The land of the subject development is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB122,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.

深圳鵬基龍電安防股份有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
114. Unit No. 104 on Level 1, No. 192 Tiyu Heng Street West, Tiyu Road East, Tianhe District, Guangzhou, the PRC.	The property comprises a residential unit on the level 1 of a residential building completed in 1991. The gross floor area of the property is 74.51 square metres.	As at the valuation date, the property was subject to various tenancies.	RMB261,000.- (50.4% interest attributable to the Company: RMB131,544.-)

Notes:

1. Pursuant to an Agreement for Sale and Purchase, the property was acquired by 龍電安防股份有限公司 which is a 50.4%-owned subsidiary of the Company.
2. In the course of our valuation, we have assumed that the property is held for a maximum terms of 70 years from the date of issue of the Land Use Certificate for the purpose of residential use as stipulated in the Article of the Provisional Regulation of People's Republic of China and Granting and Transferring the Land Use Right of State-owned Land in Cities and Towns.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by 龍電安防股份有限公司 and its interest is legal and valid;
 - 3.2 The Title Realty Certificate of the property has been obtained by the Company;
 - 3.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.4 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
115. Dong Jiao Tou Composite Building Shekou, Nanshan District Shenzhen, the PRC.	The property comprises a parcel of land with an area of 2,000.30 square metres on which a multi-function building is erected. The building was completed in 1993. The gross floor area of the property is 5,811 square metres. The property is held for a term of 50 years commencing on 28th July 1990 and expiring on 28th July 2040.	As at the valuation date, the property was subject to various tenancies at a total monthly rent of RMB215,292 for a term expiring on between 14th March 2002 and 10th March 2003.	RMB17,400,000.- (50.4% interest attributable to the Company: RMB8,769,600.-)

Notes:

1. As stipulated in the Title Realty Certificate dated 30th December 1998, the property is held by 龍電安防股份有限公司 which is a 50.4%-owned subsidiary of the Company for a term of 50 years commencing on 28th July 1990 and expiring on 28th July 2040.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 龍電安防股份有限公司 and its interest is legal and valid;
 - 2.2 The property is subject to a mortgage in favour of China Merchant Bank – Shekou Branch to an extent of HK\$8,000,000;
 - 2.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government’s prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
116. Dong Jiao Tou Factory Block No. 1, Shekou Nanshan District, Shenzhen, the PRC.	<p>The property comprises a parcel of land with an area of 4,056.40 square metres on which an industrial building is erected. The property was completed in 1994.</p> <p>The gross floor area of the property is 12,499.06 square metres.</p> <p>The property is held for a term of 30 years commencing on 28th July 1990 and expiring on 28th July 2020.</p>	As at the valuation date, the property was subject to various tenancies.	<p>RMB18,749,000.-</p> <p>(50.4% interest attributable to the Company: RMB9,449,496.-)</p>

Notes:

1. As stipulated in two sets of Title Realty Certificate dated 30th December 1998 and 7th January 1999 respectively, the property is held by 龍電安防股份有限公司 which is a 50.4%-owned subsidiary of the Company for a term of 30 years commencing on 28th July 1990 and expiring on 28th July 2020.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The property is granted by the nature of private treaty;
 - 2.2 The land use rights in the property are exclusively held by 龍電安防股份有限公司 and its interest is legal and valid;
 - 2.3 The property is currently limited to self-use only. Upon paying all land premium to the government, the property can be freely transferred;
 - 2.4 Levels 1 to 3 of the property is subject to a mortgages in favour of Fujian Xingye Bank – Shenzhen Branch to an extent of RMB5,000,000; and
 - 2.5 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.
3. The land of the subject development was obtained by the 龍電安防股份有限公司 through private treaty and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB5,624,550. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.

深圳市高發實業有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
117. Levels 4, 5 and Portion of Level 7, Factory Block No. 1, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	<p>The property comprises industrial premises on levels 4, 5 and portion of the level 7 of an industrial building completed in 1993.</p> <p>The total gross floor area of the property is 2,846.88 square metres.</p> <p>The property is held for a term of 30 years commencing on 8th June 1992 and expiring on 7th June 2022.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 569.37 square metres was leased at a monthly rent of RMB8,541 for a term of 1 year commencing from January 2001 and expiring on December 2001 whilst the remaining portion of the property was vacant.</p>	<p>RMB4,270,000.-</p> <p>(50% interest attributable to the Company: RMB2,135,000.-)</p>

Notes:

1. As stipulated in three sets of Title Realty Certificate dated either 5th June 1995 or 15th January 1997, the property is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 30 years commencing on 8th June 1992 and expiring on 7th June 2022.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001												
118. Multi-purpose Building Block No. 2, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	<p>The property comprises a multi-purpose building completed in 1994.</p> <p>The total gross floor area of the property is 3,795.42 square metres which comprises the followings:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Use</th> <th style="text-align: right;">Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Apartment</td> <td style="text-align: right;">1,488.10</td> </tr> <tr> <td>Office</td> <td style="text-align: right;">617.24</td> </tr> <tr> <td>Shopping Centre</td> <td style="text-align: right;">656.37</td> </tr> <tr> <td>Restaurant</td> <td style="text-align: right;">1,033.71</td> </tr> <tr> <td colspan="2" style="text-align: right;">Total: <u>3,795.42</u></td> </tr> </tbody> </table> <p>The property is held for a term of 50 years commencing on 8th June 1992 and expiring on 7th June 2042.</p>	Use	Gross Floor Area (sq.m.)	Apartment	1,488.10	Office	617.24	Shopping Centre	656.37	Restaurant	1,033.71	Total: <u>3,795.42</u>		<p>As at the valuation date, the property was subject to a tenancy for a term of 5 years commencing on 21st December 1999 and expiring on 20th December 2004 at a current monthly rent of RMB58,000.- exclusive of management fee.</p>	<p>RMB7,591,000.-</p> <p>(50% interest attributable to the Company: RMB 3,795,500.-)</p>
Use	Gross Floor Area (sq.m.)														
Apartment	1,488.10														
Office	617.24														
Shopping Centre	656.37														
Restaurant	1,033.71														
Total: <u>3,795.42</u>															

Notes:

1. As stipulated in four sets of Title Realty Certificate all dated 1st March 1995, the property is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 50 years commencing on 8th June 1992 and expiring on 7th June 2042.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
119. Unsold Portion of Factory Block No. 7, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	<p>The property comprises various workshops of an industrial building completed in 1994.</p> <p>The total gross floor area of the property is 3,186.73 square metres.</p> <p>The property is held for a term of 30 years commencing on 8th June 1992 and expiring on 7th June 2022.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 2,223 square metres was leased at a monthly rent of RMB44,460 for a term of 3 years commencing from September 2001 and expiring on September 2004 whilst the remaining portion of the property was vacant.</p>	<p>RMB4,780,000.-</p> <p>(50% interest attributable to the Company: RMB 2,390,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 26th April 1996, Level 4 of the property with a gross floor area of 2,225.43 square metres is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 30 years commencing on 8th June 1992 and expiring on 7th June 2022. As confirmed by the PRC Lawyer, the remaining portion of the property is held by 深圳市高發實業有限公司 for a term of 30 years commencing on 8th June 1992 and expiring on 7th June 2022.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
120. Level 5, Factory Block No. 3, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	<p>The property comprises workshops on Level 5 of an industrial building completed in 1996.</p> <p>The total gross floor area of the property is 3,183.93 square metres.</p> <p>The property is held for a term of 30 years commencing on 13th September 1994 and expiring on 12th September 2024.</p>	<p>As at the valuation date, the property was leased at a monthly rent of RMB55,435 for a term commencing from August 2000 and expiring on February 2011.</p>	<p>RMB4,776,000.-</p> <p>(50% interest attributable to the Company: RMB 2,388,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 30 years commencing on 13th September 1994 and expiring on 12th September 2024.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
121. Commercial Spaces on Level 1 and Level 2, No. 2 Hong Gui Road, Futian District, Shenzhen, the PRC.	The property comprises commercial premises on the levels 1 and 2 of an 8-storey industrial building. The total gross floor area of the property is 624.89 square metres.	As at the valuation date, the property was subject to various tenancies.	RMB4,060,000.- (50% interest attributable to the Company: RMB 2,030,000.-)

