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

If you have sold all your shares in New World Development Company Limited (新世界發展有限公司), you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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MAJOR TRANSACTION AND CONNECTED TRANSACTIONS

PROPOSED PRIVATISATION OF NEW WORLD CHINA LAND LIMITED BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES LAW)

Financial adviser to the Offeror



**Independent financial adviser to
the Board and the Offeror Board**



A letter from the Board is set out on pages 8 to 29 of this circular. A letter from Quam Capital to the Board and the Offeror Board is set out on pages 30 to 76 of this circular.

A notice convening the EGM to be held at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Monday, 16 June 2014 at 10:30 a.m. is set out on pages 858 and 859 of this circular. A form of proxy is also enclosed. Whether or not you are able to attend the EGM or any adjourned meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit it with the Company's share registrar, Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

19 May 2014

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DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Adjusted NAV”	the adjusted unaudited consolidated net asset value of the NWCL Group as at 31 December 2013 as set out in paragraph V — Property Interests and Adjusted Net Asset Value of Appendix I — Financial Information of the NWCL Group of the Scheme Document, which in turn is set out in Appendix IV to this circular
“Applicable Percentage Ratios”	the percentage ratios (all as defined in Rule 14.04(9) of the Listing Rules) applicable to the Scheme, the Proposal and the Rule 13 Offer in accordance with Chapters 14 and 14A of the Listing Rules
“Articles of Association”	the articles of association of the Company as altered from time to time
“associates”	has the meaning ascribed to it in the Listing Rules
“Authorisations”	all the necessary authorisations, registrations, filings, rulings consents, permissions and approvals required in connection with the Scheme and the Proposal
“Beneficial Owner”	any beneficial owner of NWCL Shares whose NWCL Shares are registered in the name of a Registered Owner
“Board”	the board of Directors of the Company
“Cancellation Price”	the cancellation price of HK\$6.80 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“Company”	New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability, a controlling shareholder of NWCL and the parent company of the Offeror. The shares of the Company are currently listed on the Main Board of the Stock Exchange (stock code: 0017)
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961), as consolidated and revised, of the Cayman Islands

DEFINITIONS

“Conditions”	the conditions to the implementation of the Scheme and the Proposal as described in the section headed “Terms of the Scheme and the Proposal — Conditions of the Scheme and the Proposal” in the “Letter from the Board” of this circular
“Court Meeting”	a meeting of the NWCL Shareholders (other than the Company and the Offeror) to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Court Orders”	the orders of the Grand Court sanctioning the Scheme as required by the Companies Law and confirming the reduction of capital of NWCL as required by the Companies Law
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Law
“EGM”	the extraordinary general meeting of the Company to be held on Monday, 16 June 2014 at 10:30 a.m., the notice of which is set out on pages 858 and 859 of this circular
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate thereof
“FY2014”	the financial year ending 30 June 2014
“Grand Court”	the Grand Court of the Cayman Islands
“Great Worth”	Great Worth Holdings Limited, a non-wholly owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“High Earnings”	High Earnings Holdings Limited, a wholly-owned subsidiary of NWS
“HK\$” or “Hong Kong Dollar”	Hong Kong dollars, the lawful currency of Hong Kong
“HK\$ m” or “HK\$ million”	million Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, a registered institution under the SFO, registered to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), acting as the financial adviser to the Offeror in connection with the Scheme, the Proposal and Rule 13 Offer
“Independent Financial Adviser” or “Quam Capital”	Quam Capital Limited, a licensed corporation permitted to carry out type 6 (advising on corporate finance) regulated activities under the SFO, acting as the independent financial adviser to the Board and the Offeror Board pursuant to Rule 2.4 of the Takeovers Code in relation to the Scheme, the Proposal and the Rule 13 Offer
“Independent NWCL Shareholder(s)”	NWCL Shareholder(s) other than the Offeror and the Offeror Concert Parties. For the avoidance of doubt, Independent NWCL Shareholders include any member of the HSBC group acting in its capacity as a Registered Owner of the Scheme Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; (ii) if NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party
“Joint Announcement”	the announcement dated 13 March 2014 jointly made by the Company, the Offeror and NWCL in relation to the Scheme, the Proposal and the Rule 13 Offer
“Joint Announcement Date”	13 March 2014, being the date of the Joint Announcement
“Last Trading Day”	10 March 2014, being the last trading day of NWCL Shares prior to the issuance of the Joint Announcement
“Latest Practicable Date”	14 May 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Long Stop Date”	31 August 2014, being the date extended from 11 July 2014 as agreed by the Offeror, NWCL and HSBC
“Meeting Record Date”	13 June 2014, or such other date as shall have been announced to the NWCL Shareholders, being the record date for the purpose of determining the entitlement of the Independent NWCL Shareholders to attend and vote at the Court Meeting and the entitlement of the NWCL Shareholders to attend and vote at the NWCL EGM
“NWCL”	New World China Land Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 0917)
“NWCL Board”	the board of directors of NWCL
“NWCL EGM”	the extraordinary general meeting of NWCL to be held at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Monday, 16 June 2014 at 4:00 p.m. for considering and if thought fit passing (i) a special resolution to approve, among others, the reduction of the share capital of NWCL by cancelling the Scheme Shares; and (ii) an ordinary resolution to, among others, immediately restore the issued share capital of NWCL to its former amount by the issue of the same number of NWCL Shares as the number of Scheme Shares cancelled, credited as fully paid, for issuance to the Offeror
“NWCL Group”	NWCL and its subsidiaries
“NWCL Option(s)”	the outstanding, vested and unvested, share option(s), each relating to one NWCL Share, granted under the Share Option Schemes from time to time
“NWCL Option Offer Price”	the amount by which the Cancellation Price exceeds the relevant exercise price of the NWCL Option, such amount being payable in cash by the Offeror to the holder of that NWCL Option on the terms and subject to the conditions of the Rule 13 Offer
“NWCL Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of NWCL

DEFINITIONS

“NWCL Shareholder(s)”	registered holder(s) of NWCL Shares
“NWDS”	New World Department Store China Limited, a non-wholly owned subsidiary of the Company and the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 0825)
“NWS”	NWS Holdings Limited, a non-wholly owned subsidiary of the Company and the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 0659)
“NWS Group”	NWS and its subsidiaries
“Offeror”	Easywin Enterprises Corporation Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Offeror Board”	the board of directors of the Offeror
“Offeror Concert Party(ies)”	party(ies) acting in concert with the Offeror in relation to NWCL including HSBC (except members of the HSBC group which are exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code) which is presumed to be acting in concert with the Offeror in relation to NWCL
“PRC” or “Mainland China”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region and the Republic of Taiwan)
“Proposal”	the proposal for privatisation of NWCL by the Offeror by way of the Scheme
“Registered Owner”	any owner of NWCL Shares (including, without limitation, a nominee, trustee, depository or any other authorised custodian or other party) whose name is entered in the register of members of NWCL
“Relevant Authorities”	appropriate governments and/or governmental bodies, regulatory bodies, courts or institutions
“Rights Issue”	the issue, by way of rights, of one new Share for every three Shares held on 31 March 2014 at a subscription price of HK\$6.20 each, details of which are disclosed in the prospectus of the Company dated 3 April 2014

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“Rule 13 Offer”	the conditional offer that is being made by HSBC on behalf of the Offeror to the holders of NWCL Options on the terms and subject to the conditions contained in the Scheme Document and the Rule 13 Offer Letters
“Rule 13 Offer Letter(s)”	the letter(s) dated 17 May 2014 setting out the terms and conditions of the Rule 13 Offer sent separately to holders of NWCL Options and substantially in the form set out in Appendix IX to the Scheme Document, which is in turn set out in Appendix IV to this circular
“Rule 13 Offer Record Date”	17 July 2014, or such other time and date as shall have been announced to the NWCL Shareholders, being the record date for the purpose of determining entitlements under the Rule 13 Offer
“Scheme”	a scheme of arrangement under Section 86 of the Companies Law involving, among other matters, the cancellation of all the Scheme Shares and the restoration of the issued share capital of NWCL to the amount immediately before the cancellation of the Scheme Shares
“Scheme Document”	the composite scheme document of NWCL, the Offeror and the Company dated 17 May 2014 and despatched to NWCL Shareholders and holders of NWCL Options containing details of the Scheme and the Proposal, a copy of which is attached in Appendix IV of this circular for information only
“Scheme Record Date”	17 July 2014, or such other time and date as shall have been announced to the NWCL Shareholders, being the record date for the purpose of determining the entitlements of the Scheme Shareholders to the Cancellation Price under the Scheme
“Scheme Share(s)”	NWCL Share(s) other than those held by the Offeror and the Company as at the Scheme Record Date
“Scheme Shareholder(s)”	holder(s) of Scheme Shares as at the Scheme Record Date
“Securities and Futures Commission”	Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any amendments thereto

DEFINITIONS

“Shareholders”	holders of Shares
“Shares”	ordinary shares of the Company
“Share Option Schemes”	the share option schemes adopted by NWCL on 26 November 2002 and 22 November 2011 respectively
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Code on Takeovers and Mergers of Hong Kong
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States, and the District of Columbia
“US\$” or “USD” or “US Dollar”	United States dollars, the lawful currency of the United States

LETTER FROM THE BOARD



新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 0017)

Executive Directors:

Dr. Cheng Kar-Shun, Henry
Mr. Cheng Chi-Kong, Adrian
Mr. Chen Guanzhan
Ms. Ki Man-Fung, Leonie
Mr. Cheng Chi-Heng
Ms. Cheng Chi-Man, Sonia
Mr. Au Tak-Cheong

Registered Office:

30/F, New World Tower
18 Queen's Road Central
Hong Kong

Non-executive Directors:

Mr. Doo Wai-Hoi, William
Mr. Cheng Kar-Shing, Peter

Independent non-executive Directors:

Mr. Yeung Ping-Leung, Howard
Mr. Cha Mou-Sing, Payson
Mr. Cha Mou-Zing, Victor
(Alternate director to Mr. Cha Mou-Sing, Payson)
Mr. Ho Hau-Hay, Hamilton
Mr. Lee Luen-Wai, John
Mr. Liang Cheung-Biu, Thomas

19 May 2014

*To the Shareholders and, for information purpose only,
the holders of the outstanding share options of the Company*

Dear Sir or Madam,

MAJOR TRANSACTION AND CONNECTED TRANSACTIONS

**PROPOSED PRIVATISATION OF NEW WORLD CHINA LAND LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)**

INTRODUCTION

Reference is made to the Joint Announcement dated 13 March 2014 which stated that on 12 March 2014, the Offeror requested the board of directors of NWCL to put forward the Proposal to the Scheme Shareholders regarding the proposed privatisation of NWCL by way of a scheme of arrangement under Section 86 of the Companies Law.

LETTER FROM THE BOARD

If the Scheme is approved and implemented,

- (i) all Scheme Shares held by the Scheme Shareholders on the Effective Date will be cancelled in exchange for the payment of the Cancellation Price, being HK\$6.80 per Scheme Share;
- (ii) the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. Immediately upon such reduction, the issued share capital of NWCL will be increased to its former amount by the issue at par to the Offeror, credited as fully paid, of the same number of NWCL Shares as the number of Scheme Shares cancelled. The reserve created in the books of accounts of NWCL as a result of the capital reduction will be applied in paying up in full at par the new NWCL Shares so issued to the Offeror;
- (iii) the Company will, together with the Offeror, hold 100% of the issued share capital in NWCL; and
- (iv) NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange immediately following the Effective Date pursuant to Rule 6.15 of the Listing Rules.

The purpose of this circular is to provide you with, among other things, (a) further information with regard to the Scheme, the Proposal and the Rule 13 Offer; (b) a letter from Quam Capital in relation to the Scheme, the Proposal and the Rule 13 Offer; (c) a notice of the EGM; and (d) other information required by the Listing Rules for the Shareholders to consider and if thought fit, approve the Proposal and the Rule 13 Offer at the EGM.

If you are also a shareholder of NWCL, this circular is not, and should not be construed to be, a solicitation or request for votes or proxies in respect of the securities of NWCL, and you should have received the Scheme Document which has been despatched on 17 May 2014.

TERMS OF THE SCHEME AND THE PROPOSAL

Cancellation Price

Under the Scheme, the Scheme Shareholders will receive from the Offeror the Cancellation Price of HK\$6.80 in cash for every Scheme Share as consideration for the cancellation of the Scheme Shares held as at the Effective Date.

The Cancellation Price of HK\$6.80 will not be increased, and the Offeror does not reserve the right to do so.

LETTER FROM THE BOARD

Comparison of value

Closing prices of NWCL Shares

The Cancellation Price of HK\$6.80 per Scheme Share represents:

- a premium of approximately 32.3% over the closing price of HK\$5.14 per NWCL Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 36.3% over the average closing price of approximately HK\$4.99 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 42.2% over the average closing price of approximately HK\$4.78 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 53.7% over the average closing price of approximately HK\$4.42 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 64.3% over the average closing price of approximately HK\$4.14 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 78.0% over the average closing price of approximately HK\$3.82 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- a premium of approximately 5.4% over the closing price of HK\$6.45 per NWCL Share as quoted on the Stock Exchange on the Latest Practicable Date; and

Net asset values per NWCL Share

The Cancellation Price of HK\$6.80 per Scheme Share represents:

- a premium of approximately 1.8% over the unaudited consolidated net asset value per NWCL Share of approximately HK\$6.68 as at 31 December 2013; and
- a discount of approximately 32.5% to the Adjusted NAV per NWCL Share of approximately HK\$10.07 as at 31 December 2013.

LETTER FROM THE BOARD

As shown in the unaudited financial statements of NWCL as at 31 December 2013, a significant portion of NWCL's assets consisted of investment properties, land use rights, properties held for development, properties under development and completed properties held for sale. The value of these assets as stated in such unaudited financial statements may or may not reflect the current market value of these assets.

The Scheme Document contains a property valuation report from an independent property valuer pursuant to Rule 11 of the Takeovers Code providing an updated valuation of NWCL's properties as at 28 February 2014. Your attention is drawn to the property valuation report set out in Appendix II of the Scheme Document, which in turn is set out in Appendix IV to this circular.

Highest and lowest closing prices

During the six-month period ended on and including the Last Trading Day, the highest closing price of NWCL Shares was HK\$5.14 on 10 March 2014 and the lowest closing price of NWCL Shares was HK\$3.69 on 18 December 2013 and 27 December 2013.

Conditions of the Scheme and the Proposal

The Proposal is, and the Scheme will become, effective and binding on NWCL and all NWCL Shareholders, subject to the fulfilment or waiver (as applicable) of the following conditions:

- (a) the approval of the Scheme (by way of poll) by a majority in number of the Independent NWCL Shareholders representing not less than three-fourths in value of the NWCL Shares held by the Independent NWCL Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (i) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the Scheme Shares held by Independent NWCL Shareholders that are voted either in person or by proxy at the Court Meeting; and
 - (ii) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by Independent NWCL Shareholders;
- (b) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by NWCL Shareholders present and voting in person or by proxy at an extraordinary general meeting of NWCL to approve and give effect to the reduction of the issued share capital of NWCL by cancelling the Scheme Shares, and (ii) the passing of an ordinary resolution by NWCL Shareholders at an extraordinary general meeting of NWCL to increase immediately thereafter the issued share capital of NWCL to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new NWCL Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror;

LETTER FROM THE BOARD

- (c) the sanction of the Scheme (with or without modifications) by the Grand Court and, to the extent necessary, the Grand Court's confirmation of the reduction of the share capital of NWCL, and the registration of a copy of the Court Orders by the Registrar of Companies in the Cayman Islands;
- (d) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under Sections 15 and 16 of the Companies Law in relation to the reduction of the issued share capital of NWCL;
- (e) the Shareholders approving the Proposal and the Rule 13 Offer at a general meeting of the Company;
- (f) all Authorisations in connection with the Scheme and the Proposal having been obtained or made from, with or by (as the case may be) the Relevant Authorities of the Cayman Islands, Hong Kong and any other relevant jurisdictions;
- (g) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in any relevant laws, rules, regulations or codes in connection with the Scheme and the Proposal or any related matters, documents (including circulars) or things, in each case up to and at the time when the Scheme and the Proposal become effective;
- (h) all necessary consents (including consents from the relevant lenders) in connection with the Scheme and the Proposal and the withdrawal of listing of NWCL from the Stock Exchange which may be required under any existing contractual obligations of NWCL being obtained and remaining in effect;
- (i) if required, the obtaining by the Company and the Offeror of such other necessary consent, approval, authorisation, permission, waiver or exemption which may be required from any Relevant Authorities or other third parties which are necessary or desirable for the performance of the Scheme and the Proposal under the applicable laws and regulations;
- (j) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms);

LETTER FROM THE BOARD

- (k) since 31 December 2013, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of NWCL Group (to an extent which is material in the context of NWCL Group taken as a whole or in the context of the Scheme and the Proposal); and
- (l) since the Joint Announcement Date, there not having been instituted or remaining outstanding any litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of NWCL Group is a party (whether as plaintiff, defendant or otherwise) and no such proceedings having been threatened in writing against any such member (and no investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of any such member), in each case which is material and adverse in the context of the NWCL Group taken as a whole or in the context of the Scheme and the Proposal.

The Offeror reserves the right to waive conditions (f), (g), (h), (i), (j), (k) and (l) either in whole or in part, either generally or in respect of any particular matter. Conditions (a), (b), (c), (d) and (e) cannot be waived in any event. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme and the Proposal if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Scheme and the Proposal.

All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, being 31 August 2014 (or such later date as the Offeror, NWCL and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Scheme and the Proposal will lapse. NWCL has no right to waive any of the Conditions.

Shareholders of and/or potential investors of the Company should be aware that the implementation of the Scheme and the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors of the Company and NWCL should therefore exercise caution when dealing in the securities of the Company and NWCL. Persons who are in doubt as to the action they should take should consult their stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF NWCL AND THE SCHEME SHARES

On the assumption that no NWCL Options are exercised before the Effective Date and there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, the table below sets out the shareholding structure of NWCL as at the Latest Practicable Date and upon completion of the Scheme, respectively:

NWCL Shareholders	As at the Latest Practicable Date		Upon completion of the Scheme (Note 14)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror (Note 1)	255,041,727	2.94	2,958,654,102	34.08
Offeror Concert Parties				
NWCL Shares held not subject to the Scheme:				
— the Company (Note 2)	<u>5,721,977,644</u>	<u>65.92</u>	<u>5,721,977,644</u>	<u>65.92</u>
	<u>5,977,019,371</u>	<u>68.86</u>	<u>8,680,631,746</u>	<u>100.00</u>
Offeror Concert Parties				
NWCL Shares held subject to the Scheme:				
— High Earnings (Note 3)	93,073,738	1.07	—	—
— Great Worth (Note 4)	22,508,064	0.26	—	—
— HSBC group (Note 5)	4,348,542	0.05	—	—
— Dr. Cheng Kar-Shun, Henry (Note 6)	151,983,526	1.75	—	—
— Mr. Cheng Kar-Shing, Peter (Note 7)	755,961	0.01	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	953,669	0.01	—	—
— Mr. Lee Luen-Wai, John (Note 9)	387,448	0.00	—	—
— Mr. Doo Wai-Hoi, William (Note 10)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo (Note 11)	517,500	0.01	—	—
— Ms. Ki Man-Fung, Leonie (Note 12)	<u>45,000</u>	<u>0.00</u>	<u>—</u>	<u>—</u>
	<u>277,145,111</u>	<u>3.19</u>	<u>—</u>	<u>—</u>
Aggregate number of NWCL Shares held by the Offeror Concert Parties	<u>5,999,122,755</u>	<u>69.11</u>	<u>5,721,977,644</u>	<u>65.92</u>
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,254,164,482	72.05	8,680,631,746	100.00
Independent NWCL Shareholders	<u>2,426,467,264</u>	<u>27.95</u>	<u>—</u>	<u>—</u>
Total	<u>8,680,631,746</u>	<u>100.00</u>	<u>8,680,631,746</u>	<u>100.00</u>
Total number of Scheme Shares (Note 13)	<u>2,703,612,375</u>	<u>31.15</u>	<u>—</u>	<u>—</u>

LETTER FROM THE BOARD

Notes:

1. NWCL Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
2. The Offeror is wholly-owned by the Company. The Company is acting in concert with the Offeror in relation to NWCL. NWCL Shares held by the Company will not form part of the Scheme Shares and will not be cancelled.
3. High Earnings is wholly-owned by NWS. NWS is a non-wholly owned subsidiary of the Company. The shares of NWS are listed on the Stock Exchange with the stock code 0659. High Earnings is acting in concert with the Offeror in relation to NWCL.
4. Great Worth is a non-wholly owned subsidiary of the Company and is acting in concert with the Offeror in relation to NWCL.
5. HSBC, the financial adviser to the Offeror, and relevant members of the HSBC group (except those which are exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) which hold NWCL Shares are presumed to be acting in concert with the Offeror in relation to NWCL in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code.
6. Dr. Cheng Kar-Shun, Henry, who is an executive Director and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Dr. Cheng Kar-Shun, Henry was also interested in 2,077,922 NWCL Options, of which 1,662,336 were vested.
7. Mr. Cheng Kar-Shing, Peter, who is a non-executive Director and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Mr. Cheng Kar-Shing, Peter was also interested in 831,169 NWCL Options, of which 664,936 were vested.
8. Ms. Cheng Chi-Man, Sonia, who is an executive Director and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
9. Mr. Lee Luen-Wai, John, who is an independent non-executive Director and an independent non-executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Mr. Lee Luen-Wai, John was also interested in 311,688 NWCL Options, of which 249,352 were vested.
10. Mr. Doo Wai-Hoi, William, who is a non-executive Director, is acting in concert with the Offeror in relation to NWCL.
11. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William (being a non-executive Director), is acting in concert with the Offeror in relation to NWCL.
12. Ms. Ki Man-Fung, Leonie, who is an executive Director, is acting in concert with the Offeror in relation to NWCL.
13. The total number of NWCL Shares (assuming that no NWCL Options are exercised before the Effective Date and there is no other change in shareholding of NWCL before completion of the Scheme) minus the aggregate number of NWCL Shares held by the Offeror and the Company equals the total number of Scheme Shares (on the same assumptions).

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14. Under the Scheme, the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. Based on the total number of issued shares of NWCL as at the Latest Practicable Date and on the assumption that no NWCL Options are exercised before the Effective Date and the assumption that there is no other change in the shareholdings in NWCL between the Latest Practicable Date and completion of the Scheme, forthwith upon such reduction, the issued share capital of NWCL will be increased to HK\$868,063,174.6 divided into 8,680,631,746 NWCL Shares by the issue of 2,703,612,375 NWCL Shares to the Offeror at par and the reserve created in NWCL's books of account as a result of the capital reduction will be applied in paying up in full at par the 2,703,612,375 new NWCL Shares so issued to the Offeror.
15. All percentages in the above table are approximations.

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On the assumption that all NWCL Options are vested and exercised in full before the Effective Date and the assumption that there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, the table below sets out the shareholding structure of NWCL before completion of the Scheme and upon completion of the Scheme:

NWCL Shareholders	Before completion of the Scheme (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL between the Latest Practicable Date and completion of the Scheme)		Upon completion of the Scheme (Note 15)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror (Note 1)	255,041,727	2.92	2,990,469,651	34.32
Offeror Concert Parties				
NWCL Shares held not subject to the Scheme:				
— the Company (Note 2)	<u>5,721,977,644</u>	<u>65.68</u>	<u>5,721,977,644</u>	<u>65.68</u>
	<u>5,977,019,371</u>	<u>68.60</u>	<u>8,712,447,295</u>	<u>100.00</u>
Offeror Concert Parties				
NWCL Shares held subject to the Scheme:				
— High Earnings (Note 3)	93,073,738	1.07	—	—
— Great Worth (Note 4)	22,508,064	0.26	—	—
— HSBC group (Note 5)	4,348,542	0.05	—	—
— Dr. Cheng Kar-Shun, Henry (Note 6)	154,061,448	1.77	—	—
— Mr. Cheng Kar-Shing, Peter (Note 7)	1,587,130	0.02	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	953,669	0.01	—	—
— Mr. Lee Luen-Wai, John (Note 9)	699,136	0.01	—	—
— Mr. Cheng Chi-Kong, Adrian (Note 10)	935,066	0.01	—	—
— Mr. Doo Wai-Hoi, William (Note 11)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo (Note 12)	517,500	0.00	—	—
— Ms. Ki Man-Fung, Leonie (Note 13)	<u>45,000</u>	<u>0.00</u>	<u>—</u>	<u>—</u>
	<u>281,300,956</u>	<u>3.23</u>	<u>—</u>	<u>—</u>
Aggregate number of NWCL Shares held by the Offeror Concert Parties	<u>6,003,278,600</u>	<u>68.91</u>	<u>5,721,977,644</u>	<u>65.68</u>
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,258,320,327	71.83	8,712,447,295	100.00
Independent NWCL Shareholders	<u>2,454,126,968</u>	<u>28.17</u>	<u>—</u>	<u>—</u>
Total	<u>8,712,447,295</u>	<u>100.00</u>	<u>8,712,447,295</u>	<u>100.00</u>
Total number of Scheme Shares (Note 14)	<u>2,735,427,924</u>	<u>31.40</u>	<u>—</u>	<u>—</u>

LETTER FROM THE BOARD

Notes:

1. NWCL Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
2. The Offeror is wholly-owned by the Company. The Company is acting in concert with the Offeror in relation to NWCL. NWCL Shares held by the Company will not form part of the Scheme Shares and will not be cancelled.
3. High Earnings is wholly-owned by NWS. NWS is a non-wholly owned subsidiary of the Company. The shares of NWS are listed on the Stock Exchange with the stock code 0659. High Earnings is acting in concert with the Offeror in relation to NWCL.
4. Great Worth is a non-wholly owned subsidiary of the Company and is acting in concert with the Offeror in relation to NWCL.
5. HSBC, the financial adviser to the Offeror, and relevant members of the HSBC group (except those which are exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) which hold NWCL Shares are presumed to be acting in concert with the Offeror in relation to NWCL in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code.
6. Dr. Cheng Kar-Shun, Henry, who is an executive Director and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
7. Mr. Cheng Kar-Shing, Peter, who is a non-executive Director and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
8. Ms. Cheng Chi-Man, Sonia, who is an executive Director and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
9. Mr. Lee Luen-Wai, John, who is an independent non-executive Director and an independent non-executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
10. Mr. Cheng Chi-Kong, Adrian, who is an executive Director and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
11. Mr. Doo Wai-Hoi, William, who is a non-executive Director, is acting in concert with the Offeror in relation to NWCL.
12. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William (being a non-executive Director), is acting in concert with the Offeror in relation to NWCL.
13. Ms. Ki Man-Fung, Leonie, who is an executive Director, is acting in concert with the Offeror in relation to NWCL.
14. The total number of NWCL Shares (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL before completion of the Scheme) minus the aggregate number of NWCL Shares held by the Offeror and the Company equals the total number of Scheme Shares (on the same assumptions).
15. Under the Scheme, the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. Based on the total number of issued shares of NWCL as at the Latest Practicable Date and on the assumption that all NWCL Options are vested and exercised in full before the Effective Date and the assumption that there is no other change in the shareholdings in NWCL between the Latest Practicable Date and completion of the Scheme, forthwith upon such reduction, the issued share capital of NWCL will be

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increased to HK\$871,244,729.5 divided into 8,712,447,295 NWCL Shares by the issue of 2,735,427,924 NWCL Shares to the Offeror at par and the reserve created in NWCL's books of account as a result of the capital reduction will be applied in paying up in full at par the 2,735,427,924 new NWCL Shares so issued to the Offeror.

16. All percentages in the above table are approximations.

NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange, in accordance with Rule 6.15 of the Listing Rules, immediately following the Effective Date. Following the Effective Date and the withdrawal of listing of NWCL Shares on the Stock Exchange, the Company will hold 100% of the issued share capital of NWCL, of which (i) 65.92% will be held directly; and (ii) 34.08% will be held indirectly through the Offeror, a wholly-owned subsidiary of the Company on the assumption that no NWCL Options are exercised before the Effective Date and there is no other change in shareholding in NWCL between the Latest Practicable Date and completion of the Scheme.

As at the Latest Practicable Date, the authorised share capital of NWCL was HK\$3,000,000,000.00 divided into 30,000,000,000 NWCL Shares of HK\$0.10 each, and the issued share capital of NWCL was HK\$868,063,174.6 divided into 8,680,631,746 NWCL Shares of HK\$0.10 each. There were no preference shares of NWCL in issue.

As at the Latest Practicable Date, the Offeror held 255,041,727 NWCL Shares representing approximately 2.94% of the issued share capital of NWCL. Such NWCL Shares will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. As at the Latest Practicable Date, the Offeror Concert Parties held in aggregate 5,999,122,755 NWCL Shares, representing approximately 69.11% of the issued share capital of NWCL. Of these Offeror Concert Parties, NWCL Shares held by the Company will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. NWCL Shares held by the remaining Offeror Concert Parties will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective, but such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting provided that, for the avoidance of doubt, Independent NWCL Shareholders who may vote include any member of the HSBC group acting in its capacity as a Registered Owner of the NWCL Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; and (ii) if the NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party.

Save for 4,155,845 NWCL Options, there were no options, warrants or convertible securities in respect of NWCL Shares held by the Offeror or the Offeror Concert Parties or outstanding derivatives in respect of NWCL Shares entered into by the Offeror or the Offeror Concert Parties as at the Latest Practicable Date, and save for 31,815,549 NWCL Options, NWCL did not have in issue any warrants, options, derivatives, convertible securities or other securities convertible into NWCL Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

RULE 13 OFFER

The Share Option Schemes

NWCL adopted the Share Option Schemes on 26 November 2002 and 22 November 2011 respectively pursuant to which, among others, its directors (including executive directors and independent non-executive directors) and its employees are eligible for the grant of NWCL Options. As at the Latest Practicable Date, there were 31,815,549 NWCL Options, which when exercised in full, will entitle their holders to subscribe for 31,815,549 NWCL Shares. The relevant exercise price applicable to each NWCL Option ranges from HK\$2.262 to HK\$4.010.

Below is a table setting out all the exercise prices and the corresponding “see-through” prices for all of the NWCL Options granted under the Share Option Schemes which remain outstanding as at the Latest Practicable Date:

NWCL Option exercise price (HK\$)	“See-through” price/NWCL Option Offer Price (HK\$)	Total outstanding options (vested and unvested)	Exercisable period (DD/MM/YY)
3.913	2.887	1,180,035	30/07/2009–13/08/2014
2.953	3.847	3,013	05/01/2010–09/01/2015
2.878	3.922	130,801	14/02/2010–21/02/2015
2.262	4.538	169,636	25/06/2010–28/06/2015
2.349	4.451	210,597	24/07/2010–24/07/2015
3.013	3.787	1,014,405	16/12/2010–30/12/2015
3.036	3.764	10,105,910	19/02/2011–29/02/2016
2.705	4.095	791,242	28/08/2011–15/09/2016
2.450	4.350	4,874,470	05/06/2012–16/06/2017
3.370	3.430	456,800	25/11/2012–29/11/2017
3.880	2.920	4,061,400	10/02/2013–17/02/2018
3.350	3.450	2,000,000	04/05/2013–16/05/2018
2.762	4.038	1,287,700	26/07/2013–25/07/2018
4.010	2.790	1,751,100	18/11/2013–17/11/2018
3.970	2.830	3,778,440	14/02/2014–13/02/2019

The Rule 13 Offer

Pursuant to the Rule 13 Offer that is being made by HSBC on behalf of the Offeror, the NWCL Option Offer Price is offered for each vested and unvested NWCL Option held as at the Rule 13 Offer Record Date in consideration for the cancellation of all rights and obligations under the NWCL Options and the immediate cancellation of the NWCL Options.

The Rule 13 Offer is conditional upon the Scheme becoming effective and binding.

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NWCL Options exercised prior to the Meeting Record Date

In the event that any NWCL Option is vested and exercised prior to the Meeting Record Date, the relevant registered holder of the NWCL Share issued upon conversion of the relevant NWCL Option shall be entitled to attend and vote at the Court Meeting and the NWCL EGM in respect of the relevant NWCL Share. In the event that any NWCL Option is vested and exercised prior to the Scheme Record Date, the relevant holder of the NWCL Share issued upon conversion of the relevant NWCL Option shall be subject to and eligible for the Scheme.

NWCL Options not exercised prior to the Meeting Record Date and/or the Scheme Record Date

Any holder of NWCL Options whose NWCL Options remain unvested or whose NWCL Options have vested but not been exercised as at the Meeting Record Date and/or the Scheme Record Date (as the case may be), will not be entitled to attend and vote at the Court Meeting and the NWCL EGM in respect of such NWCL Options, and will not be eligible to participate in the Scheme but will still be eligible to participate in the Rule 13 Offer in respect of such NWCL Options, respectively.

Payment of NWCL Option Offer Price

Each holder of NWCL Options as at the Rule 13 Offer Record Date who accepts the Rule 13 Offer and lodges a completed form of acceptance despatched to holders of NWCL Options in connection with the Rule 13 Offer (“Form of Acceptance”) by the prescribed deadline will be entitled to receive the NWCL Option Offer Price as set out in their respective Rule 13 Offer Letters that are sent to each holder of NWCL Options individually. The NWCL Option Offer Price represents the “see-through” price of that NWCL Option, being the amount by which the Cancellation Price exceeds the relevant exercise price of that NWCL Option.

The cheques for payment of the NWCL Option Offer Price under the Rule 13 Offer will be despatched within seven Business Days following the later of the date that the Rule 13 Offer becomes unconditional and the date of receipt of a duly completed Form of Acceptance. Please refer to the expected timetable set out in Part III of the Scheme Document, which in turn is set out in Appendix IV to this circular.

All payments in respect of the NWCL Option Offer Price will be made in Hong Kong dollars. Settlement of the NWCL Option Offer Price to which holders of NWCL Options are entitled under the Rule 13 Offer will be implemented in full in accordance with the terms of the Rule 13 Offer, without regard to any lien, right of set-off, counterclaim or other analogous right which the Offeror may otherwise be, or claim to be, entitled against any such holder of NWCL Options.

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Rule 13 Offer Letter

The Rule 13 Offer Letter setting out the terms and conditions of the Rule 13 Offer has been despatched separately to holders of NWCL Options and is substantially in the form set out in Appendix IX — Form of Rule 13 Offer Letter of the Scheme Document, which in turn is set out in Appendix IV to this circular.

Lapse of NWCL Options

Any NWCL Options granted under the Share Option Schemes that are not exercised or cancelled pursuant to the acceptance of the Rule 13 Offer will lapse automatically fourteen (14) days after the Effective Date.

FINANCIAL RESOURCES

On the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Scheme (before taking into account the Rule 13 Offer) would be approximately HK\$18,385 million. On the assumption that all NWCL Options are vested and exercised in full before the Effective Date, the amount of cash required for the Scheme would be approximately HK\$18,601 million.

On the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Rule 13 Offer to be made, would be approximately HK\$113 million.

The Offeror intends to finance the cash required for the Scheme and the Rule 13 Offer from a credit facility provided by HSBC (in its capacity as lender).

REASONS FOR, AND BENEFITS OF, THE SCHEME AND THE PROPOSAL

NWCL's business is in line with the Company's core business and the Directors believe that the terms of the Scheme, the Proposal and Rule 13 Offer are fair and reasonable and accordingly consider that the Scheme and the Proposal would be in the interests of the Company and the Shareholders as a whole, for the following reasons:

- (a) as a result of the proposed delisting of NWCL, there will be greater flexibility to manage NWCL's business in a more efficient and sustainable manner;
- (b) at present, NWCL is financially independent of the Company. The Directors believe that NWCL can obtain more competitive financing terms from external banks and financiers if the financing is supported by the Company and the cost of borrowing will be reduced as a result;
- (c) the Directors believe that the ability of NWCL to raise funds from the public equity markets is limited due to the low liquidity of NWCL Shares and that any significant improvement in this regard in the foreseeable future is unlikely;

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- (d) the Group will have better treasury management if NWCL is a wholly-owned subsidiary of the Company and an unlisted company;
- (e) with NWCL being a wholly-owned subsidiary of the Company, the Group can centralise all the data for better deployment of resources to create management synergy;
- (f) the Scheme, the Proposal and the Rule 13 Offer will give the Company an opportunity to indirectly acquire approximately 30.33% additional interest in NWCL's existing stake in 181 property projects at a discount of approximately 32.47% to the Adjusted NAV of NWCL; and
- (g) the Scheme and the Proposal will simplify the Group structure and save costs and management resources associated with the maintenance of the listing status of NWCL.

INFORMATION ON NWCL

NWCL is a company incorporated in the Cayman Islands with limited liability, the shares of which have been listed on the Main Board of the Stock Exchange since July 1999 with the stock code 0917.

NWCL is the flagship property arm of the Company in the PRC and is one of the large-scale national developers in the PRC with unaudited consolidated total assets of approximately HK\$124.1 billion as at 31 December 2013. The audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2013 were approximately HK\$7,906.9 million and approximately HK\$4,855.4 million respectively and the audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2012 were approximately HK\$6,092.2 million and approximately HK\$3,279.5 million respectively. NWCL Group's development portfolio comprises 36 major projects spanning over 21 large cities or major transportation hubs as at 31 December 2013.

The NWCL Group develops property projects for sale, develops and manages investment properties for rental purposes, and operates resort and hotel projects. Its property projects encompass residential estates, serviced apartments, villas, offices, shopping centres, mixed use comprehensive buildings, hotels and resorts. The NWCL Group has undertaken urban redevelopment projects in the old city centre of Beijing, Tianjin and Jinan, and is the developer of landmark commercial complexes in Beijing, Shanghai, Wuhan, Tianjin and Dalian and large-scale residential communities in Shenyang, Wuhan, Guangzhou, Chengdu, Changsha and Guiyang.

INFORMATION ON THE OFFEROR AND THE COMPANY

The Offeror is a wholly-owned subsidiary of the Company.

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The Company is the parent company of NWCL and a company incorporated in Hong Kong with limited liability, the shares of which have been listed on the Main Board of the Stock Exchange since 1972 with the stock code 0017. It is a constituent stock of the Hong Kong Hang Seng Index with a total unaudited asset value of approximately HK\$354.7 billion as at 31 December 2013.

The Group is a leading property development company based in Hong Kong. The Company was founded in 1970 and for more than four decades, the Group has expanded its business portfolio from a single focus on the property business to five core areas, comprising property, infrastructure, services, hotels and department stores in Hong Kong, the PRC and Macau Special Administrative Region. The Group is also involved in direct investment and an array of other businesses, including telecommunications.

The aggregate remuneration payable to and benefits in kind receivable by the directors of the Offeror will not be varied in consequence of the implementation of the Scheme, the Proposal and the Rule 13 Offer.

SCHEME SHARES AND EXTRAORDINARY GENERAL MEETING OF NWCL

As at the Latest Practicable Date, the Offeror and the Company held 255,041,727 NWCL Shares and 5,721,977,644 NWCL Shares representing approximately 2.94% and 65.92% of the issued share capital of NWCL, respectively. Such NWCL Shares will not form part of the Scheme Shares and will not be cancelled upon the Scheme becoming effective. As the Offeror and the Company are not Scheme Shareholders, they will not vote on the Scheme at the Court Meeting. The Offeror and the Company will undertake to the Grand Court that they will be bound by the Scheme, so as to ensure that they will be subject to the terms and conditions of the Scheme.

As at the Latest Practicable Date, the Offeror Concert Parties held in aggregate 5,999,122,755 NWCL Shares, representing approximately 69.11% of the issued share capital of NWCL. NWCL Shares held by the Offeror Concert Parties (except NWCL Shares held by the Company) will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective, but such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting provided that, for the avoidance of doubt, Independent NWCL Shareholders who may vote include any member of the HSBC group acting in its capacity as a Registered Owner of NWCL Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; and (ii) if the NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party.

The Offeror and the Company have indicated that if the Scheme is approved at the Court Meeting, those NWCL Shares held by them will be voted in favour of the resolutions to be proposed at the NWCL EGM in relation to the approval of the Scheme, the consequential reduction of the issued share capital of NWCL and the increase of the issued share capital of NWCL to its former amount by the issue at par to the Offeror, credited as fully paid, of the same number of NWCL Shares as the number of Scheme Shares cancelled.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

If the Scheme, the Proposal and the Rule 13 Offer are completed on the proposed terms, they will constitute a major transaction and connected transactions for the Company under the Listing Rules.

Major transaction

As one or more of the Applicable Percentage Ratios in respect of the Scheme, the Proposal and the Rule 13 Offer will exceed 25% and all of those Applicable Percentage Ratios will be less than 100%, implementation of the Scheme, the Proposal and the Rule 13 Offer will constitute a major transaction for the Company under the Listing Rules. To the best of the knowledge, information and belief of the Directors, save for the connected persons of the Company listed below, the Scheme Shareholders and the holders of NWCL Options are third parties independent of the Company and its connected persons.

Connected transactions

As at the Latest Practicable Date, the following connected persons of the Company are interested in NWCL Shares and/or NWCL Options:

Name	Relationship with the Company	Interests	
		NWCL Shares	NWCL Options
Dr. Cheng Kar-Shun, Henry	an executive Director and an executive director of NWCL	151,983,526	2,077,922
Mr. Cheng Kar-Shing, Peter	a non-executive Director and an executive director of NWCL	755,961	831,169
Ms. Cheng Chi-Man, Sonia	an executive Director and an executive director of NWCL	953,669	Nil
Mr. Lee Luen-Wai, John	an independent non-executive Director and an independent non-executive director of NWCL	387,448	311,688
Mr. Doo Wai-Hoi, William	a non-executive Director	2,571,663	Nil
Mr. William Junior Guilherme Doo	the son of Mr. Doo Wai-Hoi, William (being a non-executive Director)	517,500	Nil
Ms. Ki Man-Fung, Leonie	an executive Director	45,000	Nil
Mr. Cheng Chi-Kong, Adrian	an executive Director and an executive director of NWCL	Nil	935,066
Ms. Ngan Man-Ying, Lynda	an executive director of NWCL	Nil	1,038,961
Mr. Fong Shing-Kwong, Michael	an executive director of NWCL	1,856,895	449,481
Dr. Cheng Wai-Chee, Christopher	an independent non-executive director of NWCL	387,448	311,688
Hon. Tien Pei-Chun, James	an independent non-executive director of NWCL	387,448	311,688
		159,846,558	6,267,663

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So far as the Directors are able to ascertain after making reasonable enquiries, the total original purchase costs of the above NWCL Shares and NWCL Options held by the connected persons of the Company were approximately HK\$361.38 million and approximately HK\$80 million respectively.

The aggregate payment of approximately HK\$1,111 million by the Offeror of:

- (i) the Cancellation Price (on the basis of their respective interests in NWCL Shares as at the Latest Practicable Date) to the aforesaid connected persons in consideration for the cancellation of their respective interests in NWCL Shares; and
- (ii) the “see-through” price (being the Cancellation Price minus the relevant exercise price of NWCL Options (being approximately HK\$3.036 per NWCL Share), and on the basis of their respective interests in NWCL Options as at the Latest Practicable Date) to the aforesaid connected persons in consideration for the cancellation of their respective interests in NWCL Options,

will constitute connected transactions for the Company under the Listing Rules. Such connected transactions will be subject to the reporting and announcement requirements but will be exempted from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules as one or more of the Applicable Percentage Ratios in respect of such aggregate payment by the Offeror of the Cancellation Price and the “see-through” price to the connected persons of the Company will exceed 0.1% but all those Applicable Percentage Ratios will be less than 5%.

The Shareholders who have a material interest in the Scheme, the Proposal and/or the Rule 13 Offer and their associates will be required to abstain from voting on the resolution for approving the Proposal and the Rule 13 Offer at the EGM.

Ms. Ip Mei-Hing, Katherine (who is the wife of Dr. Cheng Kar-Shun, Henry and the mother of Mr. Cheng Chi-Kong, Adrian and Ms. Cheng Chi-Man, Sonia, each of whom is a Director and a director of NWCL and is interested in NWCL Shares and/or NWCL Options as mentioned above), Ms. Ki Man-Fung, Leonie (who is a Director and is interested in NWCL Shares as mentioned above), Mr. Doo Wai-Hoi, William (who is a Director and is interested in NWCL Shares as mentioned above), Mr. Fong Shing-kwong, Michael (who is a director of NWCL and interested in NWCL Shares and NWCL Options as mentioned above) and Ms. Doo Siu, Ka Yin Catherine (who is the wife of Mr. William Junior Guilherme Doo and the daughter-in-law of Mr. Doo Wai-Hoi William, both of whom are interested in NWCL Shares as mentioned above and the latter of whom is a Director), who respectively held 600,000, 90,000, 7,000,000, 2,078,468 and 40,000 Shares (respectively representing approximately 0.007%, 0.001%, 0.081%, 0.024% and 0.0005% of the entire issued share capital in the Company) as at the Latest Practicable Date, will abstain from voting on the resolution for approving the Proposal and the Rule 13 Offer at the EGM. Chow Tai Fook Enterprises Limited and its subsidiaries, which held an aggregate of 3,684,423,603 Shares (representing approximately 42.89% of the entire issued share capital in the Company) as at the Latest Practicable Date, will also abstain from voting on the resolution for approving the Proposal and the Rule 13 Offer at the EGM.

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OTHER INFORMATION

Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia, Mr. Lee Luen-Wai, John, Mr. Doo Wai-Hoi, William and Ms. Ki Man-Fung, Leonie, who are Directors and are interested in the Scheme, the Proposal and/or the Rule 13 Offer, will abstain from voting in respect of the board resolutions of the Company in relation to the Proposal and the Rule 13 Offer.

As at the Latest Practicable Date, there were no arrangements of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Offeror or any Offeror Concert Parties and any other person.

As at the Latest Practicable Date, there was no agreement or arrangement to which the Offeror was a party which related to the circumstances in which it might or might not invoke or seek to invoke a condition to the Scheme and the Proposal.

As at the Latest Practicable Date, save as disclosed in Appendix III — General Information Relating to the Offeror to the Scheme Document, which in turn is set out in Appendix IV to this circular, there were no NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares which the Offeror and the Offeror Concert Parties have borrowed or lent, save for borrowed securities (if any) which have been either on-lent or sold by the Offeror Concert Parties.

As at the Latest Practicable Date, no person who owned or controlled NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares had irrevocably committed themselves to the Offeror or the Company to vote their NWCL Shares in favour of or against the resolutions in respect of the Scheme at the Court Meeting or the NWCL EGM.

FINANCIAL EFFECTS OF THE SCHEME, THE PROPOSAL AND THE RULE 13 OFFER

Following the Effective Date, NWCL will be accounted for as a wholly-owned subsidiary of the Company.

Profit attributable to the Shareholders of the Company for the year ended 30 June 2013 would be increased by approximately HK\$1,393.4 million from approximately HK\$14,148.7 million to approximately HK\$15,542.1 million assuming completion of the Scheme, the Proposal and the Rule 13 Offer had taken place on 1 July 2012.

As set out in Appendix II to this circular, the unaudited pro forma total assets of the Group would decrease to approximately HK\$349,339.0 million and total liabilities of the Group would remain at approximately HK\$170,362.3 million, assuming completion of the Scheme, the Proposal and the Rule 13 Offer had taken place on 31 December 2013.

Your attention is drawn to the unaudited pro forma financial information of the Group set out in Appendix II to this circular.

LETTER FROM THE BOARD

EGM AND BOOK CLOSURE

The notice convening the EGM to be held at the Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Monday, 16 June 2014 at 10:30 a.m. is set out on pages 858 and 859 of this circular. At the EGM, the Shareholders will be requested to consider and, if thought fit, pass the ordinary resolution to approve the Proposal and the Rule 13 Offer. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll. Therefore, the resolution put to the vote at the EGM will be taken by way of poll. In accordance with Rule 13.39(4) of the Listing Rules, the chairman of the EGM will direct that the proposed resolution set out in the notice convening the EGM be voted on by way of a poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. After the conclusion of the EGM, the poll results will be published on the respective websites of the Stock Exchange and the Company.

A form of proxy for use at the EGM is also enclosed. Whether or not you intend to attend the meeting (and any adjournment thereof) in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit it with the Company's share registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish.

In order to determine the entitlement of Shareholders to attend and vote at the EGM (or any adjournment thereof), the register of members of the Company will be closed from Thursday, 12 June 2014 to Monday, 16 June 2014, both days inclusive, during which period no share transfer will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 11 June 2014.

RECOMMENDATIONS

The Board and the Offeror Board have engaged Quam Capital as their independent financial adviser pursuant to Rule 2.4 of the Takeovers Code and Quam Capital has advised that having taken into account, among others, the business and financial performance of the NWCL Group, the Cancellation Price, the reasons for and benefits of the Scheme and the Proposal from the perspective of the Company and the Shareholders (as set out in the section headed "Reasons for, and benefits of, the Scheme and the Proposal" above) and the financial impacts of the Scheme and the Proposal on the Group, the Proposal and the Rule 13 Offer on the Company, it considers that the Scheme, the Proposal and the Rule 13 Offer are in the interests of the Shareholders and the shareholder of the Offeror. Your attention is drawn to the letter from Quam Capital set out on pages 30 to 76 of this circular which contains its full advice to the Board and the Offeror Board in relation to the Scheme, the Proposal and the Rule 13 Offer.

LETTER FROM THE BOARD

The Board are of the opinion that the terms of the Scheme, the Proposal and the Rule 13 Offer are fair and reasonable and in the interests of the Shareholders as a whole. Accordingly, the Board recommend the Shareholders to vote in favour of the ordinary resolution to be proposed in relation to the Proposal and the Rule 13 Offer at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices I to IV to this circular.

Yours faithfully,
For and on behalf of
the Board of Directors of
New World Development Company Limited
(新世界發展有限公司)
Dr. Cheng Kar-Shun, Henry
Chairman

LETTER FROM QUAM CAPITAL

The following is the full text of the letter from Quam Capital setting out its advice to the Board and the Offeror Board in respect of the Scheme, the Proposal and the Rule 13 Offer, which has been prepared for the purpose of inclusion in this circular.



Quam Capital Limited

A Member of The Quam Group

19 May 2014

To the Board and the Offeror Board

Dear Sir or Madam,

PROPOSED PRIVATISATION OF NEW WORLD CHINA LAND LIMITED BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES LAW)

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Board and the Offeror Board in respect of the Scheme, the Proposal and the Rule 13 Offer pursuant to Rule 2.4 of the Takeovers Code. Details of the Scheme, the Proposal and the Rule 13 Offer are set out in the “Letter from the Board” (the “**Letter from the Board**”) contained in the circular dated 19 May 2014 (the “**Circular**”) issued by the Company to the Shareholders, of which this letter forms part. Terms used in this letter shall have the same meaning as defined in the Circular unless the context otherwise requires.

Quam Capital is not associated with the Company, the Offeror, NWCL or any of their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them. Apart from normal professional fees payable to us in connection with this engagement, no other arrangement exists whereby we will receive any fees or benefits from the Company, the Offeror, NWCL, or any of their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them. As at the Latest Practicable Date, a fellow subsidiary of Quam Capital had been providing delayed stock quote data feed, investment calculator and historical stock price look up services to the Company. As the contract value of the services is immaterial, we do not consider the aforesaid relationship will affect the objectivity of our advice. Accordingly, we are considered eligible to give an independent advice to the Board and the Offeror Board.

BASIS OF OUR OPINION

In formulating our recommendation, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Company and its advisers; (iii) the opinions expressed by and the representations of the Directors and management of the Group; and (iv) the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true,

LETTER FROM QUAM CAPITAL

accurate and complete in all respects at the date thereof and may be relied upon. The Company is obliged to inform the Shareholders if there is any material change to the information disclosed in the Circular prior to the date of the EGM, in which case we will consider whether it is necessary to revise our opinion and inform the Board and the Offeror Board accordingly. We have no reason to doubt the truth, accuracy and completeness of such information and representations provided to us by the management of the Group, the directors and the advisers of the Company.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company, NWCL or any of their respective subsidiaries and associates.

THE SCHEME, THE PROPOSAL AND THE RULE 13 OFFER

The Proposal

On 12 March 2014, the Offeror requested the NWCL Board to put forward the Proposal to the Scheme Shareholders regarding the proposed privatisation of NWCL by way of a scheme of arrangement under Section 86 of the Companies Law.

If the Scheme is approved and implemented, among others:

- (i) all Scheme Shares held by the Scheme Shareholders on the Effective Date will be cancelled in exchange for the payment of the Cancellation Price, being HK\$6.80 per Scheme Share;
- (ii) the Company will together with the Offeror hold 100% of the issued share capital in NWCL; and
- (iii) NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange immediately following the Effective Date.

Conditions of the Scheme and the Proposal

The Proposal is, and the Scheme will become, effective and binding on NWCL and all NWCL Shareholders, subject to the fulfillment or waiver (as applicable) of, among others, the following conditions:

- (i) the approval of the Scheme (by way of poll) by a majority in number of the Independent NWCL Shareholders representing not less than three-fourths in value of the NWCL

LETTER FROM QUAM CAPITAL

Shares held by the Independent NWCL Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:

- (a) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the Scheme Shares held by the Independent NWCL Shareholders that are voted either in person or by proxy at the Court Meeting; and
 - (b) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by the Independent NWCL Shareholders;
- (ii) (a) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the NWCL Shareholders present and voting in person or by proxy at an extraordinary general meeting of NWCL to approve and give effect to the reduction of the issued share capital of NWCL by cancelling the Scheme Shares, and (b) the passing of an ordinary resolution by the NWCL Shareholders at an extraordinary general meeting of NWCL to increase immediately thereafter the issued share capital of NWCL to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new NWCL Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror; and
- (iii) the Shareholders approving the Proposal and the Rule 13 Offer at a general meeting of the Company.

Details of all of the Conditions are set out in the Letter from the Board.

Rule 13 Offer

HSBC has made, on behalf of the Offeror, the Rule 13 Offer to the holders of NWCL Options for the cancellation of every vested and unvested NWCL Option held as at the Rule 13 Offer Record Date.

The Rule 13 Offer is conditional upon the Scheme becoming effective and binding.

Under the Rule 13 Offer, the consideration payable to the holders of NWCL Options as at the Rule 13 Offer Record Date in cash equal to the “see-through” price (being the Cancellation Price minus the relevant exercise price of NWCL Options) for each NWCL Option that they hold.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation, we have taken into consideration the following principal factors and reasons:

1. Background of the Group

1.1 Business

The Group is principally engaged in the following businesses:

(i) *Property development and property investment*

The PRC property business is operated through NWCL (Stock Code: 0917), a 69.7%-owned subsidiary of the Company as at the Latest Practicable Date, whereas the Hong Kong property business is carried out by certain subsidiaries of the Company (other than NWCL Group).

The property business is the major profit contributor of the Group. For the year ended 30 June 2013, the property business accounted for approximately 69.9% of the segment results of the Group.

(ii) *Infrastructure and services*

NWS (Stock code: 0659), a 61.3%-owned subsidiary of the Company as at the Latest Practicable Date, is principally engaged in investments in infrastructure projects span over Hong Kong, the PRC and Macau Special Administrative Region and operating vital utility services and infrastructure facilities.

(iii) *Department stores*

NWDS (Stock code: 0825), a 72.3%-owned subsidiary of NWD as at the Latest Practicable Date, is principally engaged in operating department stores in the PRC.

(iv) *Hotel operations*

The Group's hotel portfolio comprises a range of deluxe and lifestyle hotel properties across Hong Kong, the PRC and Southeast Asia. Hotels in Hong Kong are the major contributors to the segment results of the Group's hotel operations.

1.2 Historical financial performance

The following tables set out certain selected financial information of the Group for each of the years ended 30 June 2011, 2012 and 2013 (“FY2011”, “FY2012” and “FY2013” respectively) as extracted from the respective annual reports of the Company (the “NWD

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Annual Reports”) and for each of the six months ended 31 December 2012 and 2013 (“HY2013” and “HY2014” respectively) as extracted from the respective interim reports of the Company (the “NWD Interim Reports”).

	Six months ended		Year ended 30 June		
	31 December		2013	2012	2011
	2013	2012	2013	2012	2011
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	27,180.2	24,455.0	46,779.9	35,620.1	32,882.0
Profit before taxation	10,094.9	14,555.5	23,311.2	18,721.6	15,577.8
Profit for the year/period	6,904.3	12,340.0	18,516.4	14,321.1	12,744.0
Attributable to					
— the Shareholders	4,529.2	9,985.9	14,148.7	10,139.0	9,153.9
— non-controlling interests	2,375.1	2,354.1	4,367.7	4,182.1	3,590.1
Dividend	773.2	751.5	2,645.2	2,333.0	1,514.1
Earnings per Share (HK\$)					
— Basic	0.72	1.62	2.28	1.88	2.10
— Diluted	0.72	1.58	2.24	1.85	2.04
Gross profit margin (<i>Note 1</i>)	41.7%	42.0%	39.4%	44.1%	37.1%
Net profit margin (<i>Note 2</i>)	16.7%	40.8%	30.2%	28.5%	27.8%

Notes:

- Gross profit margin of each of the financial year/period is calculated as gross profit for the respective financial year/period divided by revenue for the corresponding year/period.
- Net profit margin of each of the financial year/period is calculated as net profit for the respective financial year/period attributable to the Shareholders divided by revenue for the corresponding year/period.

	As at		As at 30 June	
	31 December		2013	2011
	2013	2013	2012	2011
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Total assets	354,722.3	332,189.1	286,371.7	229,115.4
Total liabilities	170,362.3	154,444.1	128,331.0	94,746.8
Shareholders' funds	143,514.9	139,130.6	123,542.9	103,780.4
Non-controlling interests	40,845.1	38,614.4	34,497.8	30,588.2
Total equity	<u>184,360.0</u>	<u>177,745.0</u>	<u>158,040.7</u>	<u>134,368.6</u>
Gearing ratio (<i>Note</i>)	35.1%	35.2%	36.6%	26.0%

Note: The gearing ratios are calculated on the basis of net debts over total equity of the Group as disclosed in the NWD Annual Reports and NWD Interim Reports.

LETTER FROM QUAM CAPITAL

(i) *Historical financial results*

As disclosed in the NWD Annual Reports and NWD Interim Reports, the revenue of the Group for FY2011, FY2012, FY2013 and HY2014 was generated from property development, property investment, service, infrastructure, hotel operations, department stores, telecommunications and other operations. From FY2011 to HY2014, property development was the largest business segment of the Group which contributed segment revenue of approximately HK\$16,117.0 million, HK\$12,627.1 million, HK\$24,249.2 million and HK\$14,027.2 million for FY2011, FY2012, FY2013 and HY2014 respectively, representing approximately 49.0%, 35.4%, 51.8% and 51.6% of the Group's total revenue for the corresponding years/period. This segment also contributed to approximately 43.2%, 39.8%, 44.5% and 54.9% of the Group's segment results (including share of results of jointly controlled entities/joint ventures and associated companies) for FY2011, FY2012, FY2013 and HY2014 respectively. Shareholders should note that, out of the revenue generated by the Group's property development segment, approximately HK\$12,459.5 million, HK\$9,992.9 million, HK\$14,232.5 million and HK\$10,539.1 million was attributable to the revenue generated from property sales of NWCL Group for FY2011, FY2012, FY2013 and HY2014 respectively which was consolidated into the Group's financial results, representing approximately 77.3%, 79.1%, 58.7% and 75.1% of revenue generated by the Group's property development segment for the corresponding years/period.

For FY2013, the Group's revenue increased by approximately HK\$11,159.8 million, or approximately 31.3%, to approximately HK\$46,779.9 million from approximately HK\$35,620.1 million for FY2012. This was mainly due to the surge in revenue generated by the property development segment by HK\$11,622.1 million. As mentioned in the annual report of the Company for FY2013, the increase in revenue from property sales in Hong Kong for FY2013 was primarily attributable to market's positive responses to four property projects of the Group completed/relaunched for sale within FY2013, namely "The Riverpark" in Sha Tin, "The Signature" in Tai Hang, "Double Cove" in Ma On Shan and "The Masterpiece" in Tsim Sha Tsui. For FY2013, revenue from property sales in the PRC generated by NWCL Group also contributed to the increase in revenue of the Group by approximately HK\$4,239.6 million. This was mainly attributable to the higher recorded property sale volume of NWCL Group for FY2013 as a result of the positive signs of sentiment revival and gradual improvement in property market condition in the PRC since April 2012 and the increase in NWCL Group's property projects completion in terms of gross floor area ("GFA") in FY2013 as compared to that in FY2012.

For HY2014, the Group's total revenue continued to increase as compared to that for HY2013. As disclosed in the Company's interim report for HY2014, notwithstanding the market challenges such as the successive launches of policies to curb speculations in the property market by the Hong Kong government and the contemplated withdrawal of its bond-buying program by United States Federal Open Market Committee in 2013, the

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increase in the Group's revenue from property sales was mainly attributable to the favourable market response on the Group's property projects completed within HY2014, including "The Woodsville" and "The Reach", both in Yuen Long, and "The Riverpark" in Sha Tin. On the other hand, the PRC property market continued to grow with support from concrete and genuine housing demand whereby the overall sale volume of residential units and prices in major cities continued at an upward trend in HY2014, contributing to the increase in property sale volume and thus, the revenue from property sales of NWCL Group for HY2014 as compared to HY2013.

As set out in the above historical financial results of the Group, net profit attributable to the Shareholders was generally on an increasing trend from FY2011 to FY2013, which was in line with the growth in revenue of the Group during the same period. For HY2014, despite the Group continued to record growth in revenue as compared to HY2013, net profit attributable to the Shareholders for HY2014 declined to approximately HK\$4,529.2 million from that of approximately HK\$9,985.9 million for HY2013, primarily as a result of the decrease in gain on changes in fair value of investment properties by approximately HK\$5,210.5 million from approximately HK\$5,650.7 million for HY2013 to approximately HK\$440.2 million for HY2014. This was also attributable to the decrease in earnings per Share and net profit margin for HY2014 as compared to those of HY2013.

(ii) *Historical financial positions*

As set out in the above table, the asset base of the Group was on an increasing trend from 30 June 2011 to 31 December 2013. Total assets of the Group reached approximately HK\$354,722.3 million as at 31 December 2013. Property interests, including investment properties, properties for development, properties under development and properties held of sale, were the major assets of the Group which amounted to approximately HK\$172,042.5 million as at 31 December 2013 and accounted for approximately 48.5% of the Group's total assets as at 31 December 2013. Cash and bank balances of the Group were approximately HK\$46,143.7 million as at 31 December 2013.

As at 31 December 2013, the Group had long-term borrowings and short-term borrowings of approximately HK\$114,686.4 million, representing approximately 67.3% of the Group's total liabilities, which comprised secured and unsecured bank loans, fixed rate bonds, convertible bonds, loans from non-controlling shareholders and other secured and unsecured loans. Gearing ratio of the Group was approximately 35.1% as at 31 December 2013.

Based on the above analysis, we consider that NWCL Group is strategically important to the Group.

LETTER FROM QUAM CAPITAL

2. Background of NWCL Group

2.1 Business

NWCL is the flagship property arm of the Group in the PRC. NWCL Group develops property projects for sale, develops and manages investment properties for rental purposes, and operates resort and hotel projects. The shares of NWCL have been listed on the Main Board of the Stock Exchange since July 1999.

NWCL Group's property projects encompass residential estates, serviced apartments, villas, offices, shopping centres, mixed use comprehensive buildings, hotels and resorts. NWCL Group has undertaken urban redevelopment projects in the old city centre of Beijing, Tianjin and Jinan, and is the developer of landmark commercial complexes in Beijing, Shanghai, Wuhan, Tianjin and Dalian and large-scale residential communities in Shenyang, Wuhan, Guangzhou, Chengdu, Changsha and Guiyang. According to the interim report of NWCL for HY2014, NWCL Group had a sizeable landbank of over 25 million sq.m. and NWCL Group's hotel portfolio comprises seven hotels with over 2,000 rooms in the PRC.

2.2 Historical financial performance

(i) Historical financial results of NWCL Group

The following table sets out the audited consolidated income statement of NWCL Group for FY2011, FY2012 and FY2013 as extracted from the respective annual reports of NWCL (the "NWCL Annual Reports") and the unaudited consolidated income statement of NWCL Group for HY2013 and HY2014 as extracted from the respective interim reports of NWCL (the "NWCL Interim Reports").