Notes:

1. As stipulated in the Title Realty Certificate dated 12th April 1993, the property is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company.
2. In the course of our valuation, we have assumed that the property is held for a maximum term of 40 years from the date of issue of the Land Use Certificate for the purpose of commercial use as stipulated in the Article of the Provisional Regulation of People's Republic of China and Granting and Transferring the Land Use Right of State-owned Land in Cities and Towns.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳市高發實業有限公司 and its interest is legal, valid and protected by law;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
122. Three units on Level 1, Dormitory Block No. 4, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	<p>The property comprises 3 dormitory units on the level 1 of a dormitory building completed in 1993.</p> <p>The total gross floor area of the property is 813.98 square metres.</p> <p>The property is held for a term of 50 years commencing on 8th June 1992 and expiring on 7th June 2042.</p>	As at the valuation date, the property was subject to various tenancies.	RMB1,465,000.- (50% interest attributable to the Company: RMB732,500.-)

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳市高發實業有限公司 and its interest is legal, valid and protected by law;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

高發特種工業氣體公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
123. Factory Blocks A and B of No. 6, Longjing Zhuguang Industrial Area, Mao Tou Shan, Bei Huan Road, Nanshan District, Shenzhen, the PRC.	<p>The property comprises industrial premises of two blocks of single-storey factory building completed in 1993.</p> <p>The total gross floor area of the property is 1,372.1 square metres.</p> <p>The property is held for a term of 30 years commencing on 8th June 1992 and expiring on 7th June 2022.</p>	<p>As at the valuation date, portion of the property with a gross floor area of 505.8 square metres was leased at a monthly rent of RMB38,333 for a term of 3 years commencing from January 2000 and expiring in December 2002 whilst the remaining portion of the property was vacant.</p>	<p>RMB2,060,000.-</p> <p>(50% interest attributable to the Company: RMB1,030,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company for a term of 30 years commencing on 8th June 1992 and expiring on 7th June 2022.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

鹏基上林苑酒店

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
124. Shanglin Yuan Hotel, Lot No. B311-29, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	The property comprises a hotel building which was completed in 1986. The total gross floor area of the property is 8,840.19 square metres. The property is held for a term of 20 years commencing on 12th October 1983 and expiring on 11th October 2003.	As at the valuation date, the property was leased at a current monthly rent of RMB333,333 for a term of 9 years commencing on 1st August 1999 and expiring on 30th November 2008.	RMB5,472,000.- (100% interest attributable to the Company: RMB5,472,000.-)

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by鹏基上林苑酒店 which is a wholly-owned subsidiary of the Company for a term of 20 years commencing on 12th October 1983 and expiring on 11th October 2003.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 2.2 Upon paying all land premium to the government, the Company can continuously use the subject lot;
 - 2.3 Upon paying all land premium to the government, the land use rights term will be renewed and the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.
3. Our opinion of value reflects the Group's interest in the property for the unexpired term of land use rights.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
125. 16 dormitory units on Level 2 and 26 dormitory units on Level 3, Dormitory Block No. 31, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 16 dormitory units on the level 2 and 26 dormitory units on the level 3 of a dormitory building completed in 1986.</p> <p>The total gross floor area of the property is 1,335.40 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was subject to various tenancies.	<p>RMB3,071,000.-</p> <p>(100% interest attributable to the Company: RMB3,071,000.-)</p>

Notes:

1. As revealed by the Title Realty Certificate dated 14th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,335,400. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property was injected by the Company to 鹏基上林苑酒店;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation; and
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
126. Various dormitory units of Dormitory Block No. 23, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises various dormitory units of a dormitory building completed in 1986.</p> <p>The total gross floor area of the property is 207.41 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was subject to various tenancies.	RMB477,000.- (100% interest attributable to the Company: RMB477,000.-)

Notes:

1. As revealed by the Title Realty Certificate dated 11th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB207,410. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation; and
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
127. 14 dormitory units on Level 1, Dormitory Block No. 24, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 14 dormitory units on the level 1 of a dormitory building completed in 1986.</p> <p>The total gross floor area of the property is 446.60 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was subject to various tenancies.	RMB1,027,000.- (100% interest attributable to the Company: RMB1,027,000.-)

Notes:

1. As revealed by the Title Realty Certificate dated 11th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB446,600. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property was injected by the Company to 鹏基上林苑酒店;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation; and
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Group V: Property Interest Held and Occupied by the Group

深圳鵬基(集團)有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
128. Level 1, South Portion of Level 2, Levels 4 to 8, Factory Block 611, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 1, portion of the level 2, the whole of levels 4 to 8 of an 8-storey industrial building completed in 1985.</p> <p>The total gross floor area of the property is 9,418.02 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 11th October 2033.</p>	As at the valuation date, the property was occupied by the Group as offices.	RMB23,550,000.- (100% interest attributable to the Company: RMB 23,550,000.-)

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB4,709,010. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.2 The land of the subject development was obtained by the Company through administrative allocation; and
 - 3.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
129. Liantong Kindergarten, Peng Xing Garden, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises a 2-storey building completed in 1998 which is designated for kindergarten use.</p> <p>The total gross floor area of the property is 2,751.39 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was vacant.	<p>RMB6,880,000.-</p> <p>(100% interest attributable to the Company: RMB6,880,000.-)</p>

Notes:

1. As stipulated in the Land Use Right Contract and the Supplement Contract, the development site of the subject property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.
2. As confirmed by the Company, the property was held by it as at the valuation date.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The property is the authorized facility ancillary to the Peng Xing Garden and its permit for construction work is legal and valid;
 - 3.2 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 3.3 The Title Realty Certificate has been obtained by the Company;
 - 3.4 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.5 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government; and
 - 3.6 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
130. 12 dormitory units on the western portion of Level 4, Dormitory Block No. 1, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a total of 12 dormitory units on the level 4 of a 7-storey dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 382.87 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB881,000.-</p> <p>(100% interest attributable to the Company: RMB881,000.-)</p>

Notes:

1. As revealed by the Title Realty Certificate dated 9th October 1997, the property is held by 深圳快樂冷凍設備工貿公司 is a wholly-owned subsidiary of the Company. As confirmed by the PRC Lawyer, the property has been transferred to the Company.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB382,870. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, there is no legal impediment to the Company's obtaining the Title Realty Certificate and the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
131. Unit No.4B, Real Estate Building, No.1007 Renmin Road South, Luohu District, Shenzhen, the PRC.	<p>The property comprises an office unit on the level 4 of a 17-storey commercial building completed in 1986.</p> <p>The gross floor area of the property is 253.84 square metres.</p> <p>The property is held for a term of 50 years commencing on 6th August 1981 and expiring on 5th August 2031.</p>	As at the valuation date, the property was occupied by the Group as offices.	RMB1,190,000.- (100% interest attributable to the Company: RMB1,190,000.-)

Notes:

1. As revealed by the Title Realty Certificate dated 14th December 1998, the property is held by 深圳鵬基物業發展公司 which is a wholly-owned subsidiary of the Company for a term of 50 years commencing on 6th August 1981 and expiring on 5th August 2031. As confirmed by the PRC Lawyer, the property was subsequently transferred to the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property has been transferred from 深圳鵬基物業發展公司 to the Company;
 - 2.2 The legal interest of the property is exclusively held by the Company and its interest is legal and valid;
 - 2.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
132. Unit Nos. 407 and 806, Le Yi House, No. 96 Xian Hu Road, Liantong Luohu District, Shenzhen, the PRC.	<p>The property comprises two residential units of an 8-storey residential building completed in 1995.</p> <p>The total gross floor area of the property is 151.30 square metres.</p> <p>The property is held for a term of 50 years commencing on 1st January 1993 and expiring on 30th December 2043.</p>	As at the valuation date, the property was occupied by the Group as dormitories.	RMB272,000.- (100% interest attributable to the Company: RMB272,000.-)

Notes:

1. As stipulated in the Property Ownership Certificate dated 17th December 1996, Unit 806 of the property is held by 深圳鵬基物業發展公司 which is a wholly-subsiary of the Company for a term of 50 years commencing on 1st January 1993 and expiring on 30th December 2043.
2. Legal opinion regarding the property is summarised as follows:
 - 2.1 The subject development is jointly developed by 深圳鵬基物業發展公司 and 深圳市羅湖區坳下企業公司;
 - 2.2 By virtue of the joint venture agreement, the property interest in the property was vested in 深圳鵬基物業發展公司;
 - 2.3 The legal interest of the property has been transferred from 深圳鵬基物業發展公司 to the Company;
 - 2.4 Upon obtaining the Title Realty Certificate and paying all land premium to the government, the legal interest of the property is exclusively held by the Company and its interest in the property is legal and valid;
 - 2.5 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to the Company's obtaining the Title Realty Certificate;
 - 2.6 The property can be freely transferred, mortgaged or leased subject to no additional land premium and government's prior approval; and
 - 2.7 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.
3. The land of the subject development is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB121,000. Our valuation has been made on the basis that the owner was settled all land premium to the government so that the property can be freely transferred on the market.

深圳鵬基龍電安防股份有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
133. Unit Nos. 401, 402 and 403, Culture Composite Building Block No. 3, Shekou Old Street, Nanshan District, Shenzhen, the PRC.	<p>The property comprises three residential units of a residential building completed in 1983.</p> <p>The total gross floor area of the property is 279.10 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th April 1985 and expiring on 11th April 2035.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	RMB893,000.- (RMB50.4% interest attributable to the Company: RMB450,072.-)

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 20th August 1993, the property was acquired by 龍電安防股份有限公司 which is a 50.4%-owned subsidiary of the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 龍電安防股份有限公司 and its interest is legal and valid;
 - 2.2 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 The Title Realty Certificate has not yet been obtained. There is no legal impediment to 龍電安防股份有限公司 obtaining the Title Realty Certificate; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
134. Unit No. 101, Block No. 11, Cui Zhu Xin Village, Xiang Zhou District, Zhuhai, the PRC.	<p>The property comprises a residential unit on level 1 of a residential building completed in 1990.</p> <p>The gross floor area of the property is 82 square metres.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB205,000.-</p> <p>(50.4% interest attributable to the Company: RMB103,320.-)</p>

Notes:

1. As stipulated in a Title Realty Certificate dated 2nd September 1993, the property is held by 龍電安防股份有限公司 which is a 50.4%-owned subsidiary of the Company.
2. In the course of our valuation, we have assumed that the property is held for a maximum term of 70 years from the date of issue of the Land Use Certificate for the purpose of residential use as stipulated in the Article of the Provisional Regulation of People's Republic of China and Granting and Transferring the Land Use Right of State-owned Land in Cities and Towns.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by 龍電安防股份有限公司 and its interest is legal, valid and protected by law;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
135. Dong Jiao Tou Factory Block No. 2, Shekou Nanshan District, Shenzhen, the PRC.	<p>The property comprises a parcel of land with an area of 888.04 square metres on which a 3-storey industrial building is erected. The property was completed in 2000.</p> <p>The gross floor area of the property is 3,376.63 square metres.</p> <p>The property is held for a term of 30 years commencing on 28th July 1990 and expiring on 28th July 2020.</p>	As at the valuation date, the property was occupied by the Group.	<p>RMB8,440,000.-</p> <p>(50.4% interest attributable to the Company: RMB4,253,760.-)</p>

Notes:

1. The PRC Legal Opinion is summarized as follows:
 - 1.1 The legal interest of the property is exclusively held by 龍電安防股份有限公司 and its interest is legal and valid;
 - 1.2 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 龍電安防股份有限公司 obtaining the Title Realty Certificate;
 - 1.3 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 1.4 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
136. Dong Jiao Tou Factory, Block No. B4, Shekou Nanshan District, Shenzhen, The PRC.	<p>The property comprises a 6-storey industrial building. The property was completed in 1996.</p> <p>The gross floor area of the property is 2,059.23 square metres.</p> <p>The property is held for a term of 30 years commencing on 28th July 1990 and expiring on 28th July 2020.</p>	As at the valuation date, the property was occupied by the Group as an office.	RMB3,090,000.- (50.4% interest attributable to the Company: RMB1,557,360.-)

Note:

1. The PRC Legal Opinion is summarized as follows:
 - 1.1 The legal interest of the property is exclusively held by 龍電安防股份有限公司;
 - 1.2 The property can be freely transferred, mortgaged or leased;
 - 1.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 龍電安防股份有限公司 obtaining the Title Realty Certificate;
 - 1.4 The property is subject to a mortgage in favour of Shenzhen Commercial Bank-Shekou Branch to an extent of RMB10,000,000; and
 - 1.5 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

深圳榮生化工有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
137. Unit No. 115 on Level 1, Apartment Block No. 19, Song Ping Shan, Shen Bao Road, Nanshan District, Shenzhen, the PRC.	<p>The property comprises a residential unit on the level 1 of a residential building completed in 1995.</p> <p>The gross floor area of the property is 58.90 square metres.</p> <p>The property is held for a term of 50 years commencing on 1st July 1995 and expiring on 30th June 2045.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>No commercial value</p> <p>(30% interest attributable to the Company: No commercial value)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 14th March 1997, the property is held by 深圳榮生化工有限公司 which is a 30%-owned associated company of the Company for a term of 50 years commencing on 1st July 1995 and expiring on 30th June 2045.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳榮生化工有限公司 and its interest is protected by law; and
 - 2.2 The property is in the nature of welfare housing and is not permitted to be transferred.