	Six months ended		Year ended 30 June		
	31 December				
	2013	2012	2013	2012	2011
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	11,884,427	6,548,195	16,153,872	12,528,755	13,557,227
Cost of sales	<u>(6,301,012)</u>	<u>(3,336,216)</u>	<u>(9,395,433)</u>	<u>(6,887,239)</u>	<u>(9,300,950)</u>
Gross profit	5,583,415	3,211,979	6,758,439	5,641,516	4,256,277
Other income	901,023	432,827	1,031,293	772,288	879,277
Other gains, net	268,456	401,130	840,955	249,186	680,239
Changes in fair value of investment properties	310,306	378,407	623,795	1,025,791	386,890
Selling expenses	(419,771)	(281,635)	(550,200)	(420,724)	(267,034)
Administrative and other operating expenses	<u>(726,704)</u>	<u>(628,969)</u>	<u>(1,347,765)</u>	<u>(1,256,521)</u>	<u>(981,636)</u>

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	Six months ended		Year ended 30 June		
	31 December		2013	2012	2011
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating profit before					
finance costs	5,916,725	3,513,739	7,356,517	6,011,536	4,954,013
Finance costs	(188,041)	(188,068)	(414,256)	(292,503)	(268,470)
Share of results of associated					
companies and jointly					
controlled entities/joint					
ventures	<u>331,408</u>	<u>302,392</u>	<u>964,636</u>	<u>373,171</u>	<u>378,176</u>
Profit before taxation	6,060,092	3,628,063	7,906,897	6,092,204	5,063,719
Taxation charge	<u>(2,530,558)</u>	<u>(1,217,259)</u>	<u>(3,051,541)</u>	<u>(2,812,704)</u>	<u>(1,917,443)</u>
Profit for the year/period	<u>3,529,534</u>	<u>2,410,804</u>	<u>4,855,356</u>	<u>3,279,500</u>	<u>3,146,276</u>
Attributable to					
— NWCL Shareholders	3,394,594	2,321,074	4,616,314	3,080,929	3,025,826
— Non-controlling interests	<u>134,940</u>	<u>89,730</u>	<u>239,042</u>	<u>198,571</u>	<u>120,450</u>
	<u>3,529,534</u>	<u>2,410,804</u>	<u>4,855,356</u>	<u>3,279,500</u>	<u>3,146,276</u>
Dividends	<u>346,972</u>	<u>259,903</u>	<u>606,589</u>	<u>605,409</u>	<u>403,364</u>
Earnings per share (HK\$)					
— Basic	0.3916	0.2682	0.5332	0.4204	0.5055
— Diluted	0.3914	0.2681	0.5329	0.4172	0.5006
Gross profit margin (<i>Note 1</i>)	47.0%	49.1%	41.8%	45.0%	31.4%
Net profit margin (<i>Note 2</i>)	28.6%	35.4%	28.6%	24.6%	22.3%

Notes:

1. Gross profit margin of each of the financial year/period is calculated as gross profit for the respective financial year/period divided by revenue for the corresponding year/period.
2. Net profit margin of each of the financial year/period is calculated as net profit for the respective financial year/period attributable to NWCL Shareholders divided by revenue for the corresponding year/period.

(1) Revenue

As set out in the NWCL Annual Reports and the NWCL Interim Reports, revenue of NWCL Group for FY2011, FY2012, FY2013 and HY2014 was generated from (i) property sales; (ii) land preparatory work; (iii) rental operation; (iv) hotel operation; (v) property management services; (vi) hotel management services; and (vii) other operations. Among these business segments, property sales segment remained the largest revenue contributor of NWCL Group, revenue

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generated from which amounted to approximately HK\$12,459.5 million, HK\$9,992.9 million, HK\$14,232.5 million and HK\$10,539.1 million for FY2011, FY2012, FY2013 and HY2014 respectively, representing approximately 91.9%, 79.8%, 88.1% and 88.7% of NWCL Group's total revenue for the corresponding years/period.

For FY2012, total revenue of NWCL Group amounted to approximately HK\$12,528.8 million, representing a decrease of approximately HK\$1,028.4 million or approximately 7.6%, as compared to that of approximately HK\$13,557.2 million for FY2011. Such decrease was mainly attributable to the decrease in revenue generated from property sales segment by approximately HK\$2,466.6 million, or approximately 19.8%, from approximately HK\$12,459.5 million for FY2011 to approximately HK\$9,992.9 million for FY2012. According to the annual report of NWCL for FY2012, such decrease was primarily attributable to the overall decrease in property sale volume of NWCL Group in GFA by approximately 49.7% from 1,307,329 sq.m. for FY2011 to 657,059 sq.m. for FY2012 mainly as a result of (i) the prolonged impact of mortgage restriction measures implemented in the PRC since April 2010 and purchase restriction measures introduced thereafter, to presales of those property projects completed during FY2012; and (ii) the decrease in completion of projects in GFA from 1,364,214 sq.m. in FY2011 to 828,153 sq.m. in FY2012, representing a year-on-year decrease of approximately 39.3%. Nevertheless, the adverse impact of the decrease in property sale volume in FY2012 was mitigated by the increase in overall gross profit margin of properties sold driven by, among others, (i) the sale of Guangzhou Central Park-view project and Guangzhou Park Paradise project which are high end property projects with higher gross profit margin of up to approximately 69% and contributed to over 53% of total recorded property sales for FY2012; (ii) the sales of less restricted commercial properties with higher gross profit margin; and (iii) the upward adjustment of selling price on subsequent phases of residential properties by NWCL Group during FY2012. The effect of the decrease in NWCL Group's revenue from property sales segment on NWCL Group's total revenue for FY2012 was partially offset by (i) the income from land preparatory work performed in FY2012 of approximately HK\$723.8 million (FY2011: nil); and (ii) the increase in hotel management services fee income by approximately HK\$437.0 million from approximately HK\$31.9 million for FY2011 to approximately HK\$468.9 million for FY2012 mainly due to the acquisition of Rosewood Hotels and Resorts, L.L.C. in FY2012 and the new hotel management contracts and technical service contracts obtained by NWCL Group in the fourth quarter of FY2011.

Despite the decrease in total revenue for FY2012, NWCL Group managed to achieve an increase in total revenue in FY2013 by HK\$3,625.1 million, or approximately 28.9%, from approximately HK\$12,528.8 million for FY2012 to approximately HK\$16,153.9 million for FY2013. As disclosed in the annual report of NWCL for FY2013, such increase was mainly contributed by the surge in

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revenue generated from the property sales segment of NWCL Group for FY2013 by approximately HK\$4,239.6 million, or approximately 42.4%, from approximately HK\$9,992.9 million for FY2012 to approximately HK\$14,232.5 million for FY2013, which was mainly attributable to the higher recorded property sale volume of NWCL Group in GFA for FY2013 of 1,224,658 sq.m., representing an increase to approximately 86.4% from 657,059 sq.m. for FY2012, principally as a result of the positive signs of sentiment revival and gradual improvement in property market condition since April 2012 and the increase in NWCL Group's property projects completion in GFA from 828,153 sq.m. in FY2012 to that of 1,487,807 sq.m. in FY2013. However, the effect of higher sales volume on revenue from property sales segment was partially offset by the lower overall gross profit margin primarily because the recorded property sales from high end property projects in Guangzhou contributed only approximately 42% of total recorded property sales for FY2013 as compared to that of over 53% for FY2012, and approximately 40% of the recorded property sales for FY2013 were contributed from property projects in second-tier and third-tier cities such as Anshan, Wuhan, Guiyang, Haikou, Changsha and Chengdu with relatively lower gross profit margin.

For HY2014, the PRC property market continued to sustain a steady growth with support from concrete and genuine housing demand whereby the overall sale volume of residential units and prices in major cities continued at an upward trend throughout the period. NWCL Group continued the growth momentum for the period and recorded increase in property sales volume in GFA from 267,266 sq.m. for HY2013 to 771,109 sq.m. for HY2014, which contributed to the increase in revenue from property sales segment from approximately HK\$5,608.3 million for HY2013 to that of approximately HK\$10,539.1 million for HY2014. As a result of the foregoing, NWCL Group's total revenue for HY2014 soared by approximately HK\$5,336.2 million, or approximately 81.5%, from approximately HK\$6,548.2 million for HY2013 to that of approximately HK\$11,884.4 million for HY2014.

On 9 January 2014, NWCL announced that NWCL Group's contracted sales from October to December 2013 amounted to approximately RMB5.36 billion, representing an increase of 17.7% as compared to the same period in 2012 and an increase of 35.4% as compared to the last quarter based on the preliminary internal management information. NWCL Group's accumulated contracted sales from July to December 2013 amounted to approximately RMB9.32 billion, representing an increase of 9.9% as compared to the same period in 2012 and an increase of 15.3% as compared to the first half of 2013.

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(2) Gross profit and gross profit margin

NWCL Group's gross profit increased from approximately HK\$4,256.3 million for FY2011 to approximately HK\$5,641.5 million for FY2012, with gross profit margin of approximately 31.4% for FY2011 and 45.0% for FY2012. Notwithstanding the decrease in total revenue of NWCL Group for FY2012 as compared to that for FY2011 as discussed above, NWCL Group achieved higher gross profits for FY2012 than that for FY2011 mainly due to the increase in overall gross profit margin of properties sold as detailed in the sub-section headed "(1) Revenue" above.

For FY2013, NWCL Group continued to record growth in gross profit from approximately HK\$5,641.5 million for FY2012 to that of approximately HK\$6,758.4 million for FY2013 mainly due to the increase in revenue for FY2013 as discussed above. However, since the recorded property sales from high end property projects in Guangzhou contributed only approximately 42% of total recorded property sales for FY2013 as compared to that of over 53% for FY2012, and that approximately 40% of the recorded sales for FY2013 were contributed from property projects in second-tier and third-tier cities such as Anshan, Wuhan, Guiyang, Haikou, Changsha and Chengdu with relatively lower gross profit margin, NWCL Group recorded a relatively lower overall gross profit margin of approximately 41.8% for FY2013 as compared to that of approximately 45.0% for FY2012.

For HY2014, the upward trend of NWCL's gross profit continued, reaching approximately HK\$5,583.4 million as compared to that of approximately HK\$3,212.0 million for HY2013, which was consistent with its higher revenue for HY2014 than that for HY2013. On the other hand, NWCL Group's gross profit margin for HY2014 slightly decreased to approximately 47.0% from that of approximately 49.1% for FY2013, which was mainly due to a larger proportion of property sales for HY2014 as compared to HY2013 were contributed from sales of property projects in third-tier cities. Approximately 16% of the total recorded property sales amount was from property projects in third-tier cities for HY2014 while only approximately 1% of recorded property sales amount for HY2013 was from property projects in third-tier cities. As a result of change in sales mix, the average selling price for HY2014 decreased by RMB4,962 per sq.m. to approximately RMB13,073 per sq.m. as compared to that of approximately RMB18,035 per sq.m. for HY2013.

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(3) Other income and other gains, net

Other income of NWCL Group mainly comprised the following components: (i) tax indemnity from its ultimate holding company, the Company; (ii) bank and other interest income; (iii) interest income from jointly controlled entities/joint ventures (net of withholding tax); and (iv) trademark fee income from jointly controlled entities/joint ventures.

Pursuant to a deed of indemnity entered into between the Company and NWCL Group in July 1999, the Company has undertaken to indemnify NWCL Group in respect of, among others, certain PRC corporate income tax and land appreciation tax payable in consequence of the disposal of certain properties held by NWCL Group as at 31 March 1999. For FY2011, FY2012, FY2013 and HY2014, tax indemnity amounted approximately HK\$654.3 million, HK\$503.5 million, HK\$617.2 million and HK\$751.3 million was effected and recognised by NWCL Group respectively, being the largest component of NWCL Group's other income for the relevant years/periods.

Bank and other interest income was the second largest component of NWCL Group's other income, which amounted to approximately HK\$86.2 million, HK\$107.0 million, HK\$264.8 million and HK\$122.0 million for FY2011, FY2012, FY2013 and HY2014 respectively. The increase in bank and other interest income was generally consistent with the increase in average cash and bank balances of NWCL Group during the financial years/periods under review.

The remaining of NWCL Group's other income mainly represented interest income from its jointly controlled entities/joint ventures as the property projects of NWCL Group's jointly controlled entities/joint ventures have been partly financed by NWCL Group in the form of equity capital and unsecured shareholder's advances, majority of which are interest bearing, and also trademark fee income from jointly controlled entities/joint ventures.

NWCL Group's other gains, net, generally comprised net foreign exchange gains and gain on disposal of investment properties. For FY2011, FY2012, FY2013 and HY2014, NWCL Group recorded net foreign exchange gain of approximately HK\$639.4 million, HK\$158.0 million, HK\$535.8 million and HK\$226.4 million respectively as RMB was generally in an appreciating trend against Hong Kong dollar during the financial years/period concerned. For FY2013, NWCL Group recorded gain on disposal of property, plant and equipment and land use rights amounted to approximately HK\$309.4 million which led to relatively higher other gains, as compared to other financial years/periods under review.

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(4) Change in fair value of investment properties

NWCL Group recorded gain on change in fair value of investment properties of approximately HK\$386.9 million, HK\$1,025.8 million, HK\$623.8 million and HK\$310.3 million for FY2011, FY2012, FY2013 and HY2014, respectively, mainly as a result of the appreciation of property value in the PRC during the financial years/periods under review.

(5) Operating expenses and finance costs

Operating expenses of NWCL Group consisted of selling expenses, and administrative and other operating expenses. As stated in the NWCL Annual Reports and the NWCL Interim Reports, the operating expenses of NWCL Group were generally in an increasing trend from FY2011 to HY2014, mainly due to, among others, (i) the increasing staff costs of NWCL Group which was in line with the increase in number of NWCL Group's full-time employees of 5,771, 7,725, 9,172 and 9,626 respectively as at 30 June 2011, 30 June 2012, 30 June 2013 and 31 December 2013 respectively; (ii) the increase in rental for leased properties as a result of the increasing trend of rental in the PRC; and (iii) the increase in selling expenses which was generally in line with the overall increasing trend of NWCL Group's revenue during the financial years/periods under review.

Finance costs of NWCL Group mainly represented interest on bank borrowings, interest on fixed rate bonds wholly repayable within five years, interest on advances from participating interest, as well as interest on other borrowings, such as loans from fellow subsidiaries, non-controlling interests, convertible bonds and short term loans. As stated in the NWCL Annual Reports, to the extent funds are borrowed generally and used for the purpose of financing certain property, plant and equipment, investment properties and properties held for/under development of NWCL Group, the relevant and eligible borrowing costs are capitalised in such property, plant and equipment, investment properties and properties held for/under development, whereby those borrowing costs not being capitalised are presented as finance costs in the consolidated income statements of NWCL Group.

(6) Share of results of associated companies and jointly controlled entities/joint ventures

Share of results of associated companies and jointly controlled entities/joint ventures mainly represented NWCL Group's attributable operating results of certain projects in form of co-operative joint ventures and wholly foreign owned enterprises in the PRC which engaged in property investment and development and hotel operation in accordance with the respective profit sharing ratios of NWCL Group under the relevant contractual arrangements among the shareholders.

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(7) Taxation charge

PRC corporate income tax has been provided on the estimated assessable profits of subsidiaries, associated companies and jointly controlled entities/joint ventures operating in the PRC at 25%. PRC land appreciation tax is provided at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sale of properties less deductible expenditures including costs of land use rights and property development expenditures.

The effective tax rate (calculated by using taxation charge divided by profit before taxation) were approximately 37.9%, 46.2%, 38.6% and 41.8% for FY2011, FY2012, FY2013 and HY2014 respectively. The relatively high effective tax rate for FY2012 as compared to those of other financial years/periods under review was mainly because of the increase in PRC land appreciation tax for FY2012 which was consistent with the relatively higher amount of gain on change in fair value of investment properties for FY2012.

(8) Net profit and net profit margin

In line with the generally increasing trend of revenue and gross profit from FY2011 to HY2014, the net profit of NWCL Group increased from approximately HK\$3,146.3 million for FY2011 to approximately HK\$4,855.4 million for FY2013, and from approximately HK\$2,410.8 million for HY2013 to approximately HK\$3,529.5 million for HY2014.

NWCL Group's net profit margin improved from approximately 22.3% for FY2011 to approximately 24.6% for FY2012. Notwithstanding the higher operating expenses for FY2012 as compared to that for FY2011, such improvement in net profit margin was mainly attributable to the higher gross profit margin achieved in FY2012 and the increase in gain on changes in fair value of investment properties from approximately HK\$386.9 million for FY2011 to approximately HK\$1,025.8 million for FY2012. NWCL Group's net profit margin further raised to approximately 28.6% for FY2013 mainly as a result of the increase in the share of results of associated companies and jointly controlled entities/joint ventures, other income and other gain recognised for FY2013 as compared to those for FY2012, notwithstanding the lower gross profit margin for FY2013 as compared to that for FY2012. For HY2014, NWCL Group's net profit margin declined to approximately 28.6% from approximately 35.4% for HY2013 mainly because of the lower gross profit margin and the higher operating expenses for the period.

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(ii) *Historical financial position of NWCL Group*

The following table sets out the audited consolidated statement of financial position of NWCL Group as at 30 June 2011, 30 June 2012 and 30 June 2013 as extracted from the NWCL Annual Reports and the unaudited consolidated statement of financial position of NWCL Group as at 31 December 2013 as extracted from the interim report of NWCL for HY2014.

	As at 31 December 2013 (Unaudited) HK\$'000	As at 30 June 2013 (Audited) HK\$'000	As at 30 June 2012 (Audited) HK\$'000	2011 (Audited) HK\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	4,471,199	3,430,117	2,660,411	1,832,310
Investment properties	21,230,834	19,928,241	17,165,024	14,197,823
Land use rights	619,918	621,096	679,009	693,090
Intangible assets	2,014,307	1,940,241	1,925,141	23,394
Properties held for development	19,015,573	17,350,847	15,864,552	12,478,678
Associated companies and jointly controlled entities/joint ventures	14,423,495	12,914,943	11,502,724	10,047,204
Available-for-sale financial assets	<u>85,147</u>	<u>108,457</u>	<u>108,457</u>	<u>58,362</u>
	----- 61,860,473	----- 56,293,942	----- 49,905,318	----- 39,330,861
Current assets				
Properties under development	21,651,463	20,449,013	17,951,504	15,214,997
Completed properties held for sale	9,024,331	7,093,274	5,060,918	2,767,280
Hotel inventories, at cost	4,608	4,551	4,181	4,653
Prepayments, debtors and other receivables	10,667,700	13,817,090	11,339,135	10,976,586
Amounts due from related companies	925,369	851,225	604,929	589,809
Cash and bank balances	<u>19,945,079</u>	<u>19,337,202</u>	<u>13,257,612</u>	<u>10,650,728</u>
	----- 62,218,550	----- 61,552,355	----- 48,218,279	----- 40,204,053
Total assets	<u><u>124,079,023</u></u>	<u><u>117,846,297</u></u>	<u><u>98,123,597</u></u>	<u><u>79,534,914</u></u>
EQUITY				
Capital and reserves attributable to the company's equity holders				
Share capital	867,186	866,360	864,979	576,239
Reserves	56,768,180	53,135,700	47,540,960	40,887,420
Interim dividend	346,972	—	—	—
Proposed final dividend	<u>—</u>	<u>346,686</u>	<u>346,034</u>	<u>230,505</u>
	57,982,338	54,348,746	48,751,973	41,694,164
Non-controlling interests	<u>3,359,703</u>	<u>3,354,883</u>	<u>2,973,143</u>	<u>2,354,690</u>
Total equity	----- 61,342,041	----- 57,703,629	----- 51,725,116	----- 44,048,854

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	As at 31 December 2013 <i>(Unaudited)</i> HK\$'000	2013 <i>(Audited)</i> HK\$'000	As at 30 June 2012 <i>(Audited)</i> HK\$'000	2011 <i>(Audited)</i> HK\$'000
LIABILITIES				
Non-current liabilities				
Long term borrowings	32,973,109	30,957,581	22,919,267	14,151,021
Deferred tax liabilities	<u>3,004,253</u>	<u>2,839,705</u>	<u>2,460,377</u>	<u>2,185,100</u>
	<u>35,977,362</u>	<u>33,797,286</u>	<u>25,379,644</u>	<u>16,336,121</u>
Current liabilities				
Creditors and accruals	7,866,124	6,819,852	5,883,221	3,714,991
Deposits received on sale of properties	7,705,589	9,041,851	5,161,655	4,819,682
Amounts due to related companies	950,200	838,710	1,345,767	1,337,068
Short term loans	256,410	543,038	270,699	370,087
Current portion of long term borrowings	4,991,585	5,501,711	5,267,457	6,382,934
Amounts due to non-controlling interests	103,639	103,192	101,916	101,512
Taxes payable	<u>4,886,073</u>	<u>3,497,028</u>	<u>2,988,122</u>	<u>2,423,665</u>
	<u>26,759,620</u>	<u>26,345,382</u>	<u>21,018,837</u>	<u>19,149,939</u>
Total liabilities	<u>62,736,982</u>	<u>60,142,668</u>	<u>46,398,481</u>	<u>35,486,060</u>
Total equity and liabilities	124,079,023	117,846,297	98,123,597	79,534,914
Net current assets	<u>35,458,930</u>	<u>35,206,973</u>	<u>27,199,442</u>	<u>21,054,114</u>
Total assets less current liabilities	<u>97,319,403</u>	<u>91,500,915</u>	<u>77,104,760</u>	<u>60,384,975</u>
Gearing ratio (<i>Note</i>)	<u>29.8%</u>	<u>30.6%</u>	<u>29.4%</u>	<u>23.3%</u>

Note: Gearing ratios are calculated on the basis of net debts over total equity of NWCL Group as disclosed in the NWCL Annual Reports and NWCL Interim Reports.

A significant portion of NWCL Group's assets consist of investment properties, land use rights, properties held for development, properties under development and completed properties held for sale. The aggregate amount of the aforesaid assets was approximately HK\$71.5 billion, representing approximately 57.7% of NWCL Group's total assets as at 31 December 2013.

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(1) Investment properties

Investment properties of NWCL Group mainly comprised completed investment properties which are located in a number of cities in the PRC, such as Wuhan, Tianjin, Dalian, Shenyang, Shanghai and Guangzhou as well as investment properties under development. Investment properties of NWCL Group are measured initially at its cost, including related transaction costs, and carried at fair value after initial recognition.

As at 30 June 2011, 30 June 2012, 30 June 2013 and 31 December 2013, investment properties accounted for approximately 17.9%, 17.5%, 16.9% and 17.1% of NWCL Group's total assets respectively. As noted from the annual report of NWCL for FY2013, the total GFA of NWCL Group's completed investment properties (including those held by associated companies and jointly controlled entities) as at 30 June 2013 reached approximately 2,201,160 sq.m. (30 June 2012: 2,090,140 sq.m.; 30 June 2011: 2,136,948 sq.m.). Carrying value of NWCL Group's investment properties increased from approximately HK\$14,197.8 million as at 30 June 2011 to approximately HK\$21,230.8 million as at 31 December 2013. Such increase was mainly attributable to the addition, transfer-in from properties under development and completed properties held for sale, as well as the increase in fair value of investment properties during the financial years/period under review.

(2) Properties held for/under development

Properties held for/under development of NWCL Group comprised payments for land use rights, development expenditure and borrowing costs capitalised, and are carried at the lower of cost and net realisable value. As at 30 June 2011, 30 June 2012, 30 June 2013 and 31 December 2013, properties held for/under development accounted for approximately 34.8%, 34.5%, 32.1% and 32.8% of NWCL Group's total assets respectively. As noted from the annual report of NWCL for FY2013, the total GFA of NWCL Group's properties held for/under development (including those held by jointly controlled entities) as at 30 June 2013 under 38 development projects was approximately 26,543,033 sq.m. (30 June 2012: 40 projects with total GFA of 27,623,067 sq.m.; 30 June 2011: 40 projects with total GFA of 26,530,050 sq.m.), which were mainly located in Beijing, Langfang, Tangshan, Tianjin, Jinan, Shenyang, Anshan, Dalian, Haikou, Chengdu, Guangzhou, Wuhan and Changsha. Based on the annual report of NWCL for FY2013, among the properties under development of approximately HK\$20,449.0 million as at 30 June 2013, nearly half (approximately 48.2%) were expected to be completed and available for sale within 12 months from 30 June 2013.

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(3) Completed properties held for sale

Completed properties held for sale are reclassified from properties under development upon completion of the relevant development projects and are initially measured at the carrying amount of the properties at the date of reclassification from properties under development. Completed properties held for sale are carried at the lower of cost and net realisable value. As at 30 June 2011, 30 June 2012, 30 June 2013 and 31 December 2013, completed properties held for sale represented approximately 3.5%, 5.2%, 6.0% and 7.3% of NWCL Group's total assets respectively.

Completed properties held for sale increased significantly in an increasing trend from approximately HK\$2,767.3 million as at 30 June 2011 to that of approximately HK\$9,024.3 million as at 31 December 2013, mainly attributable to, among others, the increase in the excess of development projects completion over sales volume. As disclosed in the NWCL Annual Reports, in FY2013, NWCL Group completed 15 property development projects with a total GFA of 1,487,807 sq.m. whereas NWCL Group only completed 9 property development projects with total GFA of 828,153 sq.m. in FY2012 and 10 property development projects with total GFA of 1,364,214 sq.m. in FY2011. For HY2014, 9 property development projects with total GFA of 955,166 sq.m. were completed, which represented over 64% of the total GFA of projects completed in FY2013. The percentage of sales volume to project completed in GFA for FY2011, FY2012, FY2013 and HY2014 were approximately 95.8%, 79.3%, 82.3% and 80.7% respectively.

(4) Cash and bank balances

NWCL Group maintains an ample amount of cash reserves. As at 30 June 2011, 30 June 2012, 30 June 2013 and 31 December 2013, cash and bank balances represented approximately 13.4%, 13.5%, 16.4% and 16.1% of NWCL Group's total assets respectively. The cash and bank balances of NWCL Group increased from approximately HK\$10,650.7 million as at 30 June 2011 to approximately HK\$13,257.6 million as at 30 June 2012 and further increased to approximately HK\$19,337.2 million as at 30 June 2013. Such increase was principally attributable to the net increase in long-term borrowings during FY2012 and FY2013. As at 31 December 2013, the cash and bank balances of NWCL Group slightly increased to approximately HK\$19,945.1 million.

(5) Long term borrowings (current and non-current portions)

As set out in the NWCL Annual Reports, long term borrowings of NWCL Group mainly included secured and unsecured bank loans, fixed rate bonds, loans from fellow subsidiaries and non-controlling interests, advances from participating interests and other secured and unsecured loans. Long term borrowings were one of

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the important sources of funds of NWCL Group, which represented approximately 57.9%, 60.7%, 60.6% and 60.5% of NWCL Group's total liabilities as at 30 June 2011, 30 June 2012, 30 June 2013 and 31 December 2013 respectively.

As disclosed in the NWCL Annual Reports, on 29 March 2012 and 12 April 2012, NWCL issued bonds in the aggregate principal of RMB2,800 million and RMB1,500 million (equivalent to approximately HK\$3,414.6 million and HK\$1,829.3 million) respectively with maturity date on 11 April 2015. On 6 February 2013, NWCL issued bonds in the aggregate principal amount of RMB3,000 million (equivalent to approximately HK\$3,797 million) with maturity date on 6 February 2018. These bonds are listed on the Stock Exchange. Primarily as a result of the aforesaid issue of corporate bonds and the net increase in bank loans, long term borrowings of NWCL Group increased from approximately HK\$20,534.0 million as at 30 June 2011 to approximately HK\$36,459.3 million as at 30 June 2013. The balance increased slightly to approximately HK\$37,964.7 million as at 31 December 2013 primarily as a result of increase in bank loans in HY2014.

According to the interim report of NWCL for HY2014, as at 31 December 2013, NWCL Group's property, plant and equipment, investment properties, land use rights, properties held for development and properties under development of HK\$1,484.4 million, HK\$5,433.3 million, HK\$238.0 million, HK\$368.0 million and HK\$4,600.6 million respectively have been pledged as securities for short term and long term bank borrowings of NWCL Group.

(6) Gearing ratio

As disclosed in the NWCL Annual Reports and NWCL Interim Reports, gearing ratio (calculated on the basis of net debts over total equity) of NWCL Group was approximately 23.3%, 29.4%, 30.6% and 29.8% as at 30 June 2011, 30 June 2012, 30 June 2013 and 31 December 2013 respectively. The increase in gearing ratio from 30 June 2011 to that as at 30 June 2012 was mainly attributable to the increase in long term borrowings for property projects development resulted from the issue of fixed rate bonds during FY2012 as discussed above, which overweighed the effect of increase in total equity during the same year. Gearing ratio of NWCL Group remained stable at around 30% as at 30 June 2012, 30 June 2013 and 31 December 2013.

(iii) *Market value of property interests of NWCL Group*

As reported in the valuation report (the "**Valuation Report**") prepared by Knight Frank Petty Limited (the "**Valuer**") as set out in Appendix II to the Scheme Document which is contained in Appendix IV to the Circular, the market value of the property interests in existing state attributable to NWCL Group in aggregate was approximately RMB101,867 million.

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Set out below is a summary on the market value of property interests extracted from the Valuation Report:

	Market value attributable to NWCL Group as at 28 February 2014 (RMB'000)
Completed investment properties	19,565,896
Investment properties under development	2,594,800
Hotel properties	3,352,025
Completed properties for sale/properties under and held for development	65,008,391
Land and buildings	672,523
Assets under construction	1,703,500
Contracted properties held	<u>8,969,600</u>
Total	<u><u>101,866,735</u></u>

The Adjusted NAV per NWCL Share analysis is set out in section 5.2 below.

We have discussed the valuation basis and methodologies with the Valuer. We consider that the valuation techniques used in valuing the different properties interests of NWCL Group to be appropriate.

3. Reasons for and benefits of the Scheme, the Proposal and the Rule 13 Offer

As stated in the Letter from the Board, NWCL's business is in line with the Company's core business and the Directors believe that the terms of the Scheme, the Proposal and the Rule 13 Offer are fair and reasonable and accordingly consider that the Proposal would be in the interests of the Company and the Shareholders as a whole, for the following reasons:

- (i) as a result of the proposed delisting of NWCL, there will be greater flexibility to manage NWCL's business in a more efficient and sustainable manner;
- (ii) at present, NWCL is financially independent of the Company. The Directors believe that NWCL can obtain more competitive financing terms from external banks and financiers if the financing is supported by the Company and the cost of borrowing will be reduced as a result;

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- (iii) the Directors believe that the ability of NWCL to raise funds from the public equity markets is limited due to the low liquidity of NWCL Shares and that any significant improvement in this regard in the foreseeable future is unlikely;
- (iv) the Group will have better treasury management if NWCL is a wholly-owned subsidiary of the Company and an unlisted company;
- (v) with NWCL being a wholly-owned subsidiary of the Company, the Group can centralise all the data for better deployment of resources to create management synergy;
- (vi) the Scheme, the Proposal and the Rule 13 Offer will give the Company an opportunity to indirectly acquire approximately 30.33% additional interest in NWCL's existing stake in 181 property projects at a discount of approximately 32.47% to the Adjusted NAV of NWCL; and
- (vii) the Scheme and the Proposal will simplify the Group structure and save costs and management resources associated with the maintenance of the listing status of NWCL.

The Directors believe that the ability of NWCL to raise funds from public equity market is currently limited due to the lack of sufficient liquidity and any significant improvement in this regard in the foreseeable future is unlikely. As set out in our analysis on the average daily trading volume of the NWCL Shares during the Review Period (as defined below) in section 5.1 below, it is noted that the percentage of average daily trading volume to total issued NWCL Shares throughout the Review Period were less than 0.2%. Based on the information available on the website of the Stock Exchange, we note that in the past five years before the Last Trading Day, NWCL conducted two equity fund raising activities by way of rights issue in 2009 and 2011, the latter of which relied on the Company to be the sole underwriter. Accordingly, we concur with the Directors' view that NWCL has limited access to public equity market.

The Scheme and the Proposal will give the Company an opportunity to indirectly acquire approximately 30.33% additional interest in NWCL's existing stake in 181 property projects at a discount to the Adjusted NAV of NWCL.

Property development and investment are principal activities of both the Group and NWCL Group. We consider that the consolidation of the operations of the Group and NWCL Group is expected to result in better utilisation of resources for both the Group and NWCL Group. In addition, that resultant consolidated business is expected to result in a more efficient operation with a more cost-effective group structure by making NWCL a wholly-owned subsidiary of the Company.

In light of the above factors and reasons, we concur with the view of the Directors that the Scheme and the Proposal are in the interests of the Company and the Shareholders as a whole.

4. Industry overview of the PRC property development market

4.1 Macro-economic environment in the PRC

The PRC economy has grown significantly since the adoption of the reform and opening-up policy by the PRC government in 1978. Such growth was further accelerated by the PRC's accession to the World Trade Organisation in 2001. From 2001 to 2007, the PRC's nominal gross domestic product (“GDP”) increased at a compound annual growth rate (“CAGR”) of approximately 15.9%. Due to the global financial crisis in late 2008 as well as the subsequent liquidity squeeze and credit crunch which caused a world economic slowdown, the PRC's GDP growth rate slowed down in 2008 and 2009. In response to the crisis, the PRC government had introduced a RMB4 trillion stimulus package in 2008 to finance programs in 10 major areas over 2009 and 2010 in effort to increase liquidity available to the market. The PRC government also introduced a number of economic stimulus measures, alongside the RMB4 trillion stimulus package, effectively boosting short-term growth of the PRC economy in 2010. Since 2010, global economic growth slowed again on fears that the sovereign debt crisis of certain eurozone countries would deepen. In March 2012, the PRC government announced its GDP growth target of 7.5% for 2012, giving rise to further concerns about the sustainability of PRC economic growth. The PRC's whole year GDP growth rate reached 7.7%, slightly higher than the government target of 7.5%.

Despite the credit crunch and world economic slowdown in 2008, the PRC's nominal GDP increased from approximately RMB26,581 billion in 2007 to approximately RMB56,885 billion in 2013 at a CAGR of approximately 13.5% while the PRC's GDP per capita increased from approximately RMB20,169 in 2007 to approximately RMB41,805 in 2013 at a CAGR of approximately 12.9%. Over the same period, the PRC's disposable income of urban households per capita increased from approximately RMB13,786 in 2007 to approximately RMB26,955 in 2013 at a CAGR of approximately 11.8%, demonstrating a significant increase in purchasing power of the PRC population.

	2007	2008	2009	2010	2011	2012	2013
Nominal GDP (RMB billion)	26,581	31,405	34,090	40,151	47,310	51,947	56,885
Real GDP growth rate (%)	14.2	9.6	9.2	10.4	9.3	7.7	7.7
Per capita GDP (RMB)	20,169	23,708	25,608	30,015	35,198	38,364	41,805
Per capita disposable income of urban households (RMB)	13,786	15,781	17,175	19,109	21,810	24,565	26,955

Source: National Bureau of Statistics of China

4.2 Overview of the PRC property market

The favorable economic environment in the PRC has fuelled the growth of the PRC property market. The investment in real estate development increased from approximately RMB2,529 billion in 2007 to approximately RMB8,601 billion in 2013 at a CAGR of approximately 22.6%. According to the National Bureau of Statistics of China, a total of approximately 1,306 million sq.m. of GFA were sold in 2013, representing a substantial increase as compared to the approximately 774 million sq.m. of GFA sold in 2007. From 2007 to 2012, the commodity properties sold comprised mainly residential properties, which recorded an increase from approximately 701 million sq.m. of GFA sold in 2007 to approximately 1,157 million sq.m. of GFA sold in 2013.

According to the National Bureau of Statistics of China, from 2007 to 2013, the average price of commodity properties (including residential properties, office buildings, houses for business use and others) increased at a CAGR of approximately 8.3% and the average price of residential properties increased at a CAGR of approximately 8.2% as demand for real estate increased. The upward trend of the PRC property industry was also evidenced by the growth in revenue from the sale of commodity properties, with the total real estate sales revenue increased significantly from approximately RMB2,989 billion in 2007 to approximately RMB8,143 billion in 2013 at a CAGR of approximately 18.2%. While the prices and sales revenue for real estate in the PRC experienced remarkable growth over the period, the prices have been volatile during the period. Due to the world economic slowdown in 2008, the average price of commodity properties experienced a slight drop of approximately 1.7% from 2007 to 2008 while the sales revenue of commodity properties experienced a drop of approximately 16.1% over the same period. The average price of commodity properties rebounded from approximately RMB3,800 per sq.m. in 2008 to approximately RMB4,681 per sq.m. in 2009, representing an increase of approximately 23.2%, while the sales revenue of commodity properties rebounded from approximately RMB2,507 billion in 2008 to approximately RMB4,436 billion in 2009, representing an increase of approximately 76.9%. On the other hand, the PRC government has been introducing policies since 2009 to regulate the property market and curb housing prices, which led to a relatively modest increase in the average price of commodity properties between 2009 and 2011, reflecting a year-on-year growth rate of approximately 7.5% and 6.5% respectively, and the sales revenue of commodity properties, reflecting a year-on-year growth rate of approximately 18.8% and 11.1% respectively. As mentioned in the annual reports of NWCL for FY2012 and FY2013, the PRC

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government and the national financial institutions moderately adjusted control measures to increase market liquidity in response to the property market trend in March 2012. Since then, the local governments sustained to fine-tune the property restriction measures and monetary easing policies, amongst others, allowing commercial banks to offer bigger discount on mortgage interest rate to first time home buyers which gradually improved the property market sentiment. As evidenced with the average price and sales revenue of commodity properties, both recorded a steady increase of approximately 8.1% and 10.0%, respectively, from 2011 to 2012. The average price and sales revenue of commodity properties further recorded an increase of approximately 7.7% and 26.3%, respectively, from 2012 to 2013.

	2007	2008	2009	2010	2011	2012	2013
<i>Investment</i>							
Investment in real estate development (RMB billion)	2,529	3,120	3,624	4,826	6,180	7,180	8,601
Investment in residential property development (RMB billion)	1,801	2,244	2,561	3,403	4,432	4,937	5,895
<i>Total GFA</i>							
Total GFA of commodity properties sold (million sq.m.)	774	660	948	1,048	1,094	1,113	1,306
Total GFA of residential properties sold (million sq.m.)	701	593	862	934	965	985	1,157
<i>Price and revenue</i>							
Average price of commodity properties (RMB per sq.m.)	3,864	3,800	4,681	5,032	5,357	5,791	6,235
Average price of residential properties (RMB per sq.m.)	3,645	3,576	4,459	4,725	4,993	5,430	5,851
Sales revenue of commodity properties (RMB billion)	2,989	2,507	4,436	5,272	5,859	6,446	8,143
Sales revenue of residential properties (RMB billion)	2,557	2,120	3,843	4,412	4,820	5,347	6,770

Source: National Bureau Statistics of China

4.3 Urbanisation

In addition to the ongoing housing reform and the strong sustainable growth of the PRC economy which has resulted in rising disposable income among the population in the PRC, the rapid pace of urbanisation also contributes to the growth of the real estate market in the PRC.

In recent years, the rate of urbanisation in the PRC has been remarkable. The urban population increased from approximately 606 million in 2007 to approximately 731 million in 2013 with urbanisation rate increased from approximately 45.9% in 2007 to approximately 53.7% in 2013. The urban disposable income per capita also increased from approximately RMB13,786 in 2007 to approximately RMB26,955 in 2013 at a CAGR of approximately 11.8% over the period.

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The table below sets out selective economic statistics relating to urbanisation trends in the PRC for the years indicated:

	2007	2008	2009	2010	2011	2012	2013
Urban population (million)	606	624	645	670	691	712	731
Urbanisation rate (%)	45.9	47.0	48.3	50.0	51.3	52.6	53.7
Per capita disposable income of urban households (RMB)	13,786	15,781	17,175	19,109	21,810	24,565	26,955

Source: National Bureau of Statistics of China

In view of the strong price growth of residential properties, the PRC government has imposed curbs to try to control the price movements as well as measures to regulate the property market in recent years. There is a concern on whether the PRC government will introduce more restrictive policy measures on the property market in the future. Nevertheless, the fundamental factors affecting the PRC property market are still strong. The PRC's strong economic growth will lead to an increase in disposable income of households and rate of urbanisation. Strong growth in disposable income of households can provide some support to property prices. We consider that the urbanisation in the PRC will continue to be the long term driving force in housing demand in the PRC.

5. Evaluation of the Cancellation Price

The Cancellation Price is HK\$6.80 per Scheme Share. It will not be increased and the Offeror does not reserve the right to do so.

5.1 *Share price performance of NWCL Shares*

Closing prices of NWCL Shares

The Cancellation Price of HK\$6.80 per Scheme Share represents:

- (i) a premium of approximately 32.3% over the closing price of HK\$5.14 per NWCL Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 36.3% over the average closing price of approximately HK\$4.99 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 42.2% over the average closing price of approximately HK\$4.78 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;

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- (iv) a premium of approximately 53.7% over the average closing price of approximately HK\$4.42 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (v) a premium of approximately 64.3% over the average closing price of approximately HK\$4.14 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (vi) a premium of approximately 64.1% over the average closing price of approximately HK\$4.14 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (vii) a premium of approximately 78.0% over the average closing price of approximately HK\$3.82 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- (viii) a premium of approximately 5.4% over the closing price of HK\$6.45 per NWCL Share as quoted on the Stock Exchange on the Latest Practicable Date.

Net asset values per NWCL Share

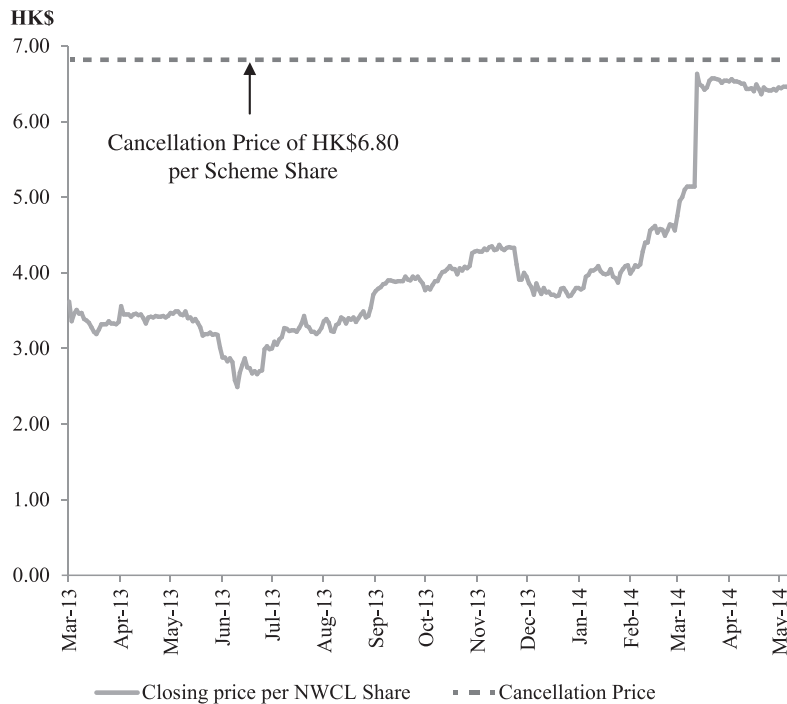
The Cancellation Price of HK\$6.80 per Scheme Share represents:

- (i) a premium of approximately 1.8% over the unaudited consolidated net asset value per NWCL Share of approximately HK\$6.68 as at 31 December 2013; and
- (ii) a discount of approximately 32.5% to the Adjusted NAV per NWCL Share of approximately HK\$10.07 as at 31 December 2013.

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For assessment of the reasonableness of Cancellation Price, we have analysed the recent share price performance and trading volume of NWCL Shares during the Review Period (as defined below). Set out in the chart below are the closing prices of NWCL Shares as quoted on the Stock Exchange (i) from 1 March 2013, being approximately one year before the Last Trading Day (the “**Pre-announcement Period**”); and (ii) 14 March 2014 (being the first trading date after the resumption of trading of NWCL Shares up to and including the Latest Practicable Date (the “**Post-announcement Period**”, together with the Pre-announcement Period, the “**Review Period**”):

Closing share price of NWCL during the Review Period

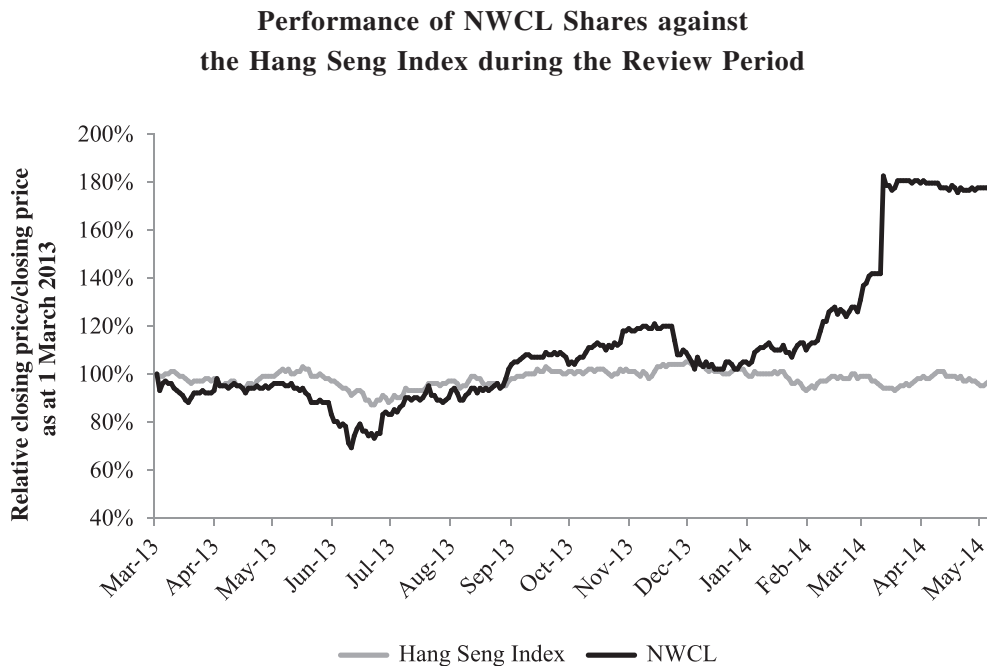


Source: Website of the Stock Exchange

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As illustrated in the chart above, the closing price of NWCL Shares was HK\$3.62 per NWCL Share on 1 March 2013. After reaching the lowest point of HK\$2.49 per NWCL Share on 13 June 2013, the closing prices of the NWCL Shares were generally in an increasing trend. The lowest and highest closing prices of NWCL Shares were HK\$2.49 on 13 June 2013 and HK\$5.14 on 10 March 2014 during the Pre-announcement Period. The Cancellation Price of HK\$6.80 per NWCL Share represents a premium of approximately 173.1% to the lowest closing price and approximately 32.3% to the highest closing price of NWCL Shares during the Pre-announcement Period. It is noted that the closing prices of the NWCL Shares were below the Cancellation Price at all times during the Pre-announcement Period. The NWCL Shares closed at HK\$5.14 per NWCL Share on the Last Trading Day which was the highest price on or before the Last Trading Day during the Pre-announcement Period. The NWCL Shares surged to HK\$6.63 on 14 March 2014, being the first trading day after the publication of the Joint Announcement and have been closing in a range of HK\$6.36 to HK\$6.63 per NWCL Share during the Post-announcement Period.

The price performance of NWCL Shares was further analysed by comparing with the Hong Kong stock market trend during the Review Period. The following chart shows the closing price performance of NWCL Shares against the Hang Seng Index during the Review Period:



Source: Bloomberg

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As illustrated in the chart above, during the Review Period, Hang Seng Index remained relatively stable, with the lowest closing point of 19,813.98 on 24 June 2013 and the highest closing point of 24,038.55 on 2 December 2013. The relative closing price of Hang Seng Index fluctuated in a range between 87% to 105% compared to Hang Seng Index as at 1 March 2013. The performance of NWCL Shares oscillated notably, the relative closing prices were in a range between 69% and 183% compared to its closing price as at 1 March 2013. The performance of NWCL Shares has underperformed the Hang Seng Index during the first half year of the Review Period. During the period between September 2013 and November 2013, the performance of NWCL Shares outperformed Hang Seng Index, whereas the performance of NWCL Shares was notably turned weak during December 2013. Since the beginning of 2014, the performance of NWCL Shares has been significantly outperformed Hang Seng Index. NWCL Shares surged significantly after the publication of the Joint Announcement and remained close to the Cancellation Price. It should be noted that, based on the closing price of NWCL Shares as at the Last Trading Day of HK\$5.14 per NWCL Share, the closing price of NWCL Shares increased by approximately 42% as compared to its closing price as at 1 March 2013, while Hang Seng Index decreased by approximately 3% as compared to 1 March 2013. We also noted that the Cancellation Price represented a premium of approximately 88% as compared to the closing price of NWCL Shares as at 1 March 2013.

Trading volume of NWCL Shares

The following table sets out the trading volume of NWCL Shares during the Review Period:

Month/period	Average daily trading volume for the month/period of NWCL Shares <i>(Note 1)</i>	Percentage of average daily trading volume to total issued NWCL Shares <i>(Note 2)</i>	Percentage of average daily trading volume to total number of Scheme Shares as at the Latest Practicable Date <i>(Note 3)</i>
2013			
March	3,082,756	0.036%	0.114%
April	1,936,316	0.022%	0.072%
May	2,306,965	0.027%	0.085%
June	3,645,763	0.042%	0.135%
July	1,961,628	0.023%	0.073%
August	1,474,985	0.017%	0.055%
September	3,399,128	0.039%	0.126%
October	3,634,961	0.042%	0.134%
November	8,383,986	0.097%	0.310%
December	2,139,847	0.025%	0.079%

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Month/period	Average daily trading volume for the month/period of NWCL Shares <i>(Note 1)</i>	Percentage of average daily trading volume to total issued NWCL Shares <i>(Note 2)</i>	Percentage of average daily trading volume to total number of Scheme Shares as at the Latest Practicable Date <i>(Note 3)</i>
2014			
January	1,783,758	0.021%	0.066%
February	6,849,911	0.079%	0.253%
March	10,207,209	0.118%	0.378%
April	2,937,336	0.034%	0.109%
May (up to the Latest Practicable Date)	1,993,524	0.023%	0.074%

Source: Website of the Stock Exchange

Notes:

1. Average daily trading volume is calculated by dividing the total trading volume for the month/period by the number of trading days during the month/period which exclude any trading day on which trading of NWCL Shares on the Stock Exchange was suspended for the whole trading day.
2. Based on the total issued NWCL Shares at the end of the respective month.
3. Based on 2,703,612,375 Scheme Shares held by the Scheme Shareholders as at the Latest Practicable Date.

As illustrated in the above table, the average daily trading volume of NWCL Shares from 1 March 2013 to the Pre-announcement Period ranged from approximately 1,474,985 NWCL Shares to approximately 8,383,986 NWCL Shares, representing approximately 0.017% to 0.097% of the total number of NWCL Shares in issue for the respective month, and approximately 0.055% to 0.310% of the total number of NWCL Shares held by the Scheme Shareholders as at the Latest Practicable Date.

During the Post-announcement Period, the total trading volume relatively surged with an average daily trading volume of 10,207,209 NWCL Shares, 2,937,336 NWCL Shares and 1,993,524 NWCL Shares during March, April and May 2014 (up to the Latest Practicable Date) respectively. We consider that the relatively high trading volumes in March, April and May 2014 were mainly stimulated by the publication of the Joint Announcement. In view of the above, we consider that, save for March, April and May 2014, the overall liquidity of NWCL Shares was relatively low in normal circumstances. Given the low liquidity of NWCL Shares, we consider that it is difficult for NWCL to raise funds from public equity market.

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5.2 Adjusted net asset value

It is noted that the carrying value of properties interests as stated in the financial statements of NWCL may or may not reflect current market value, details of which are discussed in section 2.2 (ii) above. A summary of market value of properties interest held by NWCL is stated in section 2.2 (iii) above.

In the context of our advice on the Scheme and the Proposal, we have reassessed the unaudited consolidated net asset value of NWCL based on the unaudited consolidated net asset value of NWCL Group as at 31 December 2013 and adjustments as set out below. The Adjusted NAV calculation is extracted from Appendix I of the Scheme Document, which is set out in Appendix IV to the Circular. We consider that the Adjusted NAV better reflects the underlying net asset back of NWCL Group.

	Net asset value <i>HK\$'000</i>	Net asset value per NWCL Share <i>(Note 4)</i> <i>HK\$</i>
Unaudited consolidated net asset value of NWCL Group as at 31 December 2013	57,982,338	6.68
Revaluation surplus arising from valuation of the property interests attributable to NWCL Group as at 28 February 2014 <i>(Note 1)</i>	42,392,971	4.89
Less: Deferred taxes on attributable revaluation surplus, net of tax indemnity <i>(Note 2)</i>	(12,839,008)	(1.48)
Interim dividend payable	(346,972)	(0.04)
Revaluation surplus arising from the acquisition of an interest in the Palm Island Resort project <i>(Note 3)</i>	<u>191,052</u>	<u>0.02</u>
Adjusted NAV	<u><u>87,380,381</u></u>	<u><u>10.07</u></u>

Notes:

1. The revaluation surplus represents the excess of market value of the property interests held by NWCL Group as at 28 February 2014 as set out in the Valuation Report over their corresponding book values as at 28 February 2014 (after adjusting for the relevant interest not attributable to NWCL Group) based on the unaudited financial statements of NWCL Group as at 28 February 2014.

2. Relevant PRC taxes on property interests included corporate income tax and land appreciation tax. Deferred taxes on revaluation surplus is estimated on the basis that surplus on all categories of property interests shall be subject to corporate income tax and estimation of land appreciation taxes was only determined for the surplus of completed properties for sales and property held for and under development. In July 1999, a deed of tax indemnity was entered into between the Company and NWCL whereby the Company undertakes to keep indemnify NWCL Group in respect of relevant corporate income tax and land appreciation taxes payable in consequence of sales of certain properties held by

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NWCL Group as at 31 March 1999. The outstanding tax indemnity payable by the Company as at 28 February 2014 was approximately HK\$5,461.3 million which is included to arrive at the net deferred tax on revaluation surplus of property interests. Set out below is the reconciliation of the amount of deferred taxes on attributable revaluation surplus, net of tax indemnity:

HK\$'000

Unaudited deferred taxes on attributable revaluation surplus of NWCL Group as at 28 February 2014	18,300,341
Less: Outstanding tax indemnity payable by the Company as at 28 February 2014	<u>(5,461,333)</u>
Deferred taxes on attributable revaluation surplus, net of tax indemnity	<u>12,839,008</u>

3. As disclosed in the joint announcement dated 7 April 2014 issued by NWD and NWCL, NWCL Group will acquire a 57.46% interests in a company principally engaged in the operation of the Palm Island Resort project in Guangdong Province comprising golf club operation and real estate development. Based on the valuation of relevant properties and their underlying book values, this acquisition will result in an additional revaluation surplus (net of tax) of approximately HK\$191.1 million.
4. The net asset value per NWCL Share is arrived at on the basis of 8,680,631,746 NWCL Shares in issue as at the Latest Practicable Date.

The calculation of the Adjusted NAV above has been prepared by NWCL solely with reference to, among others, the latest published unaudited consolidated net asset value of NWCL as at 31 December 2013 and the revaluation surplus arising from the change in fair value of the property interests held by NWCL Group as set out in the Valuation Report.

The Adjusted NAV per NWCL Share of HK\$10.07 is substantially higher than the net asset value per NWCL Share of HK\$6.68 as at 31 December 2013. The Cancellation Price of HK\$6.80 per Scheme Share represents a discount of approximately 32.5% to the Adjusted NAV of HK\$10.07 per NWCL Share. As such, we consider that the Cancellation Price is fair and reasonable in this regard.

5.3 Comparable companies analysis for the Proposal

In assessing whether the terms of the Proposal is fair and reasonable, we have analysed the price-to-earnings ratio (the “**P/E Ratio**”) and price-to-net asset value ratio (the “**P/NAV Ratio**”), the two most commonly used valuation benchmarks, as implied by the Cancellation Price of HK\$6.80 under the Proposal with the P/E Ratio and P/NAV Ratio of the comparable companies. We consider that NWCL Group is categorised as property developer in the PRC. Therefore, we have reviewed all property companies listed on the Stock Exchange (the “**Peer Comparables**”), which are principally engaged in property development in the PRC as shown

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in their latest published annual reports, and which have a market capitalisation above HK\$25,000 million and below HK\$80,000 million as at the Last Trading Day. On this basis, we have, on our best knowledge and effort, identified the following six Peer Comparables and set them out in the table below.

Peer Comparables	Market capitalisation as at the Last Trading Day <i>(HK\$ million)</i>	Audited consolidated profit attributable to equity holders <i>(Note 1)</i> <i>(HK\$ million)</i>	Historical P/E Ratio <i>(Note 1)</i> <i>(Times)</i>	Audited/ unaudited consolidated net asset value attributable to equity holders <i>(Note 2)</i> <i>(HK\$ million)</i>	Historical P/NAV Ratio <i>(Note 2)</i> <i>(Times)</i>
Country Garden Holdings Company Limited (stock code: 2007)	75,860	10,728	7.07	55,382	1.37
Evergrande Real Estate Group Limited (stock code: 3333)	46,599	15,891	2.93	61,223	0.76
Longfor Properties Company Limited (stock code: 0960)	53,654	10,127	5.30	46,599	1.15
Shimao Property Holdings Limited (stock code: 0813)	49,241	9,311	5.29	52,595	0.94
Sino-Ocean Land Holdings Limited (stock code: 3377)	29,205	5,134	5.69	50,473	0.58
Soho China Limited (stock code: 0410)	30,767	9,309	3.31	47,200	0.65
High	75,860	15,891	7.07	61,223	1.37
Low	29,205	5,134	2.93	46,599	0.58
Mean	47,554	10,083	4.93	52,245	0.91
NWCL as implied by the Cancellation Price under the Proposal	59,001 <i>(Note 3)</i>	4,616	12.78 <i>(Note 4)</i>	57,982 <i>(Note 5)</i>	1.02 <i>(Note 6)</i>

Source: Bloomberg and website of the Stock Exchange

Notes:

1. The historical P/E Ratio of the Peer Comparables are calculated based on their latest audited consolidated profit attributable to equity holders and their closing market capitalisation as at the Last Trading Day.
2. The historical P/NAV Ratio of the Peer Comparables are calculated based on their latest audited consolidated net asset value attributable to equity holders and their closing market capitalisation as at the Last Trading Day.
3. We have taken the Cancellation Price of HK\$6.80 per Scheme Share for the purpose of determining the market capitalisation of NWCL.

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4. The historical P/E Ratio of NWCL is calculated based on its latest audited consolidated profits attributable to equity holders and its market capitalisation represented by the Cancellation Price.
5. The unaudited consolidated net asset value attributable to equity holders of NWCL is extracted from its latest interim report.
6. The historical P/NAV Ratio is calculated based on the market capitalisation represented by the Cancellation Price over the unaudited consolidated net asset value attributable to equity holders of NWCL.
7. The amounts denominated in RMB in the annual reports of the Peer Comparables have been converted into HK\$ at an exchange rate of RMB1.00: HK\$1.26 for the purpose of illustration only.

(i) *P/E Ratio*

The historical P/E Ratio of the Peer Comparables range from 2.93 to 7.07 times, with a mean of approximately 4.93 times. Based on the Cancellation Price of HK\$6.80 per Scheme Share, the P/E Ratio as implied by the Cancellation Price is 12.78 times. This P/E Ratio represents a significant premium over the P/E Ratio of the Peer Comparables. We note that the NWCL Shares were traded at a P/E Ratio of 9.66 times based on the closing price of HK\$5.14 on the Last Trading Day which is also higher than those of the Peer Comparables. Furthermore, cancellation price under privatisation proposals normally is higher than the then prevailing share prices. Our analysis on recent privatisation cases is set out in section 5.4 below.

(ii) *P/NAV Ratio*

The historical P/NAV Ratio of the Peer Comparables range from 0.58 to 1.37 times, with a mean of approximately 0.91 times. The P/NAV Ratio as implied by the Cancellation Price of approximately 1.02 times falls within the range of P/NAV Ratio of the Peer Comparables.

5.4 Analysis on previous privatisation cases

We have, on our best knowledge and efforts, identified and reviewed a list of the successful privatisations of listed companies on the Stock Exchange of which the privatisation was first announced since 1 January 2010 and up to the Latest Practicable Date (the “**Privatisation Precedents**”). The table below illustrates the premium or discount of the cash consideration offered by the Privatisation Precedents to the prevailing trading prices and net asset values of the shares of the Privatisation Precedents.

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Date of initial announcement	Privatisation Precedents	Principal activities	Premium of offer/cancellation price over the share price of the relevant company prior to announcement of the privatisation proposal					Premium/ (discount) of offer/cancellation price over/to the consolidated net asset value attributable to equity holders per share (Approximate %)
			Offer/cancellation price (HK\$)	Closing price of last trading day	Last 30 trading days	Last 90 trading days	last 180 trading days	
January 2013	PCD Store (Group) Limited (stock code: 0331)	Operation and management of high-end department stores and outlet malls in the PRC	1.20	10.1%	20.7%	45.5%	59.4%	71.4%
January 2013	Trauson Holdings Company Limited (stock code: 0325)	Design, manufacture and sale of various trauma and spine orthopaedic implants and related surgical tools	7.5	66.7%	81.7%	96.4%	121.0%	352.4%
February 2012	Alibaba.com Limited (stock code: 1688)	E-commerce for small businesses	13.5	45.9%	58.8%	59.3%	42.0%	623.9%
January 2012	Samling Global Limited (stock code: 3938)	Sale of timber logs from concession and tree plantation areas, the manufacturing and sale of plywood and veneer, the provision of upstream support, and the manufacturing and sale of timber related products	0.76	102.7%	102.7%	80.5%	21.6%	(30.7)%
December 2011	Hang Ten Group Holdings Limited (stock code: 0448)	Design, marketing and retail and wholesale of apparel and accessories under various brand names including “Hang Ten” and licensing of its proprietary trade mark “Hang Ten” and associated marks	2.7	58.8%	54.3%	60.4%	40.4%	178.4%

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Date of initial announcement	Privatisation Precedents	Principal activities	Premium of offer/cancellation price over the share price of the relevant company prior to announcement of the privatisation proposal					Premium/ (discount) of offer/cancellation price over/to the consolidated net asset value attributable to equity holders per share (Approximate %)
			Offer/cancellation price (HK\$)	Closing price of last trading day	Last 30 trading days	Last 90 trading days	Last 180 trading days	
October 2011	Zhengzhou China Resources Gas Co., Ltd. (stock code: 3928)	Sale and distribution of gas fuel and related products and gas connection operations in the PRC	14.73	45.8%	38.4%	22.8%	10.9%	34.5%
August 2011	HannStar Board International Holdings Limited (stock code: 0667)	Manufacturer of PCBs for the notebook computer industry worldwide	1.25	47.1%	51.8%	48.0%	23.8%	(43.9)%
July 2011	China Resources Microelectronic Ltd. (stock code: 0597)	Open foundry operations as well as integrated circuit (IC) design, discrete devices and IC testing and packaging	0.48	43.3%	29.7%	21.9%	27.5%	13.2%
July 2011	International Mining Machinery Holdings Ltd. (stock code: 1683)	Design, manufacture and sale of underground longwall coal mining equipment in the PRC	8.5	29.8%	15.8%	16.3%	23.8%	269.6%
July 2011	Cosway Corporation Limited (stock code: 0288)	Direct selling of consumer products including health and nutrition, slimming, personal care, skin care, cosmetics, perfumes, household and car care, food and beverage, water filtration systems, kitchenware, body shaping lingerie, etc. through network marketing and property investment	1.1	34.1%	45.1%	32.9%	23.8%	349.0%
May 2011	Little Sheep Group Ltd. (stock code: 0968)	Operation of a full service restaurant chain, provision of catering services and sale of related food products	6.5	30.0%	29.5%	32.3%	30.8%	380.0%

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Date of initial announcement	Privatisation Precedents	Principal activities	Premium of offer/cancellation price over the share price of the relevant company prior to announcement of the privatisation proposal					Premium/ (discount) of offer/cancellation price over/to the consolidated net asset value attributable to equity holders per share (Approximate %)
			Offer/cancellation price (HK\$)	Closing price of last trading day	Last 30 trading days	Last 90 trading days	Last 180 trading days	
January 2011	Shanghai Forte Co Land Ltd. (stock code: 2337)	Development and sale of high quality commercial and residential properties in the PRC	3.5	25.4%	34.3%	43.0%	52.4%	7.5%
January 2011	Fubon Bank (Hong Kong) Ltd. (stock code: 0636)	Financial services encompassing wealth management, consumer and wholesale banking, financial markets, securities brokerage and investment services	5.2	37.6%	43.3%	39.4%	45.9%	46.2%
August 2010	Integrated Distribution Services Group Ltd. (stock code: 2387)	Provision of logistics services, and distribution of fast moving consumer goods and healthcare products and manufacturing	21.0	36.2%	45.1%	51.1%	60.7%	406.2%
August 2010	Industrial and Commercial Bank of China (Asia) Limited (stock code: 0349)	Banking, financial and other financial related services with a focus on retail banking, commercial banking as well as corporate banking business	29.45	27.8%	41.2%	48.7%	59.1%	114.5%
May 2010	Denway Motors Limited (stock code: 0203)	Manufacturing, assembly and trading of motor vehicles, the manufacturing and trading of automotive equipments and parts in the PRC	5.42 (Note)	18.9%	27.4%	21.5%	28.5%	152.1%
April 2010	Wheelock Properties Limited (stock code: 0049)	Ownership of properties for development and letting	13.0	143.9%	162.1%	162.1%	155.2%	(3.4)%

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Date of initial announcement	Privatisation Precedents	Principal activities	Premium of offer/cancellation price over the share price of the relevant company prior to announcement of the privatisation proposal					Premium/ (discount) of offer/cancellation price over/to the consolidated net asset value attributable to equity holders per share (Approximate %)
			Offer/cancellation price (HK\$)	Closing price of last trading day	Last 30 trading days	Last 90 trading days	Last 180 trading days	
January 2010	Hutchison Telecom International Limited (stock code: 2332)	Provider of telecommunications services	2.2	36.6%	38.5%	37.2%	29.2%	(11.6)%
	High			143.9%	162.1%	162.1%	155.2%	623.9%
	Low			10.1%	15.8%	16.3%	10.9%	(43.9)%
	Mean			46.4%	50.2%	51.1%	47.6%	161.6%
March 2014	NWCL		6.80	32.3%	53.7%	64.1%	78.0%	1.8%

Note: The offer in the privatisation proposal of Denway Motors Limited consisted of share exchange offer only. The computation above was based on the estimated value of the shares to be exchanged as set out in the document issued by Denway Motors Limited dated 18 June 2010.