鵬基商場

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
138. Eastern and Western Portion of Level 1, Block No. 11, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises commercial premises on the level 1 of a commercial/dormitory building completed in 1987.</p> <p>The gross floor area of the property is 180.74 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was occupied by the Group.	<p>RMB1,175,000.-</p> <p>(100% interest attributable to the Company: RMB 1,175,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The property was injected by the Company to 鵬基商場 which is a wholly-owned subsidiary of the Company via an investment certificate.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB361,480. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The legal interest of the property was injected by the Company to 鵬基商場;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation; and
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
139. 2 dormitory units on Level 2, Dormitory Block No. 31, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises two dormitory units on the level 2 of a dormitory building completed in 1986.</p> <p>The total gross floor area of the property is 59.26 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB136,000.-</p> <p>(100% interest attributable to the Company: RMB136,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate dated 14th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983.
2. The legal interest of the property was injected by the Company to 鹏基商場 which is a wholly-owned subsidiary of the Company via an investment certificate.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB59,260. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 鹏基商場 acquired the property from the Company;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

深圳晶華顯示器材有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
140. Level 7, Factory Block No. 511 Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 7 of an 8-storey industrial building completed in 1985.</p> <p>The gross floor area of the property is 1,248 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	As at the valuation date, the property was occupied by the Group as factory.	<p>RMB2,246,000.-</p> <p>(70% interest attributable to the Company: RMB 1,572,200.-)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 21st May 1987 between Shenzhen Pengji Industrial Development Corporation (the "Vendor") and 深圳晶華顯示器材有限公司 (the "Purchaser") which is a 70%-owned subsidiary of the Company, the property was acquired by the purchaser.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳晶華顯示器材有限公司 and its interest is protected by law;
 - 2.2 The Title Realty Certificate of the property has been obtained by 深圳晶華顯示器材有限公司;
 - 2.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
141. Unit Nos. 101 to 1011, Dormitory Block No. 10, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 11 dormitory units on the level 1 of a 7-storey dormitory building completed in about 1987.</p> <p>The total gross floor area of the property is 306.9 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 11th October 2033.</p>	<p>As at the valuation date, the property was occupied by the Group as staff quarters.</p>	<p>RMB706,000.-</p> <p>(70% interest attributable to the Company: RMB494,200.-)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 3rd August 1987 between Shenzhen Pengji Industrial Development Corporation (the "Vendor") and 深圳晶華顯示器材有限公司 (the "Purchaser") which is a 70%-owned subsidiary of the Company, the property was acquired by the purchaser.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB306,900. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is invested by the Company to 深圳晶華顯示器材有限公司; and
 - 3.2 Upon paying all land premium to the government, there is no legal impediment to 深圳晶華顯示器材有限公司 obtaining the Title Realty Certificate and the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
142 Unit Nos. 504 to 515, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 12 residential units on the level 5 of an 8-storey residential building completed in 1992.</p> <p>The total gross floor area of the property is 377.76 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB1,511,000.-</p> <p>(70% interest attributable to the Company: RMB1,057,700.-)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase between 深圳鵬盛地產實業有限公司 (“the Vendor”) and 深圳晶華顯示器材有限公司 (“the Purchaser”) which is a 70%-owned subsidiary of the Company, the property was acquired by the Purchaser.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳晶華顯示器材有限公司 and its interest is protected by law;
 - 2.2 The Title Realty Certificate of the property has been obtained by 深圳晶華顯示器材有限公司;
 - 2.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government’s prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
143. Unit Nos. 401 to 408, Dormitory Block No.46, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 8 dormitory units on the level 4 of a 7-storey dormitory building completed in about 1991.</p> <p>The total gross floor area of the property is 297.42 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 11th October 2033.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB833,000.-</p> <p>(70% interest attributable to the Company: RMB583,100.-)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase entered into between Shenzhen Pengji Industrial Development Corporation (“the Vendor”) and 深圳晶華顯示器材有限公司 (“the Purchaser”) which is a 70%-owned subsidiary of the Company, the property was acquired by the Purchaser.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is held by 深圳晶華顯示器材有限公司;
 - 2.2 The Title Realty Certificate of the property has been obtained by 深圳晶華顯示器材有限公司; and
 - 2.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government’s prior approval.

深圳科鵬微電子有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
144. Eastern Portion on Level 4, Factory Block No. 702, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the level 4 of a 6-storey industrial building completed in about 1993.</p> <p>The gross floor area of the property is 1,204.5 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was occupied by the Group as factory.	<p>RMB1,686,000.-</p> <p>(34.91% interest attributable to the Company: RMB588,583.-)</p>

Notes:

1. As revealed by an Application for Shenzhen Real Estate Transfer Registration dated 25th August 1998, the property was transferred from Shenzhen Pengji Industrial Development Corporation to 深圳科鵬微電子有限公司 which is a 34.91%-owned associated company of the Company.
2. The change of owner of the property has been confirmed by the government in writing.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳科鵬微電子有限公司 and its interest is protected by law;
 - 3.2 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 深圳科鵬微電子有限公司 obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
145. Unit No. 704, Block No. 401, Peng Lian Garden Luosha Road Luohu District, Shenzhen, the PRC.	The property comprises a residential unit on the level 7 of a 7-storey residential building. The gross floor area of the property is 84.45 square metres. The property is held for a term of 70 years commencing on 25th February 1992 and expiring on 24th February 2052.	As at the valuation date, the property was occupied by the Group as staff quarters.	RMB296,000.- (34.91% interest attributable to the Company: RMB103,334.-)

Notes:

1. As revealed by the Title Realty Certificate dated 3rd September 1998, the property is held by 深圳科鵬微電子有限公司 which is a 34.91%-owned associated company of the Company for a term of 70 years commencing on 25th February 1992 and expiring on 24th February 2052.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳科鵬微電子有限公司 and its interest is legal, valid and protected by law;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
146. Unit Nos. 622 and 623, Block No. 8, Peng Sheng Village, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 2 residential units on the level 6 of an 8-storey residential building completed in 1992.</p> <p>The total gross floor area of the property is 62.96 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 28th April 2041.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	RMB252,000.- (34.91% interest attributable to the Company: RMB87,973.-)

Notes:

1. As revealed by two sets of Title Realty Certificate both dated 19th October 1998, the property is held by 深圳科鹏微电子有限公司 which is a 34.91%-owned associated company of the Company for a term of 50 years commencing on 28th April 1991 and expiring on 28th April 2041.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳科鹏微电子有限公司 and its interest is legal, valid and protected by law;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
147. Unit Nos. 201 to 222 Dormitory Block No. 107, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises 22 dormitory units on the level 2 of a 7-storey dormitory building completed in 1992.</p> <p>The total gross floor area of the property is 675.28 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB1,553,000.-</p> <p>(34.91% interest attributable to the Company: RMB542,152.-)</p>

Notes:

1. As revealed by an Application for Shenzhen Real Estate Transfer Registration dated 25th August 1998, Unit Nos. 201 to 204 of the property were transferred from Shenzhen Pengji Industrial Development Corporation to 深圳科鵬微電子有限公司 which is a 34.91%-owned associated company of the Company.
2. The change of owner of the aforesaid units has been confirmed by the government in writing.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳科鵬微電子有限公司 and its interest is protected by law;
 - 3.2 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 深圳科鵬微電子有限公司 obtaining the Title Realty Certificate; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