As illustrated in the table above, all the offer/cancellation prices of the Privatisation Precedents represent premiums over the then prevailing market prices of the relevant shares prior to the initial announcement of the privatisation over the periods indicated. The premiums represented by the offer/cancellation price over the average closing price for the Privatisation Precedents for (i) the trading day prior to initial announcement of privatisation ranged from approximately 10.1% to 143.9% with an average of approximately 46.4%; (ii) 30 trading days prior to initial announcement of privatisation ranged from approximately 15.8% to 162.1% with an average of approximately 50.2%; (iii) 90 trading days prior to initial announcement of privatisation ranged from approximately 16.3% to 162.1% with an average of approximately 51.1%; and (iv) 180 trading days prior to initial announcement of privatisation ranged from approximately 10.9% to 155.2% with an average of approximately 47.6%. The premiums represented by the Cancellation Price over the average closing prices of the NWCL Shares of approximately 32.3%, 53.7%, 64.1% and 78.0% over (i) the closing price on the Last Trading Day; and (ii) the average closing prices for the periods of 30, 90 and 180 trading days up to and including the Last Trading Day, respectively, are within the ranges of each of the respective period.

The premium of the Cancellation Price over the consolidated net asset value of NWCL was approximately 1.8% which is significantly lower than the mean of the premium of the offer/cancellation prices of the Privatisation Precedents over the consolidated net asset value of the relevant companies of approximately 161.6%. Given the Privatisation Precedents were comprised of companies principally engaged in various industries which by nature have a wide range of premium/discount over/to net asset value, we therefore have not placed much weight on the comparison analysis of the premium/discount over/to net asset value in this regard.

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5.5 Privatisation precedents in the real estate sector

In addition to the analysis on the Privatisation Precedents, we have on our best knowledge and efforts, identified and reviewed all the successful privatisation involving companies principally engaged in property development listed on the Stock Exchange announced since 1 January 2003 and up to the Latest Practicable Date (the “**RE Privatisation Comparables**”). The table below illustrates the range of premium over prevailing market prices at which privatisation proposals have been priced during the aforesaid review period. The level of discount to/premium over consolidated net assets and adjusted net assets at which the RE Privatisation Comparables were made is also summarised in the table below.

Date of initial announcement	RE Privatisation Comparables	Principal activities	Offer/cancellation price of privatisation (HK\$)	Premium of offer/cancellation price over		Premium/ (discount) of offer/ cancellation	Premium/ (discount) of offer/ cancellation
				the average closing price of last 30 trading days prior to the announcement of privatisation	the average closing price of last 30 trading days prior to the announcement of privatisation	price over/to the consolidated net asset value attributable to equity holders per share (Approximate %)	price over/to the consolidated adjusted net asset value attributable to equity holders per share (Approximate %)
January 2011	Shanghai Forte Land Co. Ltd. (stock code: 2337)	Development and sale of high quality commercial and residential properties in the PRC	3.5	25.4%	31.9%	7.4%	(26.2)%
April 2010	Wheelock Properties Limited (stock code: 0049)	Ownership of properties for development and letting, and investment holding	13.0	143.9%	162.1%	(3.3)%	(12.1)%
April 2007	Shimao International Holdings Limited (stock code: 0649)	Property development and investment	1.05	50.0%	45.6%	38.2%	(19.8)%
May 2005	Henderson China Holdings Limited (stock code: 0246)	Property development and investment, project management, property management, finance and investment holding	8.00	66.7%	64.3%	(42.7)%	(36.1)%

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Date of initial announcement	RE Privatisation Comparables	Principal activities	Offer/cancellation price (HK\$)	Premium of offer/cancellation price over		Premium/ (discount) of offer/	Premium/ (discount) of offer/
				the average closing price of last 30 trading days prior to the announcement of privatisation	the average closing price of last 30 trading days prior to the announcement of privatisation	cancellation price over/to the consolidated net asset value attributable to equity holders per share (Approximate %)	cancellation price over/to the consolidated adjusted net asset value attributable to equity holders per share (Approximate %)
November 2004	Kwong Sang Hong International Limited (stock code: 0189)	property development, sales of properties, property leasing, manufacturing and trading in cosmetics products	1.25	5.0%	36.2%	(6.7)%	(31.7)%
May 2003	Oxford Properties & Finance Limited (“Oxford Prop”) (stock code: 0220)	Investment holding and property investment	15.0 (Note)	59.6%	70.8%	45.8%	13.3%
May 2003	Pacific Concord Holding Limited (stock code: 0438)	Property development in the PRC and Hong Kong	0.65	51.2%	60.8%	(70.3)%	(55.5)%
May 2003	Top Glory International Holdings Limited (stock code: 0268)	Property investment and development in Hong Kong and the PRC and hotel ownership and operations in the PRC	0.74	72.1%	74.5%	(48.6)%	(44.8)%
	High			143.9%	162.1%	45.8%	13.3%
	Low			5.0%	31.9%	(70.3)%	(55.5)%
	Mean			59.2%	68.3%	(10.0)%	(26.6)%
March 2014	NWCL		6.80	32.3%	53.7%	1.8%	(32.5)%

Source: Bloomberg and published circulars/documents or announcements relating to the above proposals

Note: Based on the revised cancellation price, unaudited consolidated net asset value and adjusted consolidated net asset value as disclosed in the privatisation document of Oxford Prop dated 29 March 2004.

Based on the above table, the means of the premium over last closing price and the average closing price of last 30 trading days prior to the announcement of privatisation were approximately 59.2% and 68.3% respectively. The premium as implied by the Cancellation Price for the same periods of approximately 32.3% and 53.7% is within the range of and is slightly lower than the mean of those of the RE Privatisation Precedents respectively, on which basis we consider the pricing is favourable to the Shareholders.

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In addition, the cancellation prices offered by the RE Privatisation Comparables ranged from a discount of 70.3% to the relevant company's consolidated net asset value to a premium of 45.8% over the relevant company's consolidated net asset value, with a mean of a discount of 10.0%. The premium as implied by the Cancellation Price for the same period of approximately 1.8% is within the range of those the RE Privatisation Precedents. Save for Oxford Prop with 13.3% premium, the cancellation prices offered by the RE Privatisation Comparables ranged from 12.1% to 55.5% discounts to the relevant company's respective consolidated adjusted net asset value with a mean of a discount of 26.6%. This is comparable to the discount of the Cancellation Price of 32.5% to the Adjusted NAV which is in the mid-low range of the RE Privatisation Comparables.

Taking into account our analysis above, in particular, the premiums represented by the Cancellation Price over the closing price on the Last Trading Day and the average closing prices for the periods of 30, 90 and 180 trading days up to and including the Last Trading Day are within the range of those of the Privatisation Precedents, the premium of Cancellation Price over consolidated net asset value and Adjusted NAV are within the range of those of the RE Privatisation Comparables, we consider that the Cancellation Price is fair and reasonable.

6. Analysis on the Rule 13 Offer

As summarised under the paragraph headed "Rule 13 Offer" in the Letter from the Board, we note that at the Latest Practicable Date, there were 31,815,549 NWCL Options, which when exercised in full, will entitle their holders to subscribe for 31,815,549 NWCL Shares. We note that in the event that any of the outstanding NWCL Option is vested and is exercised in accordance with the terms of the Share Option Schemes on or prior to the Scheme Record Date, any NWCL Shares issued as a result of the exercise of such outstanding NWCL Options on or prior to the Scheme Record Date will be subject to and eligible to participate in the Scheme.

Each holder of the NWCL Options under the Share Option Schemes with exercises prices ranging from HK\$2.262 to HK\$4.010 per NWCL Option who has outstanding NWCL Option remain unvested or vested but not exercised as at the Scheme Record Date, the Offeror will make a cash offer to holders of NWCL Options to cancel their outstanding NWCL Options which will be conditional on the Scheme becoming effective. The table below sets out the relevant exercises prices of the NWCL Options under the Share Option Schemes and the relevant "see-through" price of the Rule 13 Offer to the NWCL Options.

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NWCL Options under the Share Option Schemes

NWCL Option exercise price (HK\$)	“See-through” price (HK\$)
4.010	2.790
3.970	2.830
3.913	2.887
3.880	2.920
3.370	3.430
3.350	3.450
3.036	3.764
3.013	3.787
2.953	3.847
2.878	3.922
2.762	4.038
2.705	4.095
2.450	4.350
2.349	4.451
2.262	4.538

The cash offer for every NWCL Option is calculated based on a “see-through” basis and the Cancellation Price of HK\$6.80. Such “see-through” basis is normally adopted in Hong Kong for privatisation proposals and general offers of a similar nature. On the basis that (i) all NWCL Options are in-the-money (i.e. exercise prices being below the Cancellation Price); (ii) the cancellation prices of the NWCL Options are based on the “see-through” basis; and (iii) any NWCL Options granted under the Share Option Schemes that are not exercised or cancelled pursuant to the acceptance of the Rule 13 Offer will lapse automatically 14 days after the Effective Date in accordance with the terms of the Share Option Schemes, we consider the terms of the Rule 13 Offer to be fair and reasonable.

7. Financial effects of the Scheme, the Proposal and the Rule 13 Offer on the Group

As stated in the Letter from the Board, following the Effective Date, NWCL will be accounted for as a wholly-owned subsidiary of the Company. Accordingly, the non-controlling interest attributable to NWCL Group will no longer exist.

The unaudited pro forma statement of adjusted consolidated assets and liabilities of the Group (the “**Unaudited Pro Forma Financial Position**”) is set out in Appendix II to the Circular for illustration purpose. The Unaudited Pro Forma Financial Position was prepared based on the unaudited pro forma statement of adjusted consolidated assets and liabilities of the Group as at 31 December 2013 as if the Rights Issue had been completed on 31 December 2013 (the “**Base Scenario**”) as previously disclosed in the prospectus issued by the Company dated 3 April 2014 in relation to the Rights Issue, the pro forma adjustments in relation to the Scheme, the Proposal and

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the resulting unaudited pro forma statement of adjusted consolidated assets and liabilities of the Group as if the Rights Issue, the Scheme and the Proposal had been completed on 31 December 2013 (the “**Completion Scenario**”).

7.1 Earnings

As NWCL is a non wholly-owned subsidiary of the Company, part of its earnings are attributable to the non-controlling interests of the Company. Following the Effective Date, NWCL will become a wholly-owned subsidiary of the Company, and the financial results of NWCL Group will be fully consolidated into that of the Company and fully attributable to the Shareholders.

As stated in the Letter from the Board, the profit attributable to the Shareholders for the year ended 30 June 2013 would be increased by approximately HK\$1,393.4 million from approximately HK\$14,148.7 million to approximately HK\$15,542.1 million assuming completion of the Scheme, the Proposal and the Rule 13 Offer had taken place on 1 July 2012.

Having considered (i) the above; (ii) the profitable track record of NWCL Group with net profits of approximately HK\$3,146.3 million, HK\$3,279.5 million, HK\$4,855.4 million and HK\$3,529.5 million for FY2011, FY2012, FY2013 and HY2014 respectively as discussed in section 2.2 above; (iii) the one-off nature of the expenses in relation to the Scheme and the Proposal; and (iv) the possible synergies and cost savings that may be arisen following completion of the Scheme and the Proposal, the earnings of the Group attributable to the Shareholders are expected to be enhanced after completion of the Scheme and the Proposal.

7.2 Net asset value

As illustrated in the Unaudited Pro Forma Financial Position, the unaudited pro forma net asset value of the Group as at 31 December 2013 would be approximately HK\$197,474.4 million under the Base Scenario, representing an unaudited pro forma net asset value per Share of approximately HK\$22.98 based on the 8,591,203,225 Shares in issue as at the Latest Practicable Date. Under the Completion Scenario, the unaudited pro forma net asset value of the Group as at 31 December 2013 would be approximately HK\$178,976.7 million, representing an unaudited pro forma net asset value per Share of approximately HK\$20.83. Given the extent of reduction on the pro forma net asset value per Share is not significant, we consider that the Scheme and the Proposal are not expected to have material adverse effect on the Group’s net asset value.

7.3 Working capital position

As stated in the Letter from the Board, on the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Scheme and the Proposal (before taking into account the Rule 13 Offer) and the Rule 13 Offer would be approximately HK\$18,385 million and approximately HK\$113 million respectively. On the

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assumption that all NWCL Options are vested and exercised in full before the Effective Date, the amount of cash required for the Scheme and the Proposal would be approximately HK\$18,601 million.

As set out in the Unaudited Pro Forma Financial Position, the unaudited pro forma cash and bank balances of the Group as at 31 December 2013 under the Completion Scenario would decrease to approximately HK\$40,760.4 million, as compared to the unaudited cash and bank balances of the Group of approximately HK\$59,258.1 million as at 31 December 2013 under the Base Scenario as a result of the cash outlays for the implementation of the Scheme and the Proposal and the Rule 13 Offer of approximately HK\$18,497.7 million from the Group's internal resources.

It is noted that the Company announced on 20 December 2013 on the disposal (the "CSL Disposal") of 23.6% interest in CSL New World Mobility Limited, which is engaged, through its subsidiaries and joint venture interests, primarily in the provision of mobile telecommunications services through 4G, 3G and 2G networks, and the sale of mobile telecommunications products, to customers in Hong Kong under three mobile brands: "1010", "one2free" and "New World Mobility". The cash consideration for the CSL Disposal is approximately US\$572.3 million (equivalent to approximately HK\$4,452.5 million). As disclosed in the announcement of the Company dated 20 December 2013 in relation to the CSL Disposal, the proceeds will be used for general working capital purposes. The CSL Disposal was completed in May 2014.

As disclosed in Appendix I to the Circular, the Directors are of the opinion that, following the completion of the Scheme, the Proposal and Rule 13 Offer, taking into consideration the financial resources available to the Group, including internally generated funds and external borrowings, the Group will have sufficient working capital for its present requirements, that is for at least the next twelve months from the date of the Circular.

Based on the foregoing, we consider that the Scheme and the Proposal will not have any material adverse impact on the working capital position of the Group.

7.4 Gearing

As set out in the interim report of the Company for HY2014, the gearing ratio of the Group as at 31 December 2013 was approximately 35.1%, which is calculated based on the net debts (being the aggregate of bank loans, other loans, fixed rate bonds and convertible bonds less cash and bank balances) divided by total equity. Based on the respective pro forma amounts of net debts and total equity as set out in the Unaudited Pro Forma Financial Position, we noted that the pro forma gearing ratio of the Group as at 31 December 2013 calculated on the same basis as that disclosed in the interim report of the Company for HY2014 would be (i) approximately 26.2% under the Base Scenario; and (ii) approximately 39.2% under the Completion Scenario. Notwithstanding that the pro forma gearing ratio of the Group as at 31 December 2013 under the Completion Scenario of approximately 39.2% increased significantly as compared to that under the Based Scenario, it represents a relatively

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slight increase of approximately 4 percentage points as compared to gearing ratio of the Group as at 31 December 2013 of approximately 35.1% as disclosed in the interim report of the Company for HY2014.

In view of the foregoing, we are of the opinion that the Scheme and the Proposal are not expected to have any material adverse financial effect on the Group.

RECOMMENDATION

In arriving at our recommendation in respect of the Scheme, the Proposal and the Rule 13 Offer, we have considered the principal factors and reasons as discussed above and in particular the following (which should be read in conjunction with and interpreted in the full context of this letter):

- NWCL Group is strategically important to the Group;
- the financial performance of NWCL Group for the preceding three financial years and HY2014;
- a significant portion NWCL Group's assets consist of investment properties, land use rights, properties held for development, properties under development and completed properties held for sale;
- reasons for and benefits of the Scheme and the Proposal;
- evaluation of the Cancellation Price:
 - (i) the Cancellation Price represents a discount of approximately 32.5% to the Adjusted NAV of HK\$10.07 per NWCL Share;
 - (ii) the P/NAV ratio of NWCL as implied by the Cancellation Price is within the range of those of the Peer Comparables;
 - (iii) the discount of the Cancellation Price to the Adjusted NAV is within the range of those of the RE Privatisation Comparables; and
 - (iv) the premiums represented by the Cancellation Price over (a) the closing price of the Last Trading Day; and (b) the average closing prices for the periods of 30, 90 and 180 trading days up to and including the Last Trading Day are within the ranges of those of the Privatisation Precedents for the relevant periods;

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- the cancellation prices of the NWCL Options are based on the “see-through” basis; and
- the Scheme and the Proposal are not expected to have any material adverse financial impact on the Group.

Based on the above, we consider that the Scheme, the Proposal and the Rule 13 Offer are in the interests of the Shareholders and the shareholder of the Offeror.

Yours faithfully,
For and on behalf of
Quam Capital Limited
Noelle Hung
Managing Director

(A) FINANCIAL INFORMATION OF THE GROUP**1. Financial Reports**

The audited consolidated financial statements of the Group for the three financial years ended 30 June 2011, 2012 and 2013 are disclosed in the annual reports of the Company for each of such three financial years respectively, and the unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2013 are disclosed in the 2013/2014 interim report of the Company. All of the above financial reports have been published on the website of the Company (www.nwd.com.hk) and the website of the Stock Exchange (www.hkexnews.hk) and can be accessed by the direct hyperlinks below:

- (i) in respect of the annual report of the Company for the year ended 30 June 2011:

http://cdn.nwd.com.hk/sites/default/files/ar2011e_0.pdf

- (ii) in respect of the annual report of the Company for the year ended 30 June 2012:

http://cdn.nwd.com.hk/sites/default/files/ar2012e_0.pdf

- (iii) in respect of the annual report of the Company for the year ended 30 June 2013:

<http://cdn.nwd.com.hk/sites/default/files/ar2013e.pdf>

- (iv) in respect of the interim report of the Company for the six months ended 31 December 2013:

<http://cdn.nwd.com.hk/sites/default/files/ir2014e.pdf>

2. Indebtedness***Borrowings***

At the close of business on 28 February 2014, being the most recent practicable date for the purpose of this statement of indebtedness, the Group had outstanding borrowings of approximately HK\$118,081.5 million, details of which are set out as follows:

	<i>HK\$ million</i>
Bank loans	
Secured	29,749.8
Unsecured	45,350.7
Other loans	
Secured	72.0
Unsecured	133.0
Convertible bonds	7,575.1
Fixed rate bonds	31,385.0
Loans from non-controlling shareholders, unsecured	<u>3,815.9</u>
 Total	 <u><u>118,081.5</u></u>

Bank loans and other loans of approximately HK\$29,749.8 million and HK\$72.0 million respectively, were secured by certain of the Group's investment properties, property, plant and equipment, land use rights, intangible concession rights, properties under development, properties for development and bank deposits.

Contingent liabilities

At the close of business on 28 February 2014, the Group's financial guarantee contracts were as follows:

	<i>HK\$ million</i>
Mortgage facilities for certain purchasers of properties (<i>Note a</i>)	2,028.1
Guarantees for credit facilities granted to	
— Joint ventures and associated companies (<i>Note b</i>)	8,747.1
— A related company	64.7
Indemnity to non-wholly owned subsidiaries for	
Mainland China tax liabilities (<i>Note c</i>)	<u>1,673.8</u>
 Total	 <u><u>12,513.7</u></u>

Notes:

- (a) At the close of business on 28 February 2014, the Group had provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of properties developed by certain subsidiaries of the Group and the outstanding mortgage loans under these guarantees amounted to HK\$2,028.1 million. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties.
- (b) At the close of business on 28 February 2014, the Group had contingent liabilities of approximately HK\$8,747.1 million relating to corporate guarantees given in respect of bank loan facilities extended to certain joint ventures and associated companies. As at 28 February 2014, the Group's attributable portion of the outstanding amount under these bank loan facilities granted to the joint ventures and associated companies was approximately HK\$5,014.5 million.
- (c) In July 1999, a deed of tax indemnity was entered into between the Company and NWCL, whereby the Company has undertaken to indemnify certain subsidiaries of NWCL in respect of, *inter alia*, certain PRC corporate income tax and land appreciation tax payable in consequence of the disposal of certain properties held by NWCL as at 31 March 1999. At the close of business on 28 February 2014, the Group's share of such obligation to NWCL for Mainland China tax liabilities was approximately HK\$1,673.8 million.

Save as aforesaid and apart from intra-group liabilities, at the close of business on 28 February 2014, the Group did not have any outstanding loan capital, bank overdrafts, loans, mortgages, charges or other similar indebtedness, hire purchase or finance lease commitments, liabilities under acceptances or acceptance credits, guarantees or other material contingent liabilities.

Since 28 February 2014, there has been no material increase in the indebtedness of the Group.

3. Working Capital

The Directors are of the opinion that, following the completion of the Scheme, the Proposal and Rule 13 Offer, taking into consideration the financial resources available to the Group, including internally generated funds and external borrowings, the Group will have sufficient working capital for its present requirements, that is for at least the next twelve months from the date of this circular.

4. Financial and Trading Prospects of the Group

The Group continues to adopt prudent and cautious financial management policies and enhances its cash flow management capability through realisation of the Group's developing assets. By striving to achieve a well-balanced leverage, the Group endeavours to monitor and maintain a healthy financial position.

The Group will continue enhancing its cash flow capability so as to better position itself to grasp market opportunities for the long term benefits of the Shareholders.

The Group will continue its development plan to tap into the huge opportunities brought by the urbanisation in the PRC according to the good side of the market. At the same time, the Group also adopts a prudent approach in developing its PRC operations by appropriately adjusting its plan according to changes in the property market and government policy.

The Group's roads portfolio is well poised to take advantage of the urban development in the PRC and will be benefited from greater investment opportunities.

Coping with the ever-changing retail market in the PRC, the Group's department stores incessantly review their branding and operating strategies and come up with new and timely measures accordingly. Other than strengthening the Group's category-killers with careful maintenance, stores also improved their merchandise mix to tailor for local preferences. The Group will continuously monitor and adjust the expansion and operations strategies in response to the relevant government policies.

In 2013, the residential properties launched by the Company in Hong Kong, including The Woodsville and Park Signature in Yuen Long, The Austin Station site C project in South-west Kowloon and EIGHT SOUTH LANE in Kennedy Town. The total number of units of those four new projects attributable to the Group was 2,239. With the premium quality and effective marketing promotion, such projects achieved satisfactory sales performance. In the first half of FY2014, the Group already achieved its sales target of attributable contracted sales of HK\$10.0 billion for FY2014, attaining HK\$11.7 billion.

The Group has launched the joint venture project Double Cove Starview in Ma On Shan in January 2014 and has recently re-launched a number of residential projects in the first quarter in 2014, including Park Signature and Double Cove.

The Group has actively reviewed its launch plan of new residential projects by assessing the changes in market condition and the needs of the home-buyers. In the coming 12 months, the Group will launch several new residential projects, including The Woodside in Yuen Long, The Austin Station site D project in South-west Kowloon and The Pavilia Hill in Tin Hau. The abovementioned new residential projects are expected to bring a strong momentum to the Group's property sales.

The investment portfolio of the Group has continuously provided a stable recurrent income and all major properties attained satisfactory occupancy. In the first half of FY2014, the Group's gross rental income in Hong Kong amounted to HK\$754.2 million, up 7% year-on-year.

To strengthen the Group's service portfolio in Hong Kong, a joint venture in which NWS has a 40% interest, was formed for the construction, development and operation of a private hospital, Gleneagles Hong Kong Hospital, at Wong Chuk Hang. The construction phase commenced in January 2014. In addition, NWS announced the investment in Beijing Capital International Airport Co., Ltd in December 2013, which is the second busiest airport in the world in terms of passenger throughput with more than 80 million passengers per year.

Following the steady development of the property market in the PRC, the overall property contracted sales of NWCL in the first half of FY2014 reached a total gross floor area of 648,918 sq.m. amounting to RMB9.3 billion, representing a year-on-year increase of 4% and 10% respectively. Gross profit margin of the overall property sales booked was 51%.

NWDS entered into an agreement with independent third parties to acquire the entire equity interest in Shanghai Hongxin Properties Company Limited which owns and operates a shopping mall in Shanghai on 27 May 2013. The acquisition was completed on 30 July 2013. In the first half of FY2014, NWDS successfully acquired the operating rights of Shanghai Wujiaochang Branch Store, the store has changed from a managed store to a self-owned store. Meanwhile, Yantai Store in Shandong was newly opened during the first half of FY2014 with total gross floor area of 55,000 sq.m.. The acquisitions and store expansion will further consolidate NWDS presence in the retail market in the PRC.

The Group proposed the disposal of its interest in CSL New World Mobility Limited in consideration of approximately US\$572.3 million (subject to adjustments) in an announcement on 20 December 2013. The Group considers that the disposal can provide an opportunity for the Company to realise value for its Shareholders instead of keeping its minority interest in that non-core asset, and that the proposed disposal is in the interests of the Group and the Shareholders as a whole. It enables the Group to further integrate its business structure, consolidate its overall financial position, and enables the Group to invest further capital on its core business and in turn maximise the return to the Shareholders. Such disposal was completed on 14 May 2014.

5. Material Adverse Change

The Directors are not aware of any material adverse changes in the financial or trading position of the Group since 30 June 2013, being the date to which the latest published audited consolidated financial statements of the Group were made up.

(B) FINANCIAL INFORMATION OF NWCL GROUP**1. Financial Reports**

The audited consolidated financial statements of the NWCL Group for the three financial years ended 30 June 2011, 2012 and 2013 are disclosed in the annual reports of NWCL for each of such three financial years respectively, and the unaudited condensed consolidated financial statements of the NWCL Group for the six months ended 31 December 2013 are disclosed in the 2013/2014 interim report of NWCL. All of the above financial reports have been published on the website of the NWCL (www.nwcl.com.hk) and the website of the Stock Exchange (www.hkexnews.hk).

2. Management Discussion and Analysis on NWCL Group

The management discussion and analysis of the NWCL Group's business and performance for the three years ended 30 June 2011, 2012 and 2013 and the six months period ended 31 December 2013 are disclosed in the annual reports of NWCL for each of the three financial years ended 30 June 2011 (on pages 66 to 73), 30 June 2012 (on pages 62 to 69) and 30 June 2013 (on pages 70 to 79) and the interim report for the six months period ended 31 December 2013 of NWCL (on pages 6 to 14) respectively.

For illustrative purposes, the financial information prepared in accordance with paragraph 4.29 of the Listing Rules is set out here to provide prospective investors with further information about how the financial information of the Group might be affected by the completion of the Transaction as if the Transaction had been completed on 31 December 2013. The statements have been prepared for illustrative purposes only and because of their nature, they may not give a true picture of the Group's financial position on the completion of the Transaction.

(A) UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is an illustrative and unaudited pro forma financial information of the Group (“Unaudited Pro Forma Financial Information”), including the unaudited pro forma statement of adjusted consolidated assets and liabilities of the Group, which has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Transaction as if it had taken place on 31 December 2013.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Transaction been completed as at 31 December 2013 or at any future date.

Unaudited Pro Forma Statement of Adjusted Consolidated Assets and Liabilities of the Group

	Unaudited statement of consolidated assets and liabilities of the Group as at 31 December 2013 ⁽¹⁾ <i>HK\$ m</i>	Estimated net proceeds from the Rights Issue ⁽¹⁾ <i>HK\$ m</i>	Unaudited statement of consolidated assets and liabilities of the Group ⁽¹⁾ <i>HK\$ m</i>	Pro forma adjustment ⁽²⁾ <i>HK\$ m</i>	Unaudited pro forma statement of adjusted consolidated assets and liabilities of the Group <i>HK\$ m</i>
ASSETS					
Non-current assets					
Investment properties	75,711.7		75,711.7		75,711.7
Property, plant and equipment	17,361.5		17,361.5		17,361.5
Land use rights	2,197.1		2,197.1		2,197.1
Intangible concession rights	16,381.0		16,381.0		16,381.0
Intangible assets	4,898.1		4,898.1		4,898.1
Interests in joint ventures and associated companies	63,044.4		63,044.4		63,044.4
Available-for-sale financial assets	3,795.2		3,795.2		3,795.2
Held-to-maturity investments	40.6		40.6		40.6
Financial assets at fair value through profit or loss	595.2		595.2		595.2
Derivative financial instruments	39.5		39.5		39.5
Properties for development	26,516.0		26,516.0		26,516.0
Deferred tax assets	983.7		983.7		983.7
Other non-current assets	1,613.3		1,613.3		1,613.3
	<u>213,177.3</u>		<u>213,177.3</u>		<u>213,177.3</u>
Current assets					
Properties under development	51,273.8		51,273.8		51,273.8
Properties held for sale	18,541.0		18,541.0		18,541.0
Inventories	635.9		635.9		635.9
Available-for-sale financial assets	583.5		583.5		583.5
Debtors and prepayments	21,804.6		21,804.6		21,804.6
Financial assets at fair value through profit or loss	0.6		0.6		0.6
Derivative financial instruments	81.3		81.3		81.3
Restricted bank balances	75.2		75.2		75.2
Cash and bank balances	46,143.7	13,114.4	59,258.1	(18,497.7)	40,760.4
	<u>139,139.6</u>		<u>152,254.0</u>		<u>133,756.3</u>
Non-current assets classified as assets held for sale	2,405.4		2,405.4		2,405.4
	<u>141,545.0</u>		<u>154,659.4</u>		<u>136,161.7</u>
Total assets	<u>354,722.3</u>		<u>367,836.7</u>		<u>349,339.0</u>

	Unaudited statement of consolidated assets and liabilities of the Group as at 31 December 2013 ⁽¹⁾ <i>HK\$ m</i>	Estimated net proceeds from the Rights Issue ⁽¹⁾ <i>HK\$ m</i>	Unaudited statement of consolidated assets and liabilities of the Group ⁽¹⁾ <i>HK\$ m</i>	Unaudited pro forma statement of adjusted consolidated assets and liabilities of the Group <i>HK\$ m</i>
				Pro forma adjustment ⁽²⁾ <i>HK\$ m</i>
LIABILITIES				
Non-current liabilities				
Long-term borrowings	85,972.8		85,972.8	85,972.8
Deferred tax liabilities	9,074.8		9,074.8	9,074.8
Derivative financial instruments	843.8		843.8	843.8
Other non-current liabilities	819.0		819.0	819.0
	<u>96,710.4</u>		<u>96,710.4</u>	<u>96,710.4</u>
Current liabilities				
Creditors and accrued charges	38,792.2		38,792.2	38,792.2
Current portion of long-term borrowings	19,010.7		19,010.7	19,010.7
Short-term borrowings	9,702.9		9,702.9	9,702.9
Current tax payable	6,146.1		6,146.1	6,146.1
	<u>73,651.9</u>		<u>73,651.9</u>	<u>73,651.9</u>
Total liabilities	<u>170,362.3</u>		<u>170,362.3</u>	<u>170,362.3</u>
Net current assets	<u>67,893.1</u>		<u>81,007.5</u>	<u>62,509.8</u>
Total assets less current liabilities	<u>281,070.4</u>		<u>294,184.8</u>	<u>275,687.1</u>
Net assets	<u>184,360.0</u>		<u>197,474.4</u>	<u>178,976.7</u>

Notes:

- (1) The balances are extracted from the unaudited pro forma statement of adjusted consolidated assets and liabilities of the Group set out in the Company's prospectus dated 3 April 2014 relating to proposed rights issue of rights shares of the Company.
- (2) The pro forma adjustment represents the estimated cash required to implement the Proposal at the cancellation price of HK\$6.8 for every Scheme Share of approximately HK\$18,384.6 million and the estimated cash required to implement the Rule 13 Offer of approximately HK\$113.1 million, on the assumption that no NWCL Options are exercised after the Latest Practicable Date and before the Effective Date.
- (3) No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2013.

(B) REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this circular.



羅兵咸永道

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION INCLUDED
IN THE CIRCULAR****TO THE DIRECTORS OF NEW WORLD DEVELOPMENT COMPANY LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of New World Development Company Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated assets and liabilities of the Group as at 31 December 2013 and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages 83 to 85 of the Company's circular dated 19 May 2014 (the "Circular"), in connection with the proposed privatisation of New World China Land Limited (the "Transaction") by the Company. The applicable criteria on the basis of which the directors of the Company have compiled the Unaudited Pro Forma Financial Information are described on pages 83 to 85 of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the directors of the Company to illustrate the impact of the Transaction on the Group's financial position as at 31 December 2013 as if the Transaction had taken place at 31 December 2013. As part of this process, information about the Group's financial position has been extracted by the directors of the Company from the unaudited pro forma financial information of the Group as set out in the prospectus issued by the Company dated 3 April 2014, on which an accountant's report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors of the Company are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference

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to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“AG 7”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Reporting Accountant’s Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus”, issued by the HKICPA. This standard requires that the reporting accountant complies with ethical requirements and plans and performs procedures to obtain reasonable assurance about whether the directors of the Company have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transaction at 31 December 2013 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers*Certified Public Accountants*

Hong Kong, 19 May 2014

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

This circular also includes particulars given in compliance with the Takeovers Code. Appendix IV to this circular sets out the full text of the Scheme Document, which is jointly issued by the Company, the Offeror and NWCL and despatched to shareholders of NWCL in accordance with the Takeovers Code. As mentioned in the Scheme Document:

- (a) The issue of Scheme Document has been approved by the Directors, who jointly and severally accept full responsibility for the accuracy of the information contained in the Scheme Document (other than that relating to the NWCL Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Scheme Document (other than those expressed by NWCL or its directors) have been arrived at after due and careful consideration and there are no other facts not contained in the Scheme Document, the omission of which would make any statement in the Scheme Document (other than that relating to the NWCL Group) misleading.
- (b) The issue of Scheme Document has been approved by the directors of the Offeror, who jointly and severally accept full responsibility for the accuracy of the information contained in the Scheme Document (other than that relating to the NWCL Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Scheme Document (other than those expressed by NWCL or its directors) have been arrived at after due and careful consideration and there are no other facts not contained in the Scheme Document, the omission of which would make any statement in the Scheme Document (other than that relating to the NWCL Group) misleading.
- (c) The information contained in the Scheme Document relating to the NWCL Group has been supplied by NWCL. The issue of the Scheme Document has been approved by the directors of NWCL, who jointly and severally accept full responsibility for the accuracy of the information contained in the Scheme Document relating to the NWCL Group, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Scheme Document by NWCL or its directors have been arrived at after due and careful consideration and there are no other facts not contained in the Scheme Document, the omission of which would make any statement in the Scheme Document relating to the NWCL Group misleading.

Save for the above, the Directors jointly and severally 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, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts not contained in this circular, the omission of which would make any statement in this circular misleading.

2. INTERESTS OF DIRECTORS

(a) Interests in shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the Shares or underlying shares or debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any which they were taken or deemed to have under such provisions of the SFO); or (b) to be entered in the register kept by the Company under Section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) of the Listing Rules were as follows:

(1) Long position in shares

	Number of Shares			Total	Approximate % of shareholding
	Personal interests	Family interests	Corporate interests		
The Company (ordinary shares)					
Dr. Cheng Kar-Shun, Henry	—	600,000	—	600,000	0.01
Mr. Doo Wai-Hoi, William	—	—	7,000,000 ⁽¹⁾	7,000,000	0.08
Mr. Ho Hau-Hay, Hamilton	—	—	878,353 ⁽²⁾	878,353	0.01
Mr. Liang Cheung-Biu, Thomas	10,429	—	—	10,429	0.00
Ms. Ki Man-Fung, Leonie	90,000	—	—	90,000	0.00
Dragon Fortune Limited (ordinary shares of US\$1.00 each)					
Mr. Cheng Kar-Shing, Peter	—	—	15,869 ⁽³⁾	15,869	27.41

	Number of Shares			Total	Approximate % of shareholding
	Personal interests	Family interests	Corporate interests		
NWCL					
(ordinary shares of HK\$0.10 each)					
Dr. Cheng Kar-Shun, Henry	29,985,826	4,387,500	117,610,200 ⁽⁴⁾	151,983,526	1.75
Mr. Doo Wai-Hoi, William	1,254,663	—	1,317,000 ⁽¹⁾	2,571,663	0.03
Mr. Cheng Kar-Shing, Peter	755,961	—	—	755,961	0.01
Mr. Lee Luen-Wai, John	387,448	—	—	387,448	0.00
Ms. Ki Man-Fung, Leonie	45,000	—	—	45,000	0.00
Ms. Cheng Chi-Man, Sonia	953,669	—	—	953,669	0.01
NWDS					
(ordinary shares of HK\$0.10 each)					
Ms. Ki Man-Fung, Leonie	20,000	—	—	20,000	0.00
Ms. Cheng Chi-Man, Sonia	92,000	—	—	92,000	0.01
NWS					
(ordinary shares of HK\$1.00 each)					
Dr. Cheng Kar-Shun, Henry	18,349,571	—	12,000,000 ⁽⁴⁾	30,349,571	0.82
Mr. Doo Wai-Hoi, William	3,477,834	—	8,330,782 ⁽¹⁾	11,808,616	0.32
Mr. Cheng Kar-Shing, Peter	276,292	—	5,578,697 ⁽⁵⁾	5,854,989	0.16
Ms. Ki Man-Fung, Leonie	15,000	—	—	15,000	0.00
Sun Legend Investments Limited					
(Ordinary shares)					
Mr. Cheng Kar-Shing, Peter	—	—	500 ⁽⁶⁾	500	50.00

Notes:

- (1) These shares are beneficially owned by a company which is wholly owned by Mr. Doo Wai-Hoi, William.
- (2) These shares are beneficially owned by a company in which Mr. Ho Hau-Hay, Hamilton owns 40.0% of its issued share capital.
- (3) 4,102 shares are held by a company wholly owned by Mr. Cheng Kar-Shing, Peter and 11,767 shares are held by Sun City Holdings Limited (“Sun City”), of which Mr. Cheng Kar-Shing, Peter is deemed to be interested in 92.08% of its issued share capital. There is a contract to sell these interests, subject to completion of all conditions contained therein.
- (4) These shares are beneficially owned by a company which is wholly owned by Dr. Cheng Kar-Shun, Henry.
- (5) These shares are beneficially owned by a company which is wholly owned by Mr. Cheng Kar-Shing, Peter.

- (6) Mr. Cheng Kar-Shing, Peter is deemed to be interested in these shares by virtue of his interests in Sun City.

(2) *Long position in underlying shares — Share Options*

(i) *the Company*

Name of Director	Date of grant	Exercisable period (Note)	Number of share options	Exercise price per share (HK\$)
Dr. Cheng Kar-Shun, Henry	19 March 2012	(1)	10,638,838	9.184
Mr. Doo Wai-Hoi, William	22 January 2014	(2)	531,147	9.790
Mr. Cheng Chi-Kong, Adrian	19 March 2012	(1)	3,723,592	9.184
Mr. Chen Guanzhan	19 March 2012	(1)	3,723,592	9.184
Mr. Yeung Ping-Leung, Howard	19 March 2012	(1)	531,941	9.184
Mr. Cha Mou-Sing, Payson	19 March 2012	(1)	531,941	9.184
Mr. Cheng Kar-Shing, Peter	19 March 2012	(1)	531,941	9.184
Mr. Ho Hau-Hay, Hamilton	19 March 2012	(1)	531,941	9.184
Mr. Lee Luen-Wai, John	19 March 2012	(1)	531,941	9.184
Mr. Liang Cheung-Biu, Thomas	19 March 2012	(1)	531,941	9.184
Ms. Ki Man-Fung, Leonie	19 March 2012	(1)	3,191,650	9.184
Mr. Cheng Chi-Heng	19 March 2012	(1)	531,941	9.184
Ms. Cheng Chi-Man, Sonia	19 March 2012	(1)	3,191,650	9.184
Mr. Au Tak-Cheong	19 March 2012	(1)	2,340,763	9.184
	22 January 2014	(2)	<u>531,147</u>	9.790
			<u>31,595,966</u>	

Notes:

- (1) Divided into 4 tranches exercisable from 19 March 2012, 19 March 2013, 19 March 2014 and 19 March 2015 respectively to 18 March 2016.
- (2) Divided into 4 tranches exercisable from 22 January 2014, 22 January 2015, 22 January 2016 and 22 January 2017 respectively to 21 January 2018.
- (3) The cash consideration paid by each of the above Directors for each grant of share options is HK\$10.0.

(ii) *NWCL*

Name of Director	Date of grant	Exercisable period (Note)	Number of share options	Exercise price per share (HK\$)
Dr. Cheng Kar-Shun, Henry	18 January 2011	(1)	2,077,922	3.036
Mr. Cheng Chi-Kong, Adrian	18 January 2011	(2)	935,066	3.036
Mr. Cheng Kar-Shing, Peter	18 January 2011	(1)	831,169	3.036
Mr. Lee Luen-Wai, John	18 January 2011	(1)	<u>311,688</u>	3.036
			<u><u>4,155,845</u></u>	

Notes:

- (1) Divided into 5 tranches exercisable from 19 February 2011, 19 February 2012, 19 February 2013, 19 February 2014 and 19 February 2015, respectively to 18 February 2016.
- (2) Divided into 3 tranches exercisable from 19 February 2013, 19 February 2014 and 19 February 2015, respectively to 18 February 2016.
- (3) The cash consideration paid by each of the above Directors for each grant of share options is HK\$10.0.

(3) *Long positions in debentures*(i) *Fita International Limited (“Fita”)*

Name of Director	Amount of debentures in USD issued by Fita				Approximate % to the total amount of debentures in issue as at the Latest Practicable Date
	Personal interests	Family interests	Corporate interests	Total	
Mr. Doo Wai-Hoi, William	—	2,900,000	1,240,000 ⁽¹⁾	4,140,000	0.55
Mr. Lee Luen-Wai, John	<u>1,000,000</u>	<u>1,000,000</u>	<u>—</u>	<u>2,000,000</u>	0.27
	<u><u>1,000,000</u></u>	<u><u>3,900,000</u></u>	<u><u>1,240,000</u></u>	<u><u>6,140,000</u></u>	

Note:

- (1) These debentures are beneficially owned by a company which is wholly owned by Mr. Doo Wai-Hoi, William.

(ii) *NWCL*

Name of Director	Amount of debentures in RMB issued by NWCL				Approximate % to the total amount of debentures in issue as at the Latest Practicable Date
	Personal interests	Family interests	Corporate interests	Total	
Mr. Doo Wai-Hoi, William	—	129,000,000	516,830,000 ⁽¹⁾	645,830,000	8.85
Mr. Cheng Kar-Shing, Peter	—	—	16,000,000 ⁽²⁾	16,000,000	0.22
	—	129,000,000	532,830,000	661,830,000	

Notes:

- (1) These debentures are beneficially owned by companies which are wholly owned by Mr. Doo Wai-Hoi, William.
- (2) These debentures are beneficially owned by a company which is wholly owned by Mr. Cheng Kar-Shing, Peter.

(iii) *NWD (MTN) Limited*

Name of Director	Amount of debentures issued by NWD (MTN) Limited				Approximate % to the total amount of debentures in issue as at the Latest Practicable Date
	Personal interests HK\$	Family interests HK\$	Corporate interests HK\$	Total HK\$	
Mr. Doo Wai-Hoi, William	156,000,000 ⁽¹⁾	23,400,000 ⁽¹⁾	—	179,400,000	1.60
Ms. Ki Man-Fung, Leonie	4,000,000	—	—	4,000,000	0.04
	160,000,000	23,400,000	—	183,400,000	

Note:

- (1) These debentures were issued in USD and had been translated into HK\$ using the rate of USD1=HK\$7.8.

(iv) *Rosy Unicorn Limited*

Name of Director	Amount of debentures in USD issued by Rosy Unicorn Limited			Total	Approximate % to the total amount of debentures in issue as at the Latest Practicable Date
	Personal interests	Family interests	Corporate interests		
Mr. Doo Wai-Hoi, William	—	51,500,000	22,840,000 ⁽¹⁾	74,340,000	14.87

Note:

- (1) These debentures are beneficially owned by a company which is wholly owned by Mr. Doo Wai-Hoi, William.

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors, chief executives of the Company or any of their associates had or deemed to have any interest or short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions in which they were deemed or taken to have under such provisions of the SFO), or which are required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Interests in assets of the Group

Each of the Directors, namely, Dr. Cheng Kar-Shun, Henry, Mr. Doo Wai-Hoi, William, Mr. Cheng Chi-Kong, Adrian, Mr. Cheng Kar-Shing, Peter, Mr. Lee Luen-Wai, John, Ms. Ki Man-Fung, Leonie and Ms. Cheng Chi-Man, Sonia, are interested in the Scheme Shares and/or NWCL Options to be acquired by the Offeror pursuant to the Scheme, the Proposal and the Rule 13 Offer in the manner as set out in the section headed “2. Interests of Directors” in this Appendix. Please refer to the sections headed “Terms of the Scheme and the Proposal — Cancellation Price” and “Rule 13 Offer” in the “Letter from the Board” of this circular for the amount of consideration payable for cancellation of each Scheme Share and NWCL Option respectively.

On 19 March 2014, a wholly owned subsidiary of NWCL disposed of 7,350,000 shares of, representing 30.625% interest in, Sun City Holdings Limited (“Sun City”) to Potassium Corp. (“Potassium”), which is wholly owned by Mr. Cheng Kar-Shing, Peter for a consideration of HK\$16.0 million. After the acquisition, Mr. Cheng Kar-Shing, Peter is deemed to have an effective interest of 69.583% in Sun City.

On 7 April 2014, a wholly owned subsidiary of NWCL as the purchaser entered into a sale and purchase agreement with certain vendors (“Vendors”) regarding the acquisition of 57.46% interest in Dragon Fortune Limited. Among the Vendors, Sun City and Potassium are directly or indirectly controlled by Mr. Cheng Kar-Shing, Peter. The aggregate consideration to be paid by NWCL to Sun City and Potassium will be approximately HK\$136.0 million (subject to adjustment). NWCL and its subsidiaries will obtain full control of the Palm Island Resort operation upon completion of the said acquisition of interests in Dragon Fortune Limited. Further details of the transaction was disclosed in the joint announcement of the Company and NWCL dated 7 April 2014.

On 8 April 2014, NWS Holdings (China) Limited, being a wholly owned subsidiary of NWS, Young’s Engineering Company Limited (“Young’s”) and Tridant Engineering Company Limited (“Tridant”) entered into a conditional sale and purchase agreement regarding the disposal of the entire registered and paid up capital of 新創機電工程有限公司 (NWS Engineering Ltd) at a consideration of approximately RMB177.1 million (subject to adjustment) (the “NWS Disposal Agreement”). The NWS Disposal Agreement is still subject to completion upon fulfilment of all the conditions set out therein. Mr. Doo Wai-Hoi, William, a Director, beneficially owns 90% interest in both Young’s and Tridant. Further details of the NWS Disposal Agreement was disclosed in the joint announcement of the Company and NWS dated 8 April 2014.

As at the Latest Practicable Date, save as set out above, none of the Directors had any direct or indirect interests in any assets which have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group since 30 June 2013, being the date to which the latest published audited accounts of the Group were made up.

(c) Competing Interests

As at the Latest Practicable Date, the following Directors had interests in the following businesses which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or the Group:

Name of Director	Business which are considered to compete or likely to compete with the businesses of the Group		Nature of interest of the Director in the entity
	Name of entity	Description of businesses	
Dr. Cheng Kar-Shun, Henry	Chow Tai Fook Enterprises Limited (“CTFE”) group of companies	Property investment and development, hotel operations and transport	Director
	HKR International Limited (“HKR”) group of companies	Property investment and development, and property management	Director
	International Entertainment Corporation group of companies	Hotel operations	Director
	Lifestyle International Holdings Limited group of companies	Department stores operations and property investment	Director
	Supreme Harvest Development Limited group of companies	Property investment and development	Director
Mr. Doo Wai-Hoi, William	Amelia Gold Limited group of companies	Property investment in Hong Kong	Director and shareholder
	Fung Seng Enterprises (Holdings) Limited group of companies	Property investment in Shanghai	Director and shareholder
	Fung Seng Enterprises Investment Company Limited group of companies	Property investment in Hong Kong	Director and shareholder
	Fung Seng Enterprises Limited group of companies	Property investment and management	Director and shareholder
	Golden Wealth Investment Limited group of companies	Property investment and development in Shanghai	Director and shareholder
	Lifestyle International Holdings Limited group of companies	Department stores operations and property investment	Director
	Silver City International Limited group of companies	Property investment in Hong Kong and food and beverage operations	Director and shareholder
	Silver Success Company Limited group of companies	Hotel operation in Shanghai	Director and shareholder

Name of Director	Business which are considered to compete or likely to compete with the businesses of the Group		Nature of interest of the Director in the entity
	Name of entity	Description of businesses	
Mr. Cheng Chi-Kong, Adrian	Sunshine Dragon Group Limited group of companies	Property investment in Hong Kong	Director and shareholder
	CTFE group of companies	Property investment and development, hotel operations and transport	Director
	Grandhope Properties Limited	Property investment	Director and shareholder
	Cheung Hung Development (Holdings) Limited	Property investment and development	Director
Mr. Cha Mou-Sing, Payson	International Entertainment Corporation group of companies	Hotel operations	Director
	HKR group of companies	Property investment and development and property management	Director and shareholder
	Hanison Construction Holdings Limited group of companies	Construction, property investment and development	Director and shareholder
Mr. Cheng Kar-Shing, Peter	CTFE group of companies	Property investment and development, hotel operations and transport	Director
	Long Vocation Investments Limited group of companies	Property investment	Director and shareholder
Mr. Cha Mou-Zing, Victor	HKR group of companies	Property investment and development and property management	Director and shareholder
	Hanison Construction Holdings Limited group of companies	Construction, property investment and development	Shareholder
Mr. Ho Hau-Hay, Hamilton	Honorway Investments Limited	Property development and investment	Director and shareholder
	Tak Hung (Holding) Company Limited	Property development and investment	Director and shareholder
Mr. Lee Luen-Wai, John	Lippo Limited	Property investment, development and management	Director
	Lippo China Resources Limited	Property investment, development and management	Director
	Hongkong Chinese Limited	Property investment, development and management	Director

Name of Director	Business which are considered to compete or likely to compete with the businesses of the Group		Nature of interest of the Director in the entity
	Name of entity	Description of businesses	
Mr. Liang Cheung-Biu, Thomas	Bermuda Investments Limited	Property investment	Director
	Greenwich Investors Limited	Property investment	Director
	Lambda Enterprises Limited	Property management	Director
Mr. Cheng Chi-Heng	CTFE group of companies	Property investment and development, hotel operations and transport	Director

(d) Interests in contracts or arrangements

Pursuant to an agreement dated 5 August 1993 (the “Agreement”) made between Hotel Property Investments (B.V.I.) Ltd. (“HPI”) and Renaissance Hotel Holdings (B.V.I.) Ltd., both being former subsidiaries of the Group, and CTF Holdings Ltd. (“CTF Holdings”), HPI agreed to pay CTF Holdings an annual fee in accordance with the terms of the Agreement. This Agreement was assigned to New World Hotels (Holdings) Limited, a subsidiary of the Company, on 25 July 1997. Dr. Cheng Kar-Shun, Henry, being a Director, is interested in this transaction to the extent that he has beneficial interests in CTF Holdings.

Save for contracts amongst group companies and the aforementioned transaction, as at the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the date of this circular and which is significant in relation to the business of the Group.

(e) Common directors

The following is a list of Directors who, as at the Latest Practicable Date, were also directors of the companies which have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Common Director	Name of Company
Dr. Cheng Kar-Shun, Henry Mr. Cheng Kar-Shing, Peter	Cheng Yu Tung Family (Holdings) Limited
Dr. Cheng Kar-Shun, Henry Mr. Cheng Kar-Shing, Peter	Cheng Yu Tung Family (Holdings II) Limited
Dr. Cheng Kar-Shun, Henry Mr. Cheng Kar-Shing, Peter	Chow Tai Fook Capital Limited
Dr. Cheng Kar-Shun, Henry Mr. Cheng Chi-Kong, Adrian Mr. Cheng Kar-Shing, Peter Mr. Cheng Chi-Heng	Chow Tai Fook (Holding) Limited
Dr. Cheng Kar-Shun, Henry Mr. Cheng Chi-Kong, Adrian Mr. Cheng Kar-Shing, Peter Mr. Cheng Chi-Heng	Chow Tai Fook Enterprises Limited

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which is not terminable by the employer within one year without payment of compensation (other than statutory compensation).

4. MATERIAL CONTRACTS

The following contracts (being contracts entered into outside the ordinary course of business carried on by the Group) have been entered into by members of the Group within the two years immediately preceding the date of this circular and are, or may be, material:

- (a) a conditional merger and contribution agreement (as amended by supplemental agreements dated 23 October 2013 and 1 November 2013 respectively) entered into on 25 February 2013 among (a) Xiamen International Port Co., Ltd. (廈門國際港務股份有

限公司), (b) Xiamen Port Holding Group Co., Ltd.* (廈門港務控股集團有限公司), (c) Xiamen Port Logistics Co., Ltd.* (廈門港務物流有限公司), (d) Xiamen Xiangyu Logistics Group Corporation* (廈門象嶼物流集團有限責任公司), (e) New World (Xiamen) Port Investments Limited (新世界(廈門)港口投資有限公司) (“NWXP”, an indirect wholly owned subsidiary of NWS), (f) Xiamen ITG Group Corp., Ltd.* (廈門國貿集團股份有限公司), (g) Pointer Investment (Hong Kong) Limited (寶達投資(香港)有限公司), (h) Xiamen Port Group Haitian Container Terminals Co., Ltd.* (廈門港務集團海天集裝箱有限公司), (i) Xiamen New World Xiangyu Terminals Co., Ltd.* (廈門象嶼新創建碼頭有限公司), (j) Xiamen ITG Terminals Co., Ltd.* (廈門國貿碼頭有限公司), (k) Xiamen Haicang Port Company Limited* (廈門海滄港務有限公司) and (l) NWS Ports Management (Haicang) Limited, in relation to, among others, the establishment of a joint venture company named Xiamen Container Terminal Group Co., Ltd.* (廈門集裝箱碼頭集團有限公司) (the “JV Company”). For the establishment of the JV Company, NWXP has contributed (1) RMB369,864,752.17 in cash; and (2) 50% equity interest in Xiamen New World Xiangyu Terminals Co., Ltd.* by way of the merger of this company to become the JV Company;

- (b) an acquisition agreement entered into on 13 December 2013 between NWS Ports Management (Haicang) Limited, a subsidiary of the Company (the “Vendor”) and Xiamen Container Terminal Group Co., Ltd.* (廈門集裝箱碼頭集團有限公司) (the “Purchaser”), pursuant to which the Vendor agreed to sell and the Purchaser agreed to acquire Trend Wood Investments Limited (“Trend Wood”), including 100% issued share capital of Trend Wood and the entire right attached to the shareholder’s loan owing by Trend Wood, at a total consideration of RMB369,864,752.17;
- (c) a share purchase agreement entered into on 17 December 2013 between NWS and Elsdon Investment Pte Ltd (“Elsdon”), pursuant to which Elsdon agreed to sell and NWS agreed to buy 383,028,000 H shares in the capital of Beijing Capital International Airport Co., Ltd. (the “Sale Shares”) together with all rights accruing or attaching to the Sale Shares at the purchase price of HK\$6.15 per Sale Share, with the aggregate purchase price for the Sale Shares being HK\$2,355,622,200;
- (d) a share purchase agreement entered into between the Company and Upper Start Holdings Limited (“Upper Start”), a wholly owned subsidiary of the Group, and HKT Limited (“HKT”), CSL New World Mobility Limited (“CSLNW”), Telstra Holdings (Bermuda) No. 2 Limited (“Telstra Bermuda”) and Telstra Corporation Limited on 20 December 2013, pursuant to which Telstra Bermuda and Upper Start had agreed to sell and HKT had agreed to purchase 100% of the issued share capital of CSLNW on the terms and conditions set out in the said agreement, for an aggregate purchase price of US\$2,425,000,000 (subject to adjustments), comprising (a) an amount of US\$1,852,700,000 payable to Telstra Bermuda and (b) an amount of US\$572,300,000 payable to Upper Start;

* for identification purpose only

- (e) the conditional underwriting agreement dated 13 March 2014 entered into between the Company, HSBC and Chow Tai Fook Enterprises Limited in relation to the Rights Issue, the details of which are disclosed in the announcement of the Company dated 13 March 2014; and
- (f) the amended and restated underwriting agreement dated 27 March 2014 entered into between the Company, HSBC, Standard Chartered Securities (Hong Kong) Limited and Chow Tai Fook Enterprises Limited in relation to the Rights Issue, the details of which are disclosed in the announcement of the Company dated 27 March 2014.

Save as disclosed above, as at the Latest Practicable Date, no contracts (not being contracts entered into in the ordinary course of business) had been entered into by the Company or its subsidiaries within the two years immediately preceding the issue of this circular which are, or may be, material to the Group.

5. LITIGATION

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

6. QUALIFICATIONS AND CONSENT OF EXPERTS

(a) Qualification of experts

The following are the names and qualification of the experts who have given an opinion or advice which is contained in this circular:

Names	Qualifications
PricewaterhouseCoopers	Certified Public Accountants
Quam Capital Limited	A licensed corporation permitted to carry out type 6 (advising on corporate finance) regulated activities under the SFO

(b) Consent of experts

Each of PricewaterhouseCoopers and Quam Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its report and/or letter of advice and references to its name included herein in the form and context in which they are respectively included.

(c) Interests of experts

As at the Latest Practicable Date, none of PricewaterhouseCoopers and Quam Capital was interested in any securities of any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group, none of PricewaterhouseCoopers and Quam Capital had any direct or indirect interest in any assets which had been, since 30 June 2013 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by, or leased to, or were proposed to be acquired or disposed of by, or leased to, any member of the Group.

7. GENERAL

- (a) The registered office of the Company is situated at 30/F, New World Tower, 18 Queen's Road Central, Hong Kong.
- (b) The Company's share registrar and transfer office is Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (c) The company secretary of the Company is Mr. Wong Man-Hoi, who is a member of the Law Society of Hong Kong and has been a qualified solicitor in Hong Kong since 1994. Mr. Wong obtained his Bachelor of Science (Engineering) degree from the University of Hong Kong in 1981, Bachelor of Laws degree from the University of London in 1990 and passed the Solicitors' Final Examination of the Law Society of England and Wales in 1992.
- (d) The English text of this circular shall prevail over the Chinese text in the event of any inconsistency.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the office of Messrs. Woo Kwan Lee & Lo at 26th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong on any weekday, except Saturdays, Sundays and public holidays, from the date of this circular up to and including 2 June 2014:

- (a) the Articles of Association;
- (b) the material contracts referred to in the paragraph headed "4. Material Contracts" in this Appendix III;
- (c) the annual reports of NWCL for each of the three financial years ended 30 June 2011, 2012 and 2013;
- (d) the interim report of NWCL for the six months ended 31 December 2013;

- (e) the annual reports of the Company for each of the three financial years ended 30 June 2011, 2012 and 2013;
- (f) the interim report of the Company for the six months ended 31 December 2013;
- (g) the report on the unaudited pro forma financial information of the Group from PricewaterhouseCoopers, the text of which is set out in “Appendix II — Unaudited Pro Forma Financial Information of the Group” of this circular;
- (h) the Scheme Document, the text of which is set out in “Appendix IV — Scheme Document” of this circular;
- (i) the letter from Quam Capital, the text of which is set out in “Letter from Quam Capital” of this circular;
- (j) the consent letters of PricewaterhouseCoopers and Quam Capital referred to in the paragraph headed “6. Qualifications and Consent of Experts” in this Appendix III; and
- (k) this circular.

The following is the full text of the Scheme Document of NWCL, the Offeror and the Company dated 17 May 2014 containing details of the Scheme and the Proposal, which is set out in this appendix for information only.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this Scheme Document or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your shares in New World China Land Limited (新世界中國地產有限公司), you should at once hand this Scheme Document and the accompanying forms of proxy to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Scheme Document, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Scheme Document.

 **新世界發展有限公司**
New World Development Company Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 0017)

 **New World China Land Limited**
新世界中國地產有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 0917)

Easywin Enterprises Corporation Limited
(義榮企業有限公司)
(Incorporated in Hong Kong with limited liability)

**PROPOSED PRIVATISATION OF
NEW WORLD CHINA LAND LIMITED (新世界中國地產有限公司)
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)**

Financial Adviser to the Offeror

HSBC 

Independent Financial Adviser to the NWCL Independent Board Committee

 **SOMERLEY CAPITAL LIMITED**

Unless the context requires otherwise, terms used in this Scheme Document are defined under the section headed "Definitions" in Part I of this Scheme Document.

A letter from the NWCL Board is set out in Part IV of this Scheme Document. A letter from the NWCL Independent Board Committee, containing its advice to the Independent NWCL Shareholders and holders of NWCL Options in connection with the Scheme and the Rule 13 Offer is set out in Part V of this Scheme Document. A letter from Somerley Capital Limited, being the independent financial adviser to the NWCL Independent Board Committee, containing its advice to the NWCL Independent Board Committee in connection with the Scheme and the Rule 13 Offer, is set out in Part VI of this Scheme Document. An Explanatory Statement regarding the Scheme is set out in Part VII of this Scheme Document.

The actions to be taken by NWCL Shareholders and holders of NWCL Options are set out in Part II of this Scheme Document.

Notices convening the Court Meeting to be held at 2:30 p.m. on 16 June 2014 and the Extraordinary General Meeting to be held either at 4:00 p.m. on 16 June 2014 or immediately after the conclusion or the adjournment of the Court Meeting are set out in Appendix VII and Appendix VIII to this Scheme Document respectively. Whether or not you are able to attend the Court Meeting and/or the Extraordinary General Meeting or any adjournment thereof, you are strongly urged to complete and sign the enclosed pink form of proxy in respect of the Court Meeting and the enclosed white form of proxy in respect of the Extraordinary General Meeting, in accordance with the instructions printed thereon, and to lodge them at the office of NWCL's branch share registrar in Hong Kong, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not later than the respective times and dates as stated under Part II — Actions To Be Taken of this Scheme Document.

This Scheme Document is issued jointly by NWD, the Offeror and NWCL.

The English language texts of this Scheme Document, the Rule 13 Offer Letter and the Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation.

17 May 2014

NOTICE TO U.S. HOLDERS OF NWCL SHARES

The Proposal is being made to cancel the securities of a Cayman Islands company by means of a scheme of arrangement as provided for under the Companies Law and this Scheme Document. A transaction effected by means of a scheme of arrangement pursuant to the Companies Law is not subject to the tender offer rules of the U.S. Securities Exchange Act of 1934, as amended. Accordingly, the Scheme is subject to disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement, which differ from the disclosure requirements of the U.S. tender offer rules. The financial information included in this Scheme Document has been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to the financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles of the U.S.

This Scheme Document does not constitute an offer or invitation to purchase or subscribe for any securities of NWCL in the U.S.

The receipt of cash pursuant to the Scheme by a U.S. holder of Scheme Shares as consideration for the cancellation of its Scheme Shares pursuant to the Scheme may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other tax laws. Each holder of Scheme Shares is urged to consult his/her independent professional adviser immediately regarding the tax consequences of the Scheme applicable to him/her.