深圳中發實業股份有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
148. Levels 4 and 6, Zhong Fa Industrial Building, Ba Gua Ling Industrial Area, Ba Gua Road, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the levels 4 and 6 of a 6-storey industrial building completed in 1993.</p> <p>The gross floor area of the property is 2,184.54 square metres.</p> <p>The property is held for a term of 30 years commencing on 8th November 1992 and expiring on 7th November 2022.</p>	As at the valuation date, the property was occupied by the Group as offices.	<p>RMB4,810,000.-</p> <p>(74.57% interest attributable to the Company: RMB3,586,817.-)</p>

Notes:

1. As revealed by a Title Realty Certificate dated 14th March 1995 (No. 00098742), the property is held by 深圳中發實業股份有限公司 which is a 74.57%-owned subsidiary of the Company for a term of 30 years commencing on 8th November 1992 and expiring on 7th November 2022.
2. As stipulated in the aforesaid Title Realty Certificate, the property is subject to a mortgage in favour of Shenzhen Development Bank.
3. Legal opinion of the PRC Lawyers regarding the property is summarised as follows:
 - 3.1 The legal interest of the property is exclusively held by 深圳中發實業股份有限公司;
 - 3.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval;
 - 3.3 The property is subject to a mortgage in favour of Shenzhen Development Bank-Zhongdian Branch to an extent of RMB6,500,000; and
 - 3.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

成都鵬恒實業發展有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
149. Unit Nos. 403 and 404, Apartment Block No. 50, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 2 residential units on the level 4 of an 8-storey residential building completed in 1995.</p> <p>The total gross floor area of the property is 137.92 square metres.</p> <p>The property is held for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB483,000.-</p> <p>(55% interest attributable to the Company: RMB265,650.-)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 5th January 1995 entered into between Shenzhen Penji Development Industrial General Corporation (“Party A”) and 成都鵬恒實業發展有限公司 (“Party B”) which is a 55%-owned subsidiary of the Company, the property was acquired by Party B.
2. The PRC Legal opinion is summarised as follows:
 - 2.1 The legal interest of the property is exclusively held by 成都鵬恒實業發展有限公司 and its interest is legal and valid;
 - 2.2 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government’s prior approval;
 - 2.3 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 成都鵬恒實業發展有限公司 obtaining the Title Realty Certificate; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

深圳市鵬基機電工貿公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
150. Unit Nos. 401 to 426, Dormitory Block No. 24, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 26 dormitory units on the level 4 of a 7-storey dormitory building completed in 1986.</p> <p>The total gross floor area of the property is 829.54 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB1,908,000.-</p> <p>(25% interest attributable to the Company: RMB477,000.-)</p>

Notes:

1. As revealed by the Title Realty Certificate dated 9th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.
2. The legal interest of the property was injected by the Company to 深圳市鵬基機電工貿公司 which is a 25%-owned associated company of the Company via an investment certificate.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB829,540. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarised as follows:
 - 4.1 The property was acquired by 深圳市鵬基機電工貿公司 from the Company;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
151. Unit Nos. 601 and 602, Dormitory Block No. 11, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 2 dormitory units on the level 6 of a 7-storey dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 63.80 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB147,000.-</p> <p>(25% interest attributable to the Company: RMB36,750.-)</p>

Notes:

1. As revealed by the Title Realty Certificate dated 9th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.
2. The legal interest of the property was injected by the Company to 深圳市鵬基機電工貿公司 which is a 25%-owned associated company of the Company via an investment certificate.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB63,800. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The legal interest of the property was injected by the Company to 深圳市鵬基機電工貿公司;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
152. Unit Nos. 501 to 506 and 701 to 704 Dormitory Block No. 4, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 6 dormitory units on the level 5 and 4 dormitory units on the level 7 of a 7-storey dormitory building completed in 1985.</p> <p>The total gross floor area of the property is 319 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB734,000.-</p> <p>(25% interest attributable to the Company: RMB183,500.-)</p>

Notes:

1. As revealed by the Title Realty Certificate dated 9th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.
2. The property was injected by the Company to 深圳市鵬基機電工貿公司 which is a 25%-owned associated company of the Company via an investment certificate.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB319,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The property was injected by the Company to 深圳市鵬基機電工貿公司;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
153. Portion of Level 2, Factory Block No. 523, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises industrial premises on the portion of level 2 of an 8-storey industrial building completed in 1984.</p> <p>The gross floor area of the property is 649 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	As at the valuation date, the property was occupied by the Group.	<p>RMB1,168,000.-</p> <p>(25% interest attributable to the Company: RMB292,000.-)</p>

Notes:

1. As revealed by the Title Realty Certificate dated 9th December 1998, the property is held by Shenzhen Pengji Industrial Development Corporation for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.
2. The legal interest of the property was injected by the Company to 深圳市鵬基機電工貿公司 which is a 25%-owned associated company of the Company via an investment certificate.
3. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB324,500. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
4. The PRC Legal Opinion is summarized as follows:
 - 4.1 The property was acquired by 深圳市鵬基機電工貿公司 from the Company;
 - 4.2 The land of the subject development was obtained by the Company through administrative allocation;
 - 4.3 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 4.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances.

深圳鵬基低壓電器設備公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
154. Unit Nos. 828 and 835, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 2 residential units on the level 8 of an 8-storey residential building completed in 1992.</p> <p>The total gross floor area of the property is 62.96 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	RMB252,000.- (25% interest attributable to the Company: RMB63,000.-)

Notes:

1. Pursuant to 2 sets of Agreement for Sale and Purchase entered into between 深圳鵬盛地產實業有限公司 ("Party A") and 深圳鵬基低壓電器設備公司 ("Party B ") which is a 25%-owned associated company of the Company, the property was acquired by Party B.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 深圳鵬基低壓電器設備公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

深圳鵬基物業發展公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
155. The western portion of Level 18, An Hua Building, Luohu District, Shenzhen, the PRC.	<p>The property comprises an office unit on the level 18 of an 18-storey commercial building completed in about 1991.</p> <p>The gross floor area of the property is 234.50 square metres.</p> <p>The property is held for a term of 50 years commencing on 1st February 1989 and expiring on 31st January 2039.</p>	As at the valuation date, the property was occupied by the Group as offices	<p>No commercial value</p> <p>(100% interest attributable to the Company: No commercial value)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 16th December 1992 entered into between 深圳博倫皮革製造有限公司 (“Party A”) and 深圳鵬基物業發展公司 (“Party B”) which is a wholly-subsiary of the Company, the property was acquired by Party B.
2. The PRC Legal Opinion is summarised as follows:

Level 18 of the subject development was initially held by 深圳博倫皮革製造有限公司 by virtue of its capital contribution to the development fund and it was subsequently transferred to 深圳商發實業公司 in December, 1992. In February, 1993, portion of Level 18 with an area of 234.5 square metres was allocated to 深圳鵬基物業發展公司. Before completing land grant procedures and paying land premium, all the aforesaid property transfers were invalid.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
156. Unit Nos. 706 and 807, Le Yi House, No. 96 Xian Hu Road, Liantong Luohu District, Shenzhen, the PRC.	<p>The property comprises two residential units of an 8-storey residential building completed in 1995.</p> <p>The total gross floor area of the property is 152.60 square metres.</p> <p>The property is held for a term of 50 years commencing on 1st January 1993 and expiring on 30th December 2043.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB275,000.-</p> <p>(100% interest attributable to the Company: RMB275,000.-)</p>