It may be difficult for U.S. holders of Scheme Shares to enforce their rights and claims arising out of the U.S. federal securities laws, since the Offeror and NWCL are located in a country other than U.S., and some or all of their officers and directors may be residents of a country other than U.S. U.S. holders of Scheme Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

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PART I**DEFINITIONS**

In this Scheme Document, the following expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Adjusted NAV”	adjusted unaudited consolidated net asset value of the NWCL Group as at 31 December 2013 as set out in paragraph V — Property Interests and Adjusted Net Asset Value of Appendix I — Financial Information of the NWCL Group to this Scheme Document
“Announcement”	the announcement dated 13 March 2014 issued jointly by NWD, the Offeror and NWCL in relation to the Scheme, the Proposal and the Rule 13 Offer
“Announcement Date”	13 March 2014, being the date of the Announcement
“associates”	has the meaning ascribed to it in the Takeovers Code
“Authorisations”	all the necessary authorisations, registrations, filings, rulings, consents, permissions and approvals required in connection with the Scheme and the Proposal
“Beneficial Owner”	any beneficial owner of NWCL Shares whose NWCL Shares are registered in the name of a Registered Owner
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“Cancellation Price”	the cancellation price of HK\$6.80 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961), as consolidated and revised, of the Cayman Islands
“Conditions”	the conditions to the implementation of the Scheme and the Proposal as set out in the section headed “4. Conditions of the Scheme and the Proposal” under Part VII — Explanatory Statement of this Scheme Document

PART I**DEFINITIONS**

“Court Meeting”	a meeting of the NWCL Shareholders (other than NWD and the Offeror) convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, which is to be held at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong at 2:30 p.m. on 16 June 2014, notice of which is set out in Appendix VII to this Scheme Document, or any adjournment thereof
“Court Orders”	the orders of the Grand Court sanctioning the Scheme as required by the Companies Law and confirming the reduction of capital of NWCL as required by the Companies Law
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Law
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate thereof
“Explanatory Statement”	the explanatory statement set out in Part VII of this Scheme Document and issued in compliance with the Rules of the Grand Court of the Cayman Islands 1995 (revised)
“Extraordinary General Meeting”	the extraordinary general meeting of NWCL to be held at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong at 4:00 p.m. on 16 June 2014 (or immediately after the conclusion or adjournment of the Court Meeting convened on the same day and place), notice of which is set out in Appendix VIII to this Scheme Document, or any adjournment thereof
“Form(s) of Acceptance”	the form(s) of acceptance dispatched to holders of NWCL Options in connection with the Rule 13 Offer
“Grand Court”	the Grand Court of the Cayman Islands
“Great Worth”	Great Worth Holdings Limited, a non-wholly owned subsidiary of NWD
“High Earnings”	High Earnings Holdings Limited, a wholly-owned subsidiary of NWS
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

PART I

DEFINITIONS

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, a registered institution under the Securities and Futures Ordinance, registered to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) acting as the financial adviser to the Offeror in connection with the Scheme, the Proposal and the Rule 13 Offer
“Independent NWCL Shareholder(s)”	NWCL Shareholder(s) other than the Offeror and the Offeror Concert Parties. For the avoidance of doubt, Independent NWCL Shareholders include any member of the HSBC group acting in its capacity as a Registered Owner of Scheme Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; (ii) if the NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party
“Investor Participant”	a person admitted to participate in CCASS as an investor participant
“Knight Frank”	Knight Frank Petty Limited, the independent property valuer jointly appointed by NWD and NWCL
“Land Grant Contract(s)”	State-owned land use right grant contract (國有土地使用權出讓合同) between a developer and the relevant PRC governmental land administrative authorities, typically the local state-owned land resources bureaus
“Last Trading Day”	10 March 2014, being the last trading day of NWCL Shares prior to the issuance of the Announcement
“Latest Option Exercise Date”	3:30 p.m. on 2 July 2014, being the expected latest time and date upon which holders of NWCL Options must exercise their vested NWCL Options in order for holders of NWCL Options to qualify for entitlements under the Scheme

PART I**DEFINITIONS**

“Latest Practicable Date”	14 May 2014, being the latest practicable date for ascertaining certain information contained in this Scheme Document
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 August 2014, being the date extended from 11 July 2014 as agreed by the Offeror, NWCL and HSBC
“Meeting Record Date”	13 June 2014, or such other date as shall have been announced to NWCL Shareholders, being the record date for the purpose of determining the entitlement of the Independent NWCL Shareholders to attend and vote at the Court Meeting and the entitlement of NWCL Shareholders to attend and vote at the Extraordinary General Meeting
“NWCL”	New World China Land Limited (新世界中國地產有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 0917)
“NWCL Board”	the board of directors of NWCL
“NWCL Group”	NWCL and its subsidiaries
“NWCL Independent Board Committee”	the independent board committee of NWCL, comprising Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James and Mr. Ip Yuk-Keung, Albert, established by the NWCL Board to make a recommendation to the Independent NWCL Shareholders and holders of NWCL Options in respect of the Scheme and the Rule 13 Offer
“NWCL Independent Financial Adviser” or “Sommerley”	Sommerley Capital Limited, the independent financial adviser to the NWCL Independent Board Committee in connection with the Scheme and the Rule 13 Offer
“NWCL Option(s)”	the outstanding, vested and unvested, share option(s), each relating to one NWCL Share, granted under the Share Option Schemes from time to time

PART I**DEFINITIONS**

“NWCL Option Offer Price”	the amount by which the Cancellation Price exceeds the relevant exercise price of that NWCL Option, such amount being payable in cash by the Offeror to the holder of that NWCL Option on the terms and subject to the conditions of the Rule 13 Offer
“NWCL Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of NWCL
“NWCL Shareholder(s)”	registered holder(s) of NWCL Shares
“NWD”	New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability and a controlling shareholder of NWCL and the parent company of the Offeror. The shares of NWD are currently listed on the Main Board of the Stock Exchange (stock code: 0017)
“NWD Group”	NWD and its subsidiaries
“NWD Shares”	ordinary share(s) in the share capital of NWD
“NWS”	NWS Holdings Limited, a non-wholly owned subsidiary of NWD and the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 0659)
“Offeror”	Easywin Enterprises Corporation Limited (義榮企業有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of NWD
“Offeror Concert Parties”	parties acting in concert with the Offeror in relation to NWCL including HSBC (except members of the HSBC group which are exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code) which is presumed to be acting in concert with the Offeror in relation to NWCL
“Other CCASS Participant”	a person admitted to participate in CCASS other than the Investor Participant
“PRC”	the People’s Republic of China, but for the purpose of this Scheme Document, excluding Hong Kong, the Macau Special Administrative Region and Taiwan

PART I**DEFINITIONS**

“Proposal”	the proposal for the privatisation of NWCL by the Offeror by way of the Scheme
“Registered Owner”	any owner of NWCL Shares (including without limitation, a nominee, trustee, depositary or any other authorised custodian or other party) whose name is entered in the register of members of NWCL
“Relevant Authorities”	appropriate governments and/or governmental bodies, regulatory bodies, courts or institutions
“Resolutions”	(i) the resolution to approve the Scheme to be considered at the Court Meeting; and (ii) the special resolution to approve and give effect to the reduction of the issued share capital of NWCL by cancelling the Scheme Shares and the ordinary resolution to approve and give effect to the immediate restoration of the issued share capital of NWCL to its former amount by the issue of the same number of NWCL Shares as the number of Scheme Shares cancelled, credited as fully paid, to the Offeror to be considered at the Extraordinary General Meeting
“RMB” or “CNY”	Renminbi or Chinese Yuan, the lawful currency of the PRC
“Rule 13 Offer”	the conditional offer made by HSBC on behalf of the Offeror to the holders of NWCL Options on the terms and subject to the conditions contained in this Scheme Document and the Rule 13 Offer Letters
“Rule 13 Offer Letter(s)”	the letter(s) dated 17 May 2014 setting out the terms and conditions of the Rule 13 Offer sent separately to holders of NWCL Options and substantially in the form set out in Appendix IX to this Scheme Document
“Rule 13 Offer Record Date”	17 July 2014, or such other time and date as shall have been announced to NWCL Shareholders, being the record date for the purpose of determining entitlements under the Rule 13 Offer

PART I**DEFINITIONS**

“Scheme”	a scheme of arrangement under Section 86 of the Companies Law, as set out in Appendix VI — Scheme of Arrangement to this Scheme Document (subject to any modifications or additions or conditions as may be approved or imposed by the Grand Court and agreed to by the Offeror), involving, among other matters, the cancellation of all the Scheme Shares and the restoration of the issued share capital of NWCL to the amount immediately before the cancellation of the Scheme Shares
“Scheme Document”	this composite document, including each of the letters, statements, appendices and notices in it
“Scheme Record Date”	17 July 2014, or such other time and date as shall have been announced to NWCL Shareholders, being the record date for the purpose of determining the entitlements of the Scheme Shareholders to the Cancellation Price under the Scheme
“Scheme Share(s)”	NWCL Share(s) other than those held by the Offeror and NWD as at the Scheme Record Date
“Scheme Shareholder(s)”	holder(s) of Scheme Shares as at the Scheme Record Date
“Securities and Futures Commission”	Securities and Futures Commission of Hong Kong
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Option Schemes”	the share option schemes adopted by NWCL on 26 November 2002 and 22 November 2011 respectively
“Sq m” or “Sqm”	square meter(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Codes”	Code on Takeovers and Mergers of Hong Kong
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“U.S.”	United States of America

All references in this Scheme Document to times and dates are references to Hong Kong times and dates, except as otherwise specified and other than references to the expected date of the Grand Court hearing of the petition to sanction the Scheme and to confirm the capital reduction and the Effective Date, which are the relevant dates in the Cayman Islands. For reference only, Cayman Islands time is 13 hours behind Hong Kong time as at the date of this Scheme Document.

PART I**DEFINITIONS**

In Appendix I to this Scheme Document, the translation of Renminbi amounts into Hong Kong dollars has been made:

- (a) at the rate of RMB0.85 to HK\$1.00 in respect of the consolidated income statement of NWCL for the year ended 30 June 2011;
- (b) at the rate of RMB0.83 to HK\$1.00 in respect of the consolidated financial position of NWCL as at 30 June 2011;
- (c) at the rate of RMB0.82 to HK\$1.00 in respect of the consolidated income statement of NWCL for the year ended 30 June 2012;
- (d) at the rate of RMB0.82 to HK\$1.00 in respect of the consolidated financial position of NWCL as at 30 June 2012;
- (e) at the rate of RMB0.80 to HK\$1.00 in respect of the consolidated income statement of NWCL for the year ended 30 June 2013;
- (f) at the rate of RMB0.79 to HK\$1.00 in respect of the consolidated financial position of NWCL as at 30 June 2013;
- (g) at the rate of RMB0.79 to HK\$1.00 in respect of the consolidated income statement of NWCL for the six months ended 31 December 2013;
- (h) at the rate of RMB0.78 to HK\$1.00 in respect of the consolidated financial position of NWCL as at 31 December 2013; and
- (i) at the rate of RMB0.79 to HK\$1.00 in respect of the market value of property interests attributable to the NWCL Group as at 28 February 2014.

PART II**ACTIONS TO BE TAKEN****1. ACTIONS TO BE TAKEN BY NWCL SHAREHOLDERS**

For the purpose of determining the entitlements of the Independent NWCL Shareholders to attend and vote at the Court Meeting and the entitlements of the NWCL Shareholders to attend and vote at the Extraordinary General Meeting, the register of members of NWCL will be closed from 11 June 2014 to 16 June 2014 (both days inclusive) and during such period, no transfer of NWCL Shares will be effected. In order to qualify to vote at the Court Meeting and the Extraordinary General Meeting, all transfers accompanied by the relevant share certificates must be lodged with Tricor Standard Limited, NWCL's branch share registrar and transfer office in Hong Kong at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong before 4:30 p.m. on 10 June 2014.

A pink form of proxy for use at the Court Meeting and a white form of proxy for use at the Extraordinary General Meeting are enclosed with copies of this Scheme Document sent to the Registered Owners.

Whether or not you are able to attend the Court Meeting and/or the Extraordinary General Meeting, if you are an Independent NWCL Shareholder, we strongly urge you to complete and sign the enclosed pink form of proxy in respect of the Court Meeting, and if you are a NWCL Shareholder, we strongly urge you to complete and sign the enclosed white form of proxy in respect of the Extraordinary General Meeting, in accordance with the instructions printed thereon, and to lodge them at the office of NWCL's branch share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. **In order to be valid, the pink form of proxy for use at the Court Meeting should be lodged not later than 2:30 p.m. on 14 June 2014, and the white form of proxy for use at the Extraordinary General Meeting should be lodged not later than 4:00 p.m. on 14 June 2014.** The completion and return of a form of proxy for the Court Meeting and/or the Extraordinary General Meeting will not preclude you from attending and voting in person at the relevant meeting. In such event, the returned form of proxy will be deemed to have been revoked.

If you do not appoint a proxy and you do not attend and vote at the Court Meeting and/or the Extraordinary General Meeting, you will still be bound by the outcome of the Court Meeting and the Extraordinary General Meeting if, among other things, the Resolutions are passed by the requisite majorities of Independent NWCL Shareholders or NWCL Shareholders (as the case may be). We therefore strongly urge you to attend and vote at the Court Meeting and the Extraordinary General Meeting in person or by proxy.

NWCL will make an announcement in relation to the results of the Court Meeting and the Extraordinary General Meeting on 16 June 2014. If all the Resolutions are passed at those meetings, NWCL will make further announcements of the results of the hearing of the petition as to, among other things, sanction of the Scheme by the Grand Court and, if the Scheme is sanctioned, the Scheme Record Date, the Effective Date and the date of withdrawal of the listing of NWCL Shares on the Stock Exchange.

PART II**ACTIONS TO BE TAKEN****2. ACTIONS TO BE TAKEN BY HOLDERS THROUGH TRUST OR CCASS**

NWCL will not recognise any person as holding any NWCL Shares through any trust. If you are a Beneficial Owner whose NWCL Shares are held upon trust by, and registered in the name of, a Registered Owner (other than HKSCC Nominees Limited), you should contact the Registered Owner and provide the Registered Owner with instructions in relation to the manner in which your NWCL Shares should be voted at the Court Meeting and/or the Extraordinary General Meeting. Such instructions should be given in advance of the aforementioned latest time for the lodgement of forms of proxy in respect of the Court Meeting and the Extraordinary General Meeting in order to provide the Registered Owner with sufficient time to accurately complete and submit his, her or its proxy. To the extent that any Registered Owner requires instructions from any Beneficial Owner in advance of the aforementioned latest time for the lodgement of forms of proxy in respect of the Court Meeting and the Extraordinary General Meeting, any such Beneficial Owner should comply with the requirements of the Registered Owner.

If you are a Beneficial Owner whose NWCL Shares are deposited in CCASS and registered under the name of HKSCC Nominees Limited, you must, unless you are an Investor Participant, contact your broker, custodian, nominee, or other relevant person who is, or has, in turn, deposited such NWCL Shares with an Other CCASS Participant, regarding voting instructions to be given to such persons if you wish to vote at the Court Meeting and/or at the Extraordinary General Meeting. You should contact your broker, custodian, nominee or other relevant person in advance of the relevant latest time for the lodgement of forms of proxy in respect of the Court Meeting and the Extraordinary General Meeting, in order to provide such person with sufficient time to provide HKSCC with instructions in relation to the manner in which NWCL Shares of the Beneficial Owner should be voted at the Court Meeting and/or the Extraordinary General Meeting. The procedure for voting in respect of the Scheme by HKSCC Nominees Limited with respect to the NWCL Shares shall be in accordance with the “General Rules of CCASS” and the “CCASS Operational Procedures” in effect from time to time.

If you are a Beneficial Owner whose NWCL Shares are deposited in CCASS, you may also elect to become a NWCL Shareholder of record, and thereby have the right to attend and vote at the Court Meeting (if you are an Independent NWCL Shareholder) and the Extraordinary General Meeting (as a NWCL Shareholder). You can become a NWCL Shareholder of record by withdrawing all or any of your NWCL Shares from CCASS and becoming a Registered Owner of such NWCL Shares. For withdrawal of NWCL Shares from CCASS and registration thereof, you will be required to pay to CCASS a withdrawal fee per board lot withdrawn, a registration fee for each share certificate issued, stamp duty on each transfer instrument and, if your NWCL Shares are held through a financial intermediary, any other relevant fees charged by your financial intermediary. You should contact your broker, custodian, nominee or other relevant person in advance of the relevant latest time for lodging transfers of NWCL Shares into your name so as to qualify to attend and vote at the Court Meeting and the Extraordinary General Meeting, in order to provide such broker, custodian, nominee or other relevant person with sufficient time to withdraw NWCL Shares from CCASS and register them in your name.

PART II**ACTIONS TO BE TAKEN****3. ACTIONS TO BE TAKEN BY HOLDERS OF NWCL OPTIONS**

The Rule 13 Offer Letter is being sent to each holder of NWCL Options, together with this Scheme Document and a Form of Acceptance. If you are a holder of NWCL Options and you wish to accept the Rule 13 Offer, you must complete and return the duly completed and executed Form of Acceptance so as to reach the Offeror, care of New World Development Company Limited (新世界發展有限公司) at 25th Floor, New World Tower 1, 18 Queen's Road Central, Hong Kong, for the attention of the board of the Offeror and marked "New World China Land Limited — Rule 13 Offer" by no later than 4:30 p.m. on 31 July 2014 (or such later date and time as may be notified to you by NWD, the Offeror or HSBC). No acknowledgement of receipt of any Form of Acceptance or other document evidencing the grant of NWCL Options or any other document will be given. The Offeror will offer HK\$6.80 minus the relevant exercise price for each NWCL Option.

All holders of NWCL Options must lodge the duly completed and executed Form of Acceptance as mentioned above at or before 4:30 p.m. on 31 July 2014 (or such later date and time as may be notified to you by NWD, the Offeror or HSBC).

You are urged to read the instructions and other terms and conditions of the Rule 13 Offer in the Rule 13 Offer Letter, substantially in the form set out in Appendix IX to this Scheme Document.

4. EXERCISE YOUR RIGHT TO VOTE

IF YOU ARE A NWCL SHAREHOLDER OR A BENEFICIAL OWNER, THE OFFEROR AND NWCL STRONGLY ENCOURAGE YOU TO EXERCISE YOUR RIGHT TO VOTE OR GIVE INSTRUCTIONS TO THE RELEVANT REGISTERED OWNER TO VOTE IN PERSON OR BY PROXY AT THE COURT MEETING AND AT THE EXTRAORDINARY GENERAL MEETING. IF YOU KEEP ANY NWCL SHARES IN A SHARE LENDING PROGRAM, THE OFFEROR AND NWCL URGE YOU TO RECALL ANY OUTSTANDING NWCL SHARES ON LOAN TO AVOID MARKET PARTICIPANTS USING BORROWED STOCK TO VOTE.

IF YOU ARE A REGISTERED OWNER HOLDING NWCL SHARES ON BEHALF OF BENEFICIAL OWNERS, THE OFFEROR AND NWCL SHOULD BE GRATEFUL IF YOU WOULD INFORM THE RELEVANT BENEFICIAL OWNERS ABOUT THE IMPORTANCE OF EXERCISING THEIR VOTE.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU ARE ENCOURAGED TO CONSULT YOUR LICENSED SECURITIES DEALER OR REGISTERED INSTITUTION IN SECURITIES, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS.

PART III

EXPECTED TIMETABLE

Hong Kong Time

Date of dispatch of this Scheme Document	Saturday, 17 May 2014
Date of dispatch of the Rule 13 Offer Letter for NWCL Options	Saturday, 17 May 2014
Latest time for holders to exercise their vested NWCL Options in order to become entitled to vote at the Court Meeting and the Extraordinary General Meeting (<i>Note a</i>).	3:30 p.m. on Tuesday, 10 June 2014
Latest time for lodging transfers of NWCL Shares in order to become entitled to vote at the Court Meeting and the Extraordinary General Meeting	4:30 p.m. on Tuesday, 10 June 2014
Register of members of NWCL closed for determination of entitlements of Independent NWCL Shareholders to attend and vote at the Court Meeting and of NWCL Shareholders to attend and vote at the Extraordinary General Meeting (<i>Note b</i>)	from Wednesday, 11 June 2014 to Monday, 16 June 2014 (both days inclusive)
Meeting Record Date	Friday, 13 June 2014
Latest time for lodging forms of proxy in respect of (<i>Note c</i>)	
• Court Meeting	2:30 p.m. on Saturday, 14 June 2014
• Extraordinary General Meeting	4:00 p.m. on Saturday, 14 June 2014
Suspension of trading in the respective securities of NWD and NWCL on the Stock Exchange	9:00 a.m. on Monday, 16 June 2014
Court Meeting (<i>Note d</i>)	2:30 p.m. on Monday, 16 June 2014
Extraordinary General Meeting (<i>Note d</i>)	4:00 p.m. on Monday, 16 June 2014 (or immediately after the conclusion or adjournment of the Court Meeting)

PART III**EXPECTED TIMETABLE**

Announcement of the results of the Court Meeting and the Extraordinary General Meeting posted on the website of the Stock Exchange	not later than 7:00 p.m. on Monday, 16 June 2014
Resumption of trading in the respective securities of NWD and NWCL on the Stock Exchange	9:00 a.m. on Tuesday, 17 June 2014
Court hearing of NWCL's application to dispense with settling a list of creditors and for directions concerning the capital reduction (unless such orders are made on the paper)	9:30 a.m. on Wednesday, 25 June 2014 (Cayman Islands time)
Latest time for holders of NWCL Options to exercise their vested NWCL Options in order to qualify as Scheme Shareholders for entitlements under the Scheme (<i>Note e</i>).	3:30 p.m. on Wednesday, 2 July 2014
Expected last day for trading in NWCL Shares on the Stock Exchange	Wednesday, 2 July 2014
Latest time for lodging transfers of NWCL Shares in order to qualify for entitlements under the Scheme	4:30 p.m. on Monday, 7 July 2014
Register of members of NWCL closed for determining entitlements under the Scheme (<i>Note f</i>)	from Tuesday, 8 July 2014 onwards
Court hearing of the petition to sanction the Scheme and to confirm the capital reduction	Tuesday, 15 July 2014 (Cayman Islands time)
Announcement of the result of the court hearing to sanction the Scheme and to confirm the capital reduction, the expected Effective Date and the expected date of withdrawal of listing of NWCL Shares on the Stock Exchange	Wednesday, 16 July 2014
Scheme Record Date	Thursday, 17 July 2014
Rule 13 Offer Record Date	Thursday, 17 July 2014

PART III**EXPECTED TIMETABLE**

Effective Date (<i>Note g</i>)	Thursday, 17 July 2014 (Cayman Islands time)
Announcement of the Effective Date and the withdrawal of the listing of NWCL Shares on the Stock Exchange	Thursday, 17 July 2014
Withdrawal of the listing of NWCL Shares on the Stock Exchange (<i>Note h</i>)	4:00 p.m. on Friday, 18 July 2014
Latest time to dispatch cheques for cash payment under the Scheme	on or before Monday, 28 July 2014
Latest time to accept the Rule 13 Offer and closing date of the Rule 13 Offer (<i>Note i</i>)	4:30 p.m. on Thursday, 31 July 2014
Lapse of outstanding NWCL Options	Thursday, 31 July 2014
Announcement of the results of the Rule 13 Offer on the website of the Securities and Futures Commission	not later than 7:00 p.m. on Thursday, 31 July 2014
Announcement of the results of the Rule 13 Offer published in one leading English language newspaper and one leading Chinese language newspaper	Friday, 1 August 2014
Latest time to dispatch cheques for cash payment under the Rule 13 Offer, in respect of NWCL Options as at the Rule 13 Offer Record Date (<i>Note j</i>)	on or before Monday, 11 August 2014

NWCL Shareholders and holders of NWCL Options should note that the above timetable is subject to change. Further announcement(s) will be made in the event that there is any change.

Notes:

- (a) Holders of NWCL Options that vest after the Meeting Record Date are not able to exercise their NWCL Options in time to entitle them to attend and vote at the Court Meeting and the Extraordinary General Meeting.
- (b) The register of members of NWCL will be closed during such period for the purpose of determining the entitlements of the Independent NWCL Shareholders to attend and vote at the Court Meeting and of NWCL Shareholders to attend and vote at the Extraordinary General Meeting. This book close period is not for determining entitlements under the Scheme.
- (c) Forms of proxy should be lodged with the office of NWCL's branch share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event no later than the times and dates stated above. In order to be valid, the pink form of proxy for the Court Meeting and

PART III**EXPECTED TIMETABLE**

the white form of proxy for the Extraordinary General Meeting must be lodged no later than the latest times and dates stated above. Completion and return of a form of proxy for the Court Meeting or the Extraordinary General Meeting will not preclude an Independent NWCL Shareholder and a NWCL Shareholder, respectively, from attending the relevant meeting and voting in person. In such event, the returned form of proxy will be deemed to have been revoked.

- (d) The Court Meeting and the Extraordinary General Meeting will be held at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong at the times and dates specified above. Please see the notice of Court Meeting set out in Appendix VII to this Scheme Document and the notice of Extraordinary General Meeting set out in Appendix VIII to this Scheme Document for details.
- (e) Holders of NWCL Options that vest after the Scheme Record Date are not able to exercise their NWCL Options in time to qualify as Scheme Shareholders for entitlements under the Scheme. Holders of NWCL Options as at the Rule 13 Offer Record Date will be entitled to the Rule 13 Offer.
- (f) The register of members of NWCL will be closed as from such time and on such date for the purpose of determining which Scheme Shareholders are qualified for entitlements under the Scheme.
- (g) The Scheme will become effective upon all the Conditions set out in the paragraph headed "4. Conditions of the Scheme and the Proposal" in Part VII — Explanatory Statement of this Scheme Document having been fulfilled or (to the extent permitted) waived (as the case may be).
- (h) If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of NWCL Shares on the Stock Exchange will be withdrawn at or before 4:00 p.m. on 18 July 2014, being the next trading day after the Effective Date.
- (i) Forms of Acceptance, duly completed and executed in accordance with the instructions on them, must be lodged with the Offeror, care of New World Development Company Limited (新世界發展有限公司) at 25th Floor, New World Tower 1, 18 Queen's Road Central, Hong Kong, for the attention of the board of the Offeror and marked "New World China Land Limited — Rule 13 Offer" not later than 4:30 p.m. on Thursday, 31 July 2014 (or such later date and time as may be notified by NWD, the Offeror or HSBC).
- (j) Payment by cheque in respect of validly completed and executed Forms of Acceptance received after the Rule 13 Offer Record Date but at or before 4:30 p.m. on Thursday, 31 July 2014 will be dispatched within seven Business Days following the later of the date that the Rule 13 Offer becomes unconditional and the date of receipt of such validly completed and executed Forms of Acceptance.

All references to times and dates in this document are references to Hong Kong times and dates, unless otherwise stated.

PART IV

LETTER FROM THE NWCL BOARD



New World China Land Limited
新世界中國地產有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0917)

Executive Directors:

Dr. Cheng Kar-Shun, Henry *GBS*
(Chairman and Managing Director)
 Mr. Cheng Kar-Shing, Peter
 Mr. Cheng Chi-Kong, Adrian
 Ms. Cheng Chi-Man, Sonia
 Mr. Cheng Chi-Him, Conrad
 Mr. Fong Shing-Kwong, Michael
 Ms. Ngan Man-Ying, Lynda

Independent non-executive Directors:

Dr. Cheng Wai-Chee, Christopher *GBS OBE JP*
 Hon. Tien Pei-Chun, James *GBS JP*
 Mr. Lee Luen-Wai, John *BBS JP*
 Mr. Ip Yuk-Keung, Albert

Registered office:

P.O. Box 309
 Ugland House
 Grand Cayman
 KY1-1104
 Cayman Islands

Principal place of business

in Hong Kong:
 9th Floor, New World Tower 1
 18 Queen's Road Central
 Hong Kong

17 May 2014

To: NWCL Shareholders and holders of NWCL Options

Dear Sir/Madam,

PROPOSED PRIVATISATION OF
NEW WORLD CHINA LAND LIMITED (新世界中國地產有限公司)
BY THE OFFEROR
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)

1. INTRODUCTION

NWD, the Offeror and NWCL jointly issued an announcement dated 13 March 2014, which stated that on 12 March 2014, the Offeror, a wholly-owned subsidiary of NWD, requested the NWCL Board to put forward the Proposal to the Scheme Shareholders regarding the proposed privatisation of NWCL by way of a scheme of arrangement under Section 86 of the Companies Law.

PART IV**LETTER FROM THE NWCL BOARD**

The Scheme involves cancellation of all Scheme Shares on the Effective Date. Upon the Scheme becoming effective, NWCL will become a wholly-owned subsidiary of NWD and the listing of NWCL Shares on the Stock Exchange will be withdrawn.

The Offeror has appointed HSBC as its financial adviser in connection with the Scheme, the Proposal and the Rule 13 Offer.

The purpose of this Scheme Document is to provide you with further details of the Scheme, the Proposal and the Rule 13 Offer, information regarding NWCL, the expected timetable and to give you notices of the Court Meeting and the Extraordinary General Meeting (together with proxy forms in relation thereto). Your attention is also drawn to the letter from the NWCL Independent Board Committee set out in Part V of this Scheme Document, the letter from the NWCL Independent Financial Adviser set out in Part VI of this Scheme Document, the Explanatory Statement set out in Part VII of this Scheme Document and the terms of the Scheme set out in Appendix VI to this Scheme Document.

2. TERMS OF THE SCHEME

If the Scheme is approved and implemented,

- (a) all Scheme Shares held by the Scheme Shareholders on the Effective Date will be cancelled in exchange for the payment of the Cancellation Price being HK\$6.80 per Scheme Share;
- (b) the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. Immediately upon such reduction, the issued share capital of NWCL will be increased to its former amount by the issue at par to the Offeror, credited as fully paid, of the same number of NWCL Shares as the number of Scheme Shares cancelled. The reserve created in the books of accounts of NWCL as a result of the capital reduction will be applied in paying up in full at par the new NWCL Shares so issued to the Offeror;
- (c) NWD will, together with the Offeror, hold 100% issued share capital in NWCL; and
- (d) NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange immediately following the Effective Date pursuant to Rule 6.15 of the Listing Rules.

Cancellation Price

Under the Scheme, the Scheme Shareholders will receive from the Offeror the Cancellation Price of HK\$6.80 in cash for every Scheme Share as consideration for the cancellation of the Scheme Shares held as at the Effective Date.

The Cancellation Price of HK\$6.80 will not be increased, and the Offeror does not reserve the right to do so.

PART IV**LETTER FROM THE NWCL BOARD****Comparison of value***Closing prices of NWCL Shares*

The Cancellation Price of HK\$6.80 represents:

- a premium of approximately 32.3% over the closing price of HK\$5.14 per NWCL Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 36.3% over the average closing price of approximately HK\$4.99 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 42.2% over the average closing price of approximately HK\$4.78 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 53.7% over the average closing price of approximately HK\$4.42 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 64.3% over the average closing price of approximately HK\$4.14 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 78.0% over the average closing price of approximately HK\$3.82 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- a premium of approximately 5.4% over the closing price of approximately HK\$6.45 per NWCL Share as quoted on the Stock Exchange on the Latest Practicable Date.

Net asset value per NWCL Share

The Cancellation Price of HK\$6.80 represents:

- a premium of approximately 1.8% over the unaudited consolidated net asset value per NWCL Share of approximately HK\$6.68 as at 31 December 2013; and
- a discount of approximately 32.5% to the Adjusted NAV per NWCL Share of approximately HK\$10.07 as at 31 December 2013.

NWCL Shareholders should note that, as shown in the unaudited financial statements of NWCL as at 31 December 2013 as detailed in Appendix I to this Scheme Document, a significant portion of NWCL's assets consisted of investment properties, land use rights, properties held for development, properties under development and completed properties held

PART IV**LETTER FROM THE NWCL BOARD**

for sale. The value of these assets as stated in such unaudited financial statements may or may not reflect the current market value of these assets. NWCL Shareholders should refer to Appendix II to this Scheme Document, which contains a property valuation report from Knight Frank pursuant to, *inter alia*, Rule 11 of the Takeovers Code, for an updated valuation of NWCL's properties as at 28 February 2014.

The Offeror intends to finance the cash required for the Scheme and the Rule 13 Offer from a credit facility provided by HSBC (in its capacity as lender). HSBC, the financial adviser to the Offeror in connection with the Scheme, the Proposal and the Rule 13 Offer, is satisfied that sufficient financial resources are available to the Offeror for the payment in full of the cash consideration payable under the Scheme and the Rule 13 Offer in accordance with their respective terms.