Notes:

1. As stipulated in 4 sets of Property Ownership Certificate all dated 17th December 1996, the property is held by 深圳鵬基物業發展公司 which is a wholly-subsiary of the Company for a term of 50 years commencing on 1st January 1993 and expiring on 30th December 2043.
2. The PRC Legal Opinion is summarised as follows:
 - 2.1 The subject development is jointly developed by 深圳鵬基物業發展公司 and 深圳市羅湖區坳下企業公司;
 - 2.2 By virtue of the joint venture agreement, the property interest in the property was vested in 深圳鵬基物業發展公司;
 - 2.3 Upon obtaining the Title Realty Certificate and paying all land premium, the legal interest of the property is exclusively held by 深圳鵬基物業發展公司;
 - 2.4 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 深圳鵬基物業發展公司 obtaining the Title Realty Certificate;
 - 2.5 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.6 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.
3. The land of the subject development is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB122,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.

鵬基勞動服務公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
157. Unit No. 824, Apartment Block No. 8, Peng Sheng Village, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a residential unit on the level 8 of an 8-storey residential building completed in 1992.</p> <p>The gross floor area of the property is 47.06 square metres.</p> <p>The property is held for a term of 50 years commencing on 28th April 1991 and expiring on 27th April 2041.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB188,000.-</p> <p>(100% interest attributable to the Company: RMB188,000.-)</p>

Notes:

1. As confirmed by the PRC Lawyer, the property is held by 鵬基勞動服務公司 which is a wholly-owned subsidiary of the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 鵬基勞動服務公司 and its interest is legal and valid;
 - 2.2 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 鵬基勞動服務公司 obtaining the Title Realty Certificate;
 - 2.3 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
158. Unit Nos. 218 and 219, Apartment Block No. 51, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises two residential units on the level 2 of a residential building completed in 1995.</p> <p>The total gross floor area of the property is 72.08 square metres.</p> <p>The property is held for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	RMB231,000.- (100% interest attributable to the Company: RMB231,000.-)

Notes:

1. As revealed in the Title Realty Certificate dated 31st March 1997, the property is held by 鵬基勞動服務公司 which is a wholly-owned subsidiary of the Company for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 鵬基勞動服務公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
159. Shop unit in between Block B and C on Level 1, Nanyang Building, Jian She Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises a retail unit on the level 1 of a commercial/residential building completed in 1986.</p> <p>The gross floor area of the property is 23.26 square metres.</p> <p>The property is held for a term of 20 years commencing on 5th August 1986 and expiring on 4th August 2006.</p>	As at the valuation date, the property was occupied by the Group.	RMB279,000.- (100% interest attributable to the Company: RMB279,000.-)

Notes:

1. As revealed by the Property Ownership Certificate dated 5th August 1986, the property is held by 鵬基勞動服務公司 which is a wholly-owned subsidiary of the Company for a term of 20 years commencing on 5th August 1986 and expiring on 4th August 2006.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 鵬基勞動服務公司 and its interest is protected by law;
 - 2.2 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 鵬基勞動服務公司 obtaining the Title Realty Certificate;
 - 2.3 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

深圳國際建築機械有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
160. Levels 1 to 2, Composite Building, No. 2 Ba Gua Fifth Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises office premises on the levels 1 to 2 of a 6-storey composite building completed in 1993.</p> <p>The total gross floor area of the property is 468 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 11th October 2033.</p>	As at the valuation date, the property was occupied by the Group as offices.	RMB1,310,000.- (50% interest attributable to the Company: RMB655,000.-)

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by 深圳國際建築機械有限公司 which is a 50%-owned subsidiary of the Company for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB702,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
161. Factory Building at No. 2 Ba Gua Fifth Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises a 3-storey industrial building completed in 1991.</p> <p>The total gross floor area of the property is 700 square metres.</p> <p>The property is held for a term of 30 years commencing on 12th October 1983 and expiring on 11th October 2013.</p>	As at the valuation date, the property was occupied by the Group for industrial purpose.	<p>RMB1,260,000.-</p> <p>(50% interest attributable to the Company: RMB630,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by 深圳國際建築機械有限公司 which is a 50%-owned subsidiary of the Company for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB350,000. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
162. Unit No. 1, Block No. 21, Ni Gang Residential District, Shenzhen, the PRC.	<p>The property comprises a residential unit of a residential building completed in 1989.</p> <p>The gross floor area of the property is 76.44 square metres.</p> <p>The property is held for a term of 50 years commencing from October 1984 and expiring in October 2034.</p>	As at the valuation date, the property was occupied by the Group as dormitory.	<p>RMB275,000.-</p> <p>(50% interest attributable to the Company: RMB137,500.-)</p>

Notes:

1. Pursuant to an Agreement dated 22nd June 1989, the property was acquired by 深圳國際建築機械有限公司 which is a 50%-owned subsidiary of the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 深圳國際建築機械有限公司 obtaining the Title Realty Certificate;
 - 2.2 The legal interest of the property is exclusively held by 深圳國際建築機械有限公司 and its interest is legal and valid;
 - 2.3 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

深圳市高發實業有限公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
163. Factory Building, Bao Zi Industrial City, Keng Zi Town, Longgang District, Shenzhen, the PRC.	<p>The property comprises a parcel of land with an area of 4,245 square metres on which a single-storey industrial building and a 7-storey dormitory building was completed in 1994.</p> <p>The gross floor area of the industrial building and dormitory building are 1,800 square metres and 2,546 square metres respectively.</p> <p>The property is held for a term of 50 years commencing on 1st June 1992 and expiring on 30th May 2042.</p>	As at the valuation date, the property was occupied by the Group as factory.	<p>RMB4,350,000.-</p> <p>(50% interest attributable to the Company: RMB 2,175,000.-)</p>

Notes:

1. Pursuant to a Land Use Right Transfer Contract dated 17th September 1992, the property is held by 深圳市高發實業有限公司 which is a 50%-owned subsidiary of the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The land use rights in the property are exclusively held by 深圳市高發實業有限公司 and its interest is legal and valid;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to any situation leading to re-entry by the government.

鵬基工業區管理服務公司

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
164. 8 units on Level 4, Dormitory Block No. 303, Shangbu Industrial District, Futian District, Shenzhen, the PRC.	<p>The property comprises eight residential units on the level 4 of a residential building which was completed in 1995.</p> <p>The gross floor area of the property is 248.32 square metres.</p> <p>The property is held for a term of 50 years commencing on 3rd January 1983 and expiring on 3rd January 2033.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB571,000.-</p> <p>(100% interest attributable to the Company: RMB571,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by 鵬基工業區管理服務公司 which is a wholly-owned subsidiary of the Company for a term of 50 years commencing on 3rd January 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB471,808. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
165. Level 2, Dormitory Block No. 49, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises all dormitory units on the level 2 of a dormitory building completed in 1991.</p> <p>The gross floor area of the property is 1,037.81 square metres.</p> <p>The property is held for a term of 50 years commencing on 12th October 1983 and expiring on 12th October 2033.</p>	<p>As at the valuation date, the property was occupied by the Group as offices.</p>	<p>RMB2,600,000.-</p> <p>(100% interest attributable to the Company: RMB 2,600,000.-)</p>

Notes:

1. As stipulated in the Title Realty Certificate, the property is held by 鹏基工業區管理服務公司 which is a wholly-owned subsidiary of the Company for a term of 50 years commencing on 12th October 1983.
2. The land of the subject development was obtained by the Company through administrative allocation and it is required to pay land premium to the government in order to dispose of the property. The amount of land premium payable for the property is estimated at RMB1,037,810. Our valuation has been made on the basis that the owner has settled all land premium to the government so that the property can be freely transferred on the market.
3. The PRC Legal Opinion is summarized as follows:
 - 3.1 The land of the subject development was obtained by the Company through administrative allocation;
 - 3.2 Upon paying all land premium to the government, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 3.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
166. Unit Nos. 401 to 407, 410, 415 to 419, Apartment Block No. 52, Ba Gua Second Road, Ba Gua Ling Industrial Area, Ba Gua Ling, Futian District, Shenzhen, the PRC.	<p>The property comprises 13 apartment units on the level 4 of an apartment building completed in 1995.</p> <p>The total gross floor area of the property is 495.17 square metres.</p> <p>The property is held for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB1,680,000.-</p> <p>(100% interest attributable to the Company: RMB 1,680,000.-)</p>

Notes:

1. As stipulated in 13 sets of Title Realty Certificate all dated 15th August 1997, the property is held by 鵬基工業區管理服務公司 which is a wholly-owned subsidiary of the Company for a term of 50 years commencing on 30th November 1993 and expiring on 29th November 2043.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 鵬基工業區管理服務公司 and its interest is protected by law;
 - 2.2 The property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.3 Up to the date of the PRC legal opinion, the property was free from any encumbrances and was not subject to situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
167. Unit Nos. 201 to 205, Dormitory Block No. 108, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises 5 dormitory units on the level 2 of a dormitory building completed in 1995.</p> <p>The total gross floor area of the property is 158.62 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	<p>RMB365,000.-</p> <p>(100% interest attributable to the Company: RMB365,000.-)</p>

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 3rd May 1995, the property was acquired by 鵬基工業區管理服務公司 which is a wholly-owned subsidiary of the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 鵬基工業區管理服務公司 and its interest is legal, valid and protected by law;
 - 2.2 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 鵬基工業區管理服務公司 obtaining the Title Realty Certificate;
 - 2.3 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31st December 2001
168. Unit Nos. 206 to 211, Dormitory Block No. 108, Liantong Industrial Area, Luosha Road, Luohu District, Shenzhen, the PRC.	<p>The property comprises 6 dormitory units on the level 2 of a dormitory building completed in 1995.</p> <p>The total gross floor area of the property is 186.84 square metres.</p> <p>The property is held for a term of 50 years commencing on 25th February 1992 and expiring on 24th February 2042.</p>	As at the valuation date, the property was occupied by the Group as staff quarters.	RMB430,000.- (100% interest attributable to the Company: RMB 430,000.-)

Notes:

1. Pursuant to an Agreement for Sale and Purchase dated 3rd May 1995, the property was acquired by 鵬基工業區管理服務公司 which is a wholly-owned subsidiary of the Company.
2. The PRC Legal Opinion is summarized as follows:
 - 2.1 The legal interest of the property is exclusively held by 鵬基工業區管理服務公司 and its interest is legal, valid and protected by law;
 - 2.2 The Title Realty Certificate of the property has not yet been obtained. There is no legal impediment to 鵬基工業區管理服務公司 obtaining the Title Realty Certificate;
 - 2.3 Upon obtaining the Title Realty Certificate, the property can be freely transferred, mortgaged or leased free from additional land premium and government's prior approval; and
 - 2.4 Up to the date of the PRC legal opinion, the property was free from any encumbrance and was not subject to any situation leading to re-entry by the government.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date were, and immediately after completion of the Agreement assuming that no further Shares, other than the Consideration Shares, will be issued up to the date of completion of the Agreement, will be, as follows:

<i>Authorised:</i>	<i>HK\$</i>
1,500,000,000 shares of HK\$0.10 each (“Shares”)	150,000,000.00
<i>Issued and to be issued:</i>	<i>fully paid or credited as fully paid:</i>
1,146,300,000 Shares in issue as at the Latest Practicable Date	114,630,000.00
<u>60,846,983</u> Consideration Shares to be issued upon Completion	<u>6,084,698.30</u>
<u>1,207,146,983</u> Shares	<u>120,714,698.30</u>

All the Shares currently in issue rank pari passu in all respects with each other, including in particular, as to dividends, voting rights and capital. The Consideration Shares when issued and allotted will rank pari passu in all respects with the then existing Shares, including in particular, as to dividends, voting rights and capital.

Application has been made to the Listing Committee of the Stock Exchange for Listing of and permission to deal in the Consideration Shares to be issued upon completion of the Agreement. Save as disclosed herein, no part of the share capital of the Company is listed or dealt in on stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares to be listed in or on any other stock exchange.

3. DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, the Directors' interests in options to subscribe for Shares which are required to be entered in the register required to be kept under Section 29 of the SDI Ordinance were as follows:

Name of director	Date granted	Option exercisable period	Subscription price per share	Number of Shares Issuable under options granted
SONG Zhiwang	15/6/2000	15/12/2000-14/12/2003	HK\$1.36	2,000,000

- (b) save as disclosed, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interest in the Shares or debentures of the Company or any associated corporation (within the meaning of the SDI Ordinance) which (i) have to be notified to the Company and the Stock Exchange pursuant to section 28 of the SDI Ordinance (including interests in which a Director or chief executive will be taken or deemed to have under section 31 of, or Part 1 of the Schedule to, the SDI Ordinance); or (ii) are required to be entered in the register kept by the Company pursuant to section 29 of the SDI Ordinance; or (iii) are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.
- (c) As at the Latest Practicable Date, none of Directors had entered into, or was proposing to enter into, any service contract with the Company or any subsidiary of the Company which does not expire or is not determinable by the employing company within one year without payment of compensation other than statutory compensation.
- (d) Mr. Lee Yip Wah, Peter, the independent non-executive Director of the Company, is a partner of Woo, Kwan, Lee & Lo, legal advisers to the Company on Hong Kong law, Woo, Kwan, Lee & Lo will receive normal professional fees in connection with matters relating to the Agreement.
- (e) Save as disclosed, as at the Latest Practicable Date, none of the Directors was interested, directly or indirectly, in any assets which had been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group since 31st December, 2000, the date to which the latest published audited accounts of the Company were made up.
- (f) Save as disclosed, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group taken as a whole.

4. SUBSTANTIAL SHAREHOLDER'S INTERESTS

As the Latest Practicable Date, the following interests of 10% or more of the share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 16(1) of the SDI Ordinance.

Name	Number of shares held	%
Shum Yip Holdings	632,010,000	55.13

Save as disclosed above, there is no person known to the Directors or the chief executive of the Company who, as at the Latest Practicable Date, was, directly or indirectly, interested in Shares representing 10% or more of the issued share capital of the Company or the nominal value of any class of share capital (including options in respect of such capital) carrying rights to vote in all circumstances at general meetings of any member of the Group.

5. EXPERTS

- (a) The following are the qualifications of the Experts who have given an opinion or advice contained in this circular:

Name	Qualifications
Core Pacific – Yamaichi Capital Limited	a registered investment adviser and dealer under the Securities Ordinance (Chapter 333 of the Laws of Hong Kong)
RHL Appraisal Ltd.	professional valuers and surveyors

- (b) As at the Latest Practicable Date, CPY Capital and RHL Appraisal Ltd. did not have any shareholding in any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.
- (c) CPY Capital and RHL Appraisal Ltd. have given and have not withdrawn their respective written consents to the issue of this circular with the inclusion of their letters to the Independent Board and the Board respectively and references to their respective names in the form and context in which they appear.

- (d) The letter and recommendation given by CPY Capital and the valuation report of RHL Appraisal Ltd. are given as of the date of this circular for incorporation herein.
- (e) As at the Latest Practicable Date, CPY Capital and RHL Appraisal Ltd. did not have, or have not had, any direct or indirect interest in any assets which have since 31st December, 2000 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by, or leased to, or which are proposed to be acquired of by, or leased to, the Company or any of its subsidiaries.

6. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31st December, 2000, the date to which the latest published audited accounts of the Company were made up.

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and, so far as the Directors are aware, no litigation or arbitration of material importance is pending or threatened against the Company or any of its subsidiaries.

8. GENERAL

- (a) The registered office of the Company is at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong.
- (b) The Principal Registrar of the Company is Standard Registrars Ltd. whose office is situated at 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong.
- (c) The secretary of the Company is Mr. Cheung Wing Yui, Edward, a solicitor of Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the offices of Woo, Kwan, Lee & Lo at 27th Floor, Jardine House, 1 Connaught Place, Hong Kong during normal business hours on any weekday (public holidays excepted) from the date of this circular up to and including 16th April, 2002:

- a. the memorandum and articles of association of the Company;
- b. the Agreement;
- c. the letter from CPY Capital as set out in this circular;
- d. the valuation report prepared by RHL Appraisal Ltd.; and
- e. the written consent from each of CPY Capital and RHL Appraisal Ltd. referred to in paragraph 5 of this appendix.



深圳控股有限公司

SHENZHEN INVESTMENT LIMITED

(incorporated in Hong Kong with limited liability)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at Suite VI-VII, Hotel Inter-Continental Hong Kong, 18 Salisbury Road, Tsimshatsui, Kowloon, Hong Kong on Tuesday, 16th April, 2002 at 2:30p.m. to consider and, if thought fit, to pass the following resolutions (with or without modifications) as Ordinary Resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the conditional agreement dated 6th March, 2002 (the “Agreement”) entered into between Shum Yip Holdings Company Limited (“Shum Yip Holdings”) and the Company, pursuant to which Shum Yip Holdings conditionally agreed to sell to the Company and the Company conditionally agreed to purchase from Shum Yip Holdings 60% of the equity interest in Shenzhen Pengji (Holdings) Company Limited, at a consideration of HK\$304,600,000 to be satisfied as to (i) HK\$152,300,000 in cash and (ii) HK\$152,300,000 by the allotment and issue of 60,846,983 new shares (together the “Consideration Shares” and each a “Consideration Share”) of HK\$0.10 each in the share capital of the Company to Shum Yip Holdings at an issue price of HK\$2.503 per Consideration Share, and subject to other terms and conditions set out in the Agreement (a copy of which marked “A” has been produced to the meeting and signed by the Chairman of the meeting for the purpose of identification) and all the transactions contemplated thereunder (including the issue and allotment of the Consideration Shares) be and are hereby approved, ratified and confirmed; and

- (b) the directors of the Company (“Directors”) be and are hereby authorised for and on behalf of the Company to allot and issue to Shum Yip Holdings the Consideration Shares credited as fully paid at HK\$2.503 per Consideration Share pursuant to the Agreement, such Consideration Shares to rank pari passu in all respects with the shares of HK\$0.10 each in the share capital of the Company in issue at the date of allotment.

By order of the Board
Song Zhiwang
Chairman

Hong Kong, 26th March, 2002

Registered Office:

8th Floor, New East Ocean Centre
9 Science Museum Road
Tsimshastui, Kowloon
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the registered office of the Company at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Tsimshastui, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting.



深圳控股有限公司

SHENZHEN INVESTMENT LIMITED

(incorporated in Hong Kong with limited liability)

Form of proxy for use by shareholders at the extraordinary general meeting to be held on 16th April, 2002

I/We⁽¹⁾

of

being the registered holder(s) of⁽²⁾ ordinary shares of HK\$0.10 each in the capital of Shenzhen Investment Limited (the "Company"), HEREBY APPOINT the Chairman of the extraordinary general meeting or⁽³⁾ of as my/our proxy to attend and act for me/us at the extraordinary general meeting (the "Meeting") of the Company to be held at Suite VI-VII, Hotel Inter-Continental Hong Kong, 18 Salisbury Road, Tsimshatsui, Kowloon, Hong Kong at 2:30 p.m. on 16th April, 2002 (or at any adjournment thereof) for the purposes of considering and, if thought fit, passing the resolutions as set out in the notice convening the Meeting and at such Meeting (and at any adjournment thereof) to vote for me/us and in my/our name(s) in respect of the resolutions as hereunder indicated, or if no such indication is given, as my/our proxy thinks fit:

	For ⁽⁴⁾	Against ⁽⁴⁾
Ordinary Resolution ⁽⁵⁾		

Dated this day of 2002 Signature⁽⁶⁾

Notes:

- (1) Full name(s) and address(es) must be inserted in BLOCK CAPITALS. The name of all joint holders should be stated.
- (2) Please insert the number of ordinary shares of the Company registered in your name(s) and to which this form of proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all the ordinary shares of the Company registered in your name(s).
- (3) If any proxy other than the Chairman of the Meeting is preferred, strike out the words "the Chairman of the extraordinary general meeting or" and insert the name and address of the proxy desired in the space provided. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALED BY THE PERSON WHO SIGNS IT.**
- (4) **IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, TICK THE RELEVANT BOX UNDER THE COLUMN MARKED "FOR". IF YOU WISH TO VOTE AGAINST A RESOLUTION, TICK THE RELEVANT BOX UNDER THE COLUMN MARKED "AGAINST".** Failure to tick either box will entitle your proxy to cast your vote(s) at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the Meeting as well as those referred to in the notice convening the Meeting.
- (5) Please refer to the notice of the Meeting dated 26th March, 2002.
- (6) This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either under its common seal or under the hand of any officer or attorney duly authorised.
- (7) In the case of joint holders of any ordinary share any one of such joint holders may attend and vote at the Meeting either personally or by proxy in respect of such ordinary share but if more than one of such joint holders are present at the Meeting personally or by proxy, the vote(s) tendered by the senior holder, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which their names stand in the register of members in respect of the joint holding.
- (8) To be valid, this form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy thereof must be deposited at the registered office of Shenzhen Investment Limited at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or the adjourned meeting.
- (9) The proxy need not be a member of the Company but must attend the Meeting in person to represent you.
- (10) Completion and deposit of this form of proxy will not preclude you from attending and voting in person at the Meeting if you so wish. In the event of your attending the Meeting, this form of proxy will be deemed to be revoked.