3. CONDITIONS OF THE SCHEME AND THE PROPOSAL

The Scheme and the Proposal will be conditional upon the fulfilment or waiver, as applicable, of all the Conditions (as set out in the paragraph headed "4. Conditions of the Scheme and the Proposal" under Part VII — Explanatory Statement of this Scheme Document) on or before the Long Stop Date, being 31 August 2014 (or such later date as the Offeror, NWCL and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Scheme and the Proposal will lapse.

NWCL Shareholders and/or potential investors should be aware that the implementation of the Scheme and the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. NWCL Shareholders and potential investors should therefore exercise caution when dealing in the securities of NWCL. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

PART IV

LETTER FROM THE NWCL BOARD

4. SHAREHOLDING STRUCTURE OF NWCL AND THE SCHEME SHARES

On the assumption that no NWCL Options are exercised before the Effective Date and there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, the table below sets out the shareholding structure of NWCL as at the Latest Practicable Date and upon completion of the Scheme:

NWCL Shareholders	As at the Latest Practicable Date		Upon completion of the Scheme (Note 14)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror (Note 1)	255,041,727	2.94	2,958,654,102	34.08
Offeror Concert Parties				
NWCL Shares held not subject to the Scheme:				
— NWD (Note 2)	<u>5,721,977,644</u>	<u>65.92</u>	<u>5,721,977,644</u>	<u>65.92</u>
	<u>5,977,019,371</u>	<u>68.86</u>	<u>8,680,631,746</u>	<u>100.00</u>
Offeror Concert Parties				
NWCL Shares held subject to the Scheme:				
— High Earnings (Note 3)	93,073,738	1.07	—	—
— Great Worth (Note 4)	22,508,064	0.26	—	—
— HSBC group (Note 5)	4,348,542	0.05	—	—
— Dr. Cheng Kar-Shun, Henry (Note 6)	151,983,526	1.75	—	—
— Mr. Cheng Kar-Shing, Peter (Note 7)	755,961	0.01	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	953,669	0.01	—	—
— Mr. Lee Luen-Wai, John (Note 9)	387,448	0.00	—	—
— Mr. Doo Wai-Hoi, William (Note 10)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo (Note 11)	517,500	0.01	—	—
— Ms. Ki Man-Fung, Leonie (Note 12)	<u>45,000</u>	<u>0.00</u>	<u>—</u>	<u>—</u>
	<u>277,145,111</u>	<u>3.19</u>	<u>—</u>	<u>—</u>

PART IV

LETTER FROM THE NWCL BOARD

NWCL Shareholders	As at the Latest Practicable Date		Upon completion of the Scheme (Note 14)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Aggregate number of NWCL Shares held by the Offeror Concert Parties	<u>5,999,122,755</u>	<u>69.11</u>	<u>5,721,977,644</u>	<u>65.92</u>
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,254,164,482	72.05	8,680,631,746	100.00
Independent NWCL Shareholders	<u>2,426,467,264</u>	<u>27.95</u>	<u>—</u>	<u>—</u>
Total	<u>8,680,631,746</u>	<u>100.00</u>	<u>8,680,631,746</u>	<u>100.00</u>
Total number of Scheme Shares (Note 13)	<u>2,703,612,375</u>	<u>31.15</u>	<u>—</u>	<u>—</u>

Notes:

- NWCL Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
- The Offeror is wholly-owned by NWD. NWD is acting in concert with the Offeror in relation to NWCL. NWCL Shares held by NWD will not form part of the Scheme Shares and will not be cancelled.
- High Earnings is wholly-owned by NWS. NWS is a non-wholly owned subsidiary of NWD. The shares of NWS are listed on the Stock Exchange with the stock code 0659. High Earnings is acting in concert with the Offeror in relation to NWCL.
- Great Worth is a non-wholly owned subsidiary of NWD and is acting in concert with the Offeror in relation to NWCL.
- HSBC is the financial adviser to the Offeror and relevant members of the HSBC group (except those which are exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) which hold NWCL Shares are presumed to be acting in concert with the Offeror in relation to NWCL in accordance with class 5 of the definition of "acting in concert" under the Takeovers Code.
- Dr. Cheng Kar-Shun, Henry, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Dr. Cheng Kar-Shun, Henry is also interested in 2,077,922 NWCL Options, of which 1,662,336 are vested.
- Mr. Cheng Kar-Shing, Peter, who is a non-executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Mr. Cheng Kar-Shing, Peter is also interested in 831,169 NWCL Options, of which 664,936 are vested.

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8. Ms. Cheng Chi-Man, Sonia, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
9. Mr. Lee Luen-Wai, John, who is an independent non-executive director of NWD and an independent non-executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Mr. Lee Luen-Wai, John is also interested in 311,688 NWCL Options, of which 249,352 are vested.
10. Mr. Doo Wai-Hoi, William, who is a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
11. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William, a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
12. Ms. Ki Man-Fung, Leonie, who is an executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
13. The total number of NWCL Shares (assuming that no NWCL Options are exercised before the Effective Date and there is no other change in shareholding of NWCL before completion of the Scheme) minus the aggregate number of NWCL Shares held by the Offeror and NWD equals the total number of Scheme Shares (on the same assumptions).
14. Under the Scheme, the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. On the assumption that no NWCL Options are exercised before the Effective Date and the assumption that there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, forthwith upon such reduction, the issued share capital of NWCL will be increased to HK\$868,063,174.6 divided into 8,680,631,746 NWCL Shares by the issue of 2,703,612,375 NWCL Shares to the Offeror at par and the reserve created in NWCL's books of account as a result of the capital reduction will be applied in paying up in full at par the 2,703,612,375 new NWCL Shares so issued to the Offeror.
15. All percentages in the above table are approximations.

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LETTER FROM THE NWCL BOARD

On the assumption that all NWCL Options are vested and exercised in full before the Effective Date and the assumption that there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, the table below sets out the shareholding structure of NWCL before completion of the Scheme and upon completion of the Scheme:

NWCL Shareholders	Before completion of the Scheme (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL between the Latest Practicable Date and completion of the Scheme)		Upon completion of the Scheme (Note 15)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror (Note 1)	255,041,727	2.92	2,990,469,651	34.32
Offeror Concert Parties NWCL Shares held not subject to the Scheme:				
— NWD (Note 2)	<u>5,721,977,644</u>	<u>65.68</u>	<u>5,721,977,644</u>	<u>65.68</u>
	<u>5,977,019,371</u>	<u>68.60</u>	<u>8,712,447,295</u>	<u>100.00</u>
Offeror Concert Parties NWCL Shares held subject to the Scheme:				
— High Earnings (Note 3)	93,073,738	1.07	—	—
— Great Worth (Note 4)	22,508,064	0.26	—	—
— HSBC group (Note 5)	4,348,542	0.05	—	—
— Dr. Cheng Kar-Shun, Henry (Note 6)	154,061,448	1.77	—	—
— Mr. Cheng Kar-Shing, Peter (Note 7)	1,587,130	0.02	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	953,669	0.01	—	—
— Mr. Lee Luen-Wai, John (Note 9)	699,136	0.01	—	—
— Mr. Cheng Chi-Kong, Adrian (Note 10)	935,066	0.01	—	—
— Mr. Doo Wai-Hoi, William (Note 11)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo (Note 12)	517,500	0.00	—	—
— Ms. Ki Man-Fung, Leonie (Note 13)	<u>45,000</u>	<u>0.00</u>	<u>—</u>	<u>—</u>
	<u>281,300,956</u>	<u>3.23</u>	<u>—</u>	<u>—</u>

PART IV

LETTER FROM THE NWCL BOARD

NWCL Shareholders	Before completion of the Scheme (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL between the Latest Practicable Date and completion of the Scheme)		Upon completion of the Scheme (Note 15)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Aggregate number of NWCL Shares held by the Offeror Concert Parties	<u>6,003,278,600</u>	<u>68.91</u>	<u>5,721,977,644</u>	<u>65.68</u>
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,258,320,327	71.83	8,712,447,295	100.00
Independent NWCL Shareholders	<u>2,454,126,968</u>	<u>28.17</u>	—	—
Total	<u>8,712,447,295</u>	<u>100.00</u>	<u>8,712,447,295</u>	<u>100.00</u>
Total number of Scheme Shares (Note 14)	<u>2,735,427,924</u>	<u>31.40</u>	—	—

Notes:

- NWCL Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
- The Offeror is wholly-owned by NWD. NWD is acting in concert with the Offeror in relation to NWCL. NWCL Shares held by NWD will not form part of the Scheme Shares and will not be cancelled.
- High Earnings is wholly-owned by NWS. NWS is a non-wholly owned subsidiary of NWD. The shares of NWS are listed on the Stock Exchange with the stock code 0659. High Earnings is acting in concert with the Offeror in relation to NWCL.
- Great Worth is a non-wholly owned subsidiary of NWD and is acting in concert with the Offeror in relation to NWCL.
- HSBC is the financial adviser to the Offeror and relevant members of the HSBC group (except those which are exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) which hold NWCL Shares are presumed to be acting in concert with the Offeror in relation to NWCL in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code.

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6. Dr. Cheng Kar-Shun, Henry, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
7. Mr. Cheng Kar-Shing, Peter, who is a non-executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
8. Ms. Cheng Chi-Man, Sonia, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
9. Mr. Lee Luen-Wai, John, who is an independent non-executive director of NWD and an independent non-executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
10. Mr. Cheng Chi-Kong, Adrian, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
11. Mr. Doo Wai-Hoi, William, who is a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
12. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William, a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
13. Ms. Ki Man-Fung, Leonie, who is an executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
14. The total number of NWCL Shares (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL before completion of the Scheme) minus the aggregate number of NWCL Shares held by the Offeror and NWD equals the total number of Scheme Shares (on the same assumptions).
15. Under the Scheme, the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. On the assumption that all NWCL Options are vested and exercised in full before the Effective Date and the assumption that there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, forthwith upon such reduction, the issued share capital of NWCL will be increased to HK\$871,244,729.5 divided into 8,712,447,295 NWCL Shares by the issue of 2,735,427,924 NWCL Shares to the Offeror at par and the reserve created in NWCL's books of account as a result of the capital reduction will be applied in paying up in full at par the 2,735,427,924 new NWCL Shares so issued to the Offeror.
16. All percentages in the above table are approximations.

Following the Effective Date and the withdrawal of the listing of NWCL Shares on the Stock Exchange, NWD will hold 100% of the issued share capital of NWCL, of which (i) 65.92% will be held directly; and (ii) 34.08% will be held indirectly through the Offeror, a wholly-owned subsidiary of NWD on the assumption that no NWCL Options are exercised before the Effective Date and there is no other change in shareholding in NWCL before completion of the Scheme.

As at the Latest Practicable Date, the authorised share capital of NWCL was HK\$3,000,000,000.00 divided into 30,000,000,000 NWCL Shares of HK\$0.10 each, and the issued share capital of NWCL was HK\$868,063,174.6 divided into 8,680,631,746 NWCL Shares of HK\$0.10 each. There were no preference shares of NWCL in issue.

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As at the Latest Practicable Date, the Offeror held 255,041,727 NWCL Shares representing approximately 2.94% of the issued share capital of NWCL. Such NWCL Shares will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. As at the Latest Practicable Date, the Offeror Concert Parties held in aggregate 5,999,122,755 NWCL Shares, representing approximately 69.11% of the issued share capital of NWCL. Of these Offeror Concert Parties, NWCL Shares held by NWD will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. NWCL Shares held by the remaining Offeror Concert Parties will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective, but such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting provided that, for the avoidance of doubt, Independent NWCL Shareholders who may vote include any member of the HSBC group acting in its capacity as a Registered Owner of the NWCL Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; (ii) if the NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party.

Save for 4,155,845 NWCL Options, there were no options, warrants or convertible securities in respect of NWCL Shares held by the Offeror or the Offeror Concert Parties or outstanding derivatives in respect of NWCL Shares entered into by the Offeror or the Offeror Concert Parties as at the Latest Practicable Date, and save for 31,815,549 NWCL Options, NWCL did not have in issue any warrants, options, derivatives, convertible securities or other securities convertible into NWCL Shares as at the Latest Practicable Date.

5. RULE 13 OFFER

Your attention is drawn to the paragraph headed “9. Rule 13 Offer” in Part VII — Explanatory Statement of this Scheme Document and to Appendix IX — Form of Rule 13 Offer Letter to this Scheme Document.

6. REASONS FOR, AND BENEFITS OF, THE SCHEME AND THE PROPOSAL

You are urged to read carefully the paragraph headed “11. Reasons for, and Benefits of, the Scheme and the Proposal” in Part VII — Explanatory Statement to this Scheme Document.

7. INFORMATION ON NWCL

NWCL is a company incorporated in the Cayman Islands with limited liability, the shares of which have been listed on the Main Board of the Stock Exchange since July 1999 with the stock code 0917.

NWCL is the flagship property arm of NWD in the PRC and is one of the large-scale national developers in the PRC with unaudited consolidated total assets of approximately HK\$124.1 billion as at 31 December 2013. The audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2013 were approximately HK\$7,906,897,000 and approximately HK\$4,855,356,000 respectively and the audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June

PART IV**LETTER FROM THE NWCL BOARD**

2012 were approximately HK\$6,092,204,000 and approximately HK\$3,279,500,000 respectively. The NWCL Group's development portfolio comprises 36 major projects spanning over 21 large cities or major transportation hubs as at 31 December 2013.

The NWCL Group develops property projects for sale, develops and manages investment properties for rental purposes, and operates resort and hotel projects. Its property projects encompass residential estates, serviced apartments, villas, offices, shopping centres, mixed use comprehensive buildings, hotels and resorts. The NWCL Group has undertaken urban redevelopment projects in the old city centre of Beijing, Tianjin and Jinan, and is the developer of landmark commercial complexes in Beijing, Shanghai, Wuhan, Tianjin and Dalian and large-scale residential communities in Shenyang, Wuhan, Guangzhou, Chengdu, Changsha and Guiyang.

8. INFORMATION ON NWD AND THE OFFEROR

NWD is the parent company of NWCL and a company incorporated in Hong Kong with limited liability, the shares of which have been listed on the Main Board of the Stock Exchange since 1972 with the stock code 0017. It is a constituent stock of the Hong Kong Hang Seng Index with unaudited total asset value of approximately HK\$354.7 billion as at 31 December 2013.

The NWD Group is a leading property development company based in Hong Kong. NWD was founded in 1970 and for more than four decades, the NWD Group has expanded its business portfolio from a single focus on the property business to five core areas, comprising property, infrastructure, services, hotels and department stores in Hong Kong, the PRC and Macau.

The NWD Group is also involved in direct investment and an array of other businesses, including telecommunications.

The Offeror is a wholly-owned subsidiary of NWD.

9. INTENTION OF NWD AND THE OFFEROR

NWD and the Offeror intend to continue the existing business of NWCL upon successful implementation of the Scheme and the Proposal. NWD and the Offeror have no intention to make any major changes to the existing operation and business, or to discontinue the employment of the employees of NWCL Group nor does it have any plans to redeploy any of the fixed assets of the NWCL Group after implementation of the Scheme and the Proposal. However, NWD and the Offeror will continue to assess business opportunities as they arise.

Your attention is drawn to the paragraph headed "14. Intentions of NWD and the Offeror" in Part VII — Explanatory Statement to this Scheme Document.

10. WITHDRAWAL OF LISTING OF NWCL SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

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NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange, in accordance with Rule 6.15 of the Listing Rules, immediately following the Effective Date. NWCL Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in NWCL Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of NWCL Shares on the Stock Exchange will become effective as further set out in Part III — Expected Timetable of this Scheme Document.

11. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

The Proposal will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date, being 31 August 2014 (or such later date as the Offeror, NWCL, and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive). If the Scheme is not approved or the Proposal otherwise lapses, NWCL has no intention to seek the immediate withdrawal of the listing of NWCL Shares on the Stock Exchange.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Scheme and the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for NWCL, except with the consent of the Executive.

12. OVERSEAS NWCL SHAREHOLDERS AND OVERSEAS HOLDERS OF NWCL OPTIONS

The making of (i) the Scheme to the Scheme Shareholders; and (ii) the Rule 13 Offer to the holders of NWCL Options, who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders or holders of NWCL Options respectively are located. Such Scheme Shareholders and such holders of NWCL Options should inform themselves about and observe any applicable legal, tax or regulatory requirements. It is the responsibility of any overseas Scheme Shareholders and overseas holders of NWCL Options wishing to take any action in relation to the Scheme, the Proposal and the Rule 13 Offer, respectively, to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with any other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. Any acceptance by such Scheme Shareholders and holders of NWCL Options will be deemed to constitute a representation and warranty from such persons to NWD, the Offeror, NWCL and their respective advisers, including HSBC, the financial adviser to the Offeror, that those local laws and regulatory requirements have been complied with. Scheme Shareholders and holders of NWCL Options are recommended to consult their own professional advisers if they are in any doubt as to their respective positions.

PART IV**LETTER FROM THE NWCL BOARD****13. REGISTRATION AND PAYMENT**

Your attention is drawn to the paragraph headed “18. Registration and Payment” in Part VII — Explanatory Statement of this Scheme Document.

14. TAXATION AND INDEPENDENT ADVICE

Your attention is drawn to the paragraph headed “19. Taxation” in Part VII — Explanatory Statement of this Scheme Document.

None of NWD, the Offeror, NWCL, HSBC or any of their respective directors or associates or any other person involved in the Scheme and the Proposal accept responsibility for any tax or other effects on, or liabilities of, any person or persons as a result of the implementation or otherwise of the Scheme and the Proposal.

15. COURT MEETING AND EXTRAORDINARY GENERAL MEETING**Court Meeting**

In accordance with the directions of the Grand Court, the Court Meeting will be held for the purpose of considering and, if thought fit, passing a resolution to approve the Scheme (with or without modification). Independent NWCL Shareholders whose names appear in the register of members of NWCL as at the Meeting Record Date shall be entitled to attend and vote, in person or by proxy, at the Court Meeting.

The Scheme and the Proposal are conditional upon, among other things, approval (by way of poll) by a majority in number of the Independent NWCL Shareholders representing not less than three-fourths in value of the NWCL Shares held by the Independent NWCL Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:

- (a) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the NWCL Shares held by the Independent NWCL Shareholders that are voted either in person or by proxy at the Court Meeting; and
- (b) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all NWCL Shares held by the Independent NWCL Shareholders;

In accordance with the direction from the Grand Court, in the case of HKSCC Nominees Limited, for the purpose of counting the majority in number, it shall be treated as a multi-headed NWCL Shareholder. In this regard, HKSCC Nominees Limited shall be permitted to vote both for and against the Scheme in accordance with instructions received by it from the Investor Participants and Other CCASS Participants. However, for the purpose of calculating the “majority in number”, each such Investor Participant or Other CCASS Participant who instructs HKSCC Nominees Limited to vote in favour of the Scheme shall be counted for the majority in number as a single NWCL

PART IV**LETTER FROM THE NWCL BOARD**

Shareholder voting in favour of the Scheme, and, if applicable, each such Investor Participant or Other CCASS Participant who instructs HKSCC Nominees Limited to vote against the Scheme shall be counted for the majority in number as a single NWCL Shareholder voting against the Scheme. HKSCC Nominees Limited itself, as opposed to instructing Investor Participants and Other CCASS Participants, shall not be counted as a NWCL Shareholder for the purpose of the calculation of the majority in number.

Your attention is drawn to the paragraph headed “20. Court Meeting and Extraordinary General Meeting” in Part VII — Explanatory Statement of this Scheme Document.

Extraordinary General Meeting

The Extraordinary General Meeting will be held after the Court Meeting.

All NWCL Shareholders whose names appear in the register of members of NWCL as at the Meeting Record Date shall be entitled to attend and vote, in person or by proxy, at the Extraordinary General Meeting with respect to:

- (a) the special resolution to approve the reduction of the issued share capital of NWCL by cancelling the Scheme Shares; and
- (b) the ordinary resolution to immediately restore the issued share capital of NWCL to its former amount by the issue of the same number of NWCL Shares as the number of Scheme Shares cancelled, credited as fully paid, to the Offeror.

Your attention is drawn to the paragraph headed “20. Court Meeting and Extraordinary General Meeting” in Part VII — Explanatory Statement of this Scheme Document.

Notice of the Court Meeting is set out in Appendix VII to this Scheme Document. The Court Meeting will be held at 2:30 p.m. on 16 June 2014 at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong.

Notice of the Extraordinary General Meeting is set out in Appendix VIII to this Scheme Document. The Extraordinary General Meeting will be held at 4:00 p.m. (or immediately after the conclusion or adjournment of the Court Meeting convened for the same day and place) on 16 June 2014 at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong.

Assuming that the Conditions are fulfilled (or, as applicable, waived in whole or in part), it is expected that the Scheme will become effective on or before 17 July 2014 (Cayman Islands time). NWCL will make further announcements giving details of the results of the Court Meeting and the Extraordinary General Meeting and, if all the resolutions are passed at those meetings, the result of the hearing of the petition for, among other things, the sanction of the Scheme by the Grand Court, the Scheme Record Date, the Effective Date, and the date of withdrawal of the listing of NWCL Shares on the Stock Exchange.

PART IV**LETTER FROM THE NWCL BOARD****16. ACTIONS TO BE TAKEN**

The actions which you are required to take in relation to the Scheme, the Proposal and the Rule 13 Offer are set out in Part II — Actions To Be Taken and paragraph headed “23. Summary of Actions to be Taken” in Part VII — Explanatory Statement of this Scheme Document.

17. RECOMMENDATIONS

The directors of NWCL (other than those on the NWCL Independent Board Committee whose views are set out in the letter from the NWCL Independent Board Committee in Part V of this Scheme Document) all believe that the terms of the Scheme are fair and reasonable and in the interests of NWCL Shareholders as a whole.

In the letter from the NWCL Independent Financial Adviser set out in Part VI of this Scheme Document, Somerley states that it considers the terms of the Scheme and the Rule 13 Offer to be fair and reasonable, and advises the NWCL Independent Board Committee to recommend that the Independent NWCL Shareholders vote in favour of the Resolutions which will be proposed at the Court Meeting and the Extraordinary General Meeting to approve and implement the Scheme.

The NWCL Independent Board Committee (comprising Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James and Mr. Ip Yuk-Keung, Albert), having considered the terms of the Scheme and the Rule 13 Offer and having taken into account the advice of Somerley, and in particular the factors, reasons and recommendations set out in its letter in Part VI of this Scheme Document, considers that the terms of the Scheme and the Rule 13 Offer are fair and reasonable so far as the Independent NWCL Shareholders and holders of NWCL Options are concerned.

Your attention is drawn to the recommendation of the NWCL Independent Board Committee as set out in Part V of this Scheme Document.

18. FURTHER INFORMATION

We urge you to read carefully the letters from the NWCL Independent Board Committee and from the NWCL Independent Financial Adviser, as set out in Parts V and VI of this Scheme Document, respectively, the Explanatory Statement as set out in Part VII of this Scheme Document, the Appendices to this Scheme Document, the terms of the Scheme as set out in Appendix VI to this Scheme Document, the notice of Court Meeting as set out in Appendix VII to this Scheme Document and the notice of Extraordinary General Meeting as set out in Appendix VIII to this Scheme Document. In addition, a pink form of proxy for the Court Meeting and a white form of proxy for the Extraordinary General Meeting are enclosed with copies of this Scheme Document.

By Order of the Board
Dr. Cheng Kar-Shun, Henry
Chairman and Managing Director

PART V LETTER FROM THE NWCL INDEPENDENT BOARD COMMITTEE**New World China Land Limited**
新世界中國地產有限公司*(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 0917)**

17 May 2014

To: The Independent NWCL Shareholders and holders of NWCL Options

Dear Sir or Madam,

PROPOSED PRIVATISATION OF
NEW WORLD CHINA LAND LIMITED (新世界中國地產有限公司)
BY THE OFFEROR
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)

We refer to the scheme document dated 17 May 2014 jointly issued by NWD, the Offeror and NWCL in relation to the Scheme and the Rule 13 Offer (the “**Scheme Document**”), of which this letter forms part. Unless the context requires otherwise, terms used in this letter shall have the same meaning as given to them in the Scheme Document.

We have been appointed by the NWCL Board as the NWCL Independent Board Committee to advise the Independent NWCL Shareholders and holders of NWCL Options in respect of the Scheme and the Rule 13 Offer.

The remaining independent non-executive director of NWCL, Mr. Lee Luen-Wai, John, is also an independent non-executive director of NWD. In order to avoid any perceived conflict of interests, Mr. Lee Luen-Wai, John does not form part of the NWCL Independent Board Committee.

Somerley has been appointed, with our approval, as the independent financial adviser of NWCL to advise us in connection with the Scheme and the Rule 13 Offer.

We wish to draw your attention to (a) the letter from the NWCL Board set out on in Part IV of this Scheme Document; (b) the letter from the NWCL Independent Financial Adviser as set out in Part VI of this Scheme Document which sets out the factors and reasons taken into account by the NWCL Independent Financial Adviser in arriving at its recommendations; and (c) the explanatory statement as set out in Part VII of this Scheme Document.

PART V LETTER FROM THE NWCL INDEPENDENT BOARD COMMITTEE

Having considered the terms of the Scheme and the Rule 13 Offer and having taken into account the advice of the NWCL Independent Financial Adviser, in particular the factors, reasons and recommendations as set out in the letter from the NWCL Independent Financial Adviser, we consider the terms of the Scheme and the Rule 13 Offer to be fair and reasonable so far as the Independent NWCL Shareholders and the holders of NWCL Options are concerned.

Accordingly, we recommend:

- (a) the Independent NWCL Shareholders to vote in favour of the resolution to approve the Scheme at the Court Meeting;
- (b) NWCL Shareholders to vote in favour of the special resolution to reduce the issued share capital of NWCL by cancelling the Scheme Shares and the ordinary resolution to restore immediately the issued share capital of NWCL to its former amount by the issue of the same number of NWCL Shares as the number of Scheme Shares cancelled, credited as fully paid, to the Offeror at the Extraordinary General Meeting; and
- (c) the holders of NWCL Options to accept the Rule 13 Offer.

Yours faithfully,
Independent Board Committee

Dr. Cheng Wai-Chee, Christopher	Hon. Tien Pei-Chun, James	Mr. Ip Yuk-Keung, Albert
<i>Independent non-executive director</i>	<i>Independent non-executive director</i>	<i>Independent non-executive director</i>

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER

The following is the letter of advice from the independent financial advisor, Somerley Capital Limited, to the NWCL Independent Board Committee, which has been prepared for the purpose of inclusion in this document.



SOMERLEY CAPITAL LIMITED
20th Floor
China Building
29 Queen's Road Central
Hong Kong

17 May 2014

To: the NWCL Independent Board Committee

Dear Sirs,

**PROPOSED PRIVATISATION OF
NEW WORLD CHINA LAND LIMITED (新世界中國地產有限公司)
BY THE OFFEROR
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)**

INTRODUCTION

We refer to our appointment to advise the NWCL Independent Board Committee in connection with the proposed privatisation of NWCL by way of a scheme of arrangement under section 86 of the Companies Law involving, *inter alia*, the cancellation of all shares held by the Scheme Shareholders. Details of the Scheme and the Proposal are contained in the Scheme Document, of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as defined in the Scheme Document.

The board of directors of NWCL has established the NWCL Independent Board Committee, comprising three independent non-executive directors of NWCL, being Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James and Mr. Ip Yuk-Keung, Albert, to advise the Independent NWCL Shareholders and the holders of NWCL Options in respect of the Scheme and the Rule 13 Offer. Mr. Lee Luen-Wai, John, independent non-executive director of both NWCL and NWD, is not part of the NWCL Independent Board Committee in order to avoid any perceived conflict of interest. We have been appointed as independent financial advisor to advise the NWCL Independent Board Committee in connection with the Scheme and the Rule 13 Offer.

Somerley is not associated with NWCL, the Offeror or their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them and, accordingly, is considered eligible to give independent advice on the Scheme and the Rule 13 Offer. Apart from normal professional fees payable to us in connection with this appointment, and

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER

except as disclosed above, no arrangement exists whereby we will receive any fees or benefits from NWCL or the Offeror or their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them.

In formulating our advice and recommendation, we have relied on the information and facts supplied, and the opinions expressed, by the executive directors of NWCL and management of NWCL, which we have assumed to be true, accurate and complete. We have reviewed published information on NWCL, including its audited financial statements for the years ended 30 June 2012 and 2013, and the unaudited financial statements for the six-month periods ended 31 December 2013. We have discussed with Knight Frank, the independent property valuer jointly appointed by NWD and NWCL, the bases and assumptions for their valuation as at 28 February 2014 of NWCL's property interests, together with the property interests held under or held through associated companies and jointly controlled entities of the NWCL Group, which are contained in Appendix II to the Scheme Document. We have performed site visits to over 70.0% of the property interests by market value attributable to the NWCL Group as at 28 February 2014. We have reviewed the trading performance of NWCL Shares on the Stock Exchange, and have sought and received confirmation from the directors of NWCL that no material facts have been omitted from the information supplied and opinions expressed by them. We have also discussed with the directors of NWCL the material changes in NWCL Group's financial position and business prospects since the date of the last published audited financial statements as at 30 June 2013. We consider that the information which we have received is sufficient for us to reach our opinion and advice as set out in this letter and to justify our reliance on such information. We have no reason to doubt the truth and accuracy of the information provided to us or to believe that any material facts have been omitted or withheld. We have, however, not conducted any independent investigation into the business and affairs of the NWCL Group or the NWD Group, or their respective associated companies or jointly controlled entities. We have also assumed that all representations contained or referred to in the Scheme Document were true at the time they were made and at the date of the Scheme Document and will continue to be true up to the time of the Court Meeting and the Extraordinary General Meeting. Shareholders will be informed as soon as reasonably practicable if we become aware of any material change to the above.

TERMS OF THE SCHEME AND THE PROPOSAL

In summary, the Scheme and the Proposal involves the following principal steps:

- (i) all the Scheme Shares held by the Scheme Shareholders will be cancelled and, in consideration thereof, the Scheme Shareholders will receive from the Offeror the Cancellation Price of HK\$6.80 in cash for every Scheme Share held. NWCL Shareholders should note that the Cancellation Price will not be increased, and the Offeror does not reserve the right to do so; and

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER

- (ii) the issued share capital of NWCL will be reduced by cancelling and extinguishing the Scheme Shares and, immediately following such reduction, the share capital of the NWCL will be restored to its former amount by the allotment and issuance at par to the Offeror credited as fully paid of the same number of NWCL Shares as is equal to the Scheme Shares cancelled. NWD will then effectively hold 100.0% of the issued share capital in NWCL. NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange immediately following the Effective Date.

The Proposal is, and the Scheme will become, effective and binding on NWCL and all NWCL Shareholders, subject to the fulfilment or waiver (as applicable) of, among other things, the following Conditions:

- (i) the approval of the Scheme (by way of poll) by a majority in number of the Independent NWCL Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Independent NWCL Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (a) the Scheme is approved (by way of poll) by at least 75.0% of the votes attaching to the Scheme Shares held by Independent NWCL Shareholders that are voted either in person or by proxy at the Court Meeting; and
 - (b) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10.0% of the votes attaching to all Scheme Shares held by the Independent NWCL Shareholders. The Independent NWCL Shareholders held 2,426,467,264 NWCL Shares as at the Latest Practicable Date and 10.0% of such shares amounted to 242,646,726 NWCL Shares;
- (ii) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by NWCL Shareholders present and voting, in person or by proxy, at the Extraordinary General Meeting to approve and give effect to the cancellation of the Scheme Shares, the reduction of the issued share capital of NWCL, and (ii) the passing of an ordinary resolution by NWCL Shareholders at the Extraordinary General Meeting to increase immediately thereafter the issued share capital of NWCL to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new NWCL Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror;

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER

- (iii) the sanction of the Scheme (with or without modifications) by the Grand Court and, to the extent necessary, the Grand Court's confirmation of the reduction of the share capital of NWCL, and the registration of a copy of the Court Orders by the Registrar of Companies in the Cayman Islands; and
- (iv) the shareholders of NWD approving the Proposal and the Rule 13 Offer at a general meeting of NWD.

Further details of the Conditions are set out in the section headed "4. Conditions of the Scheme and the Proposal" in the Explanatory Statement in the Scheme Document.

All the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date (or such later date as the Offeror, NWCL and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Scheme and the Proposal will lapse. NWCL has no right to waive any of the Conditions.

If approved, the Scheme will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation with regard to the Scheme and the Rule 13 Offer, we have taken into account the following principal factors and reasons:

1. Background to and reasons for the Scheme and the Proposal

The NWCL Group is principally engaged in investment and development of property projects in the PRC, developing property projects for sale, developing and managing investment properties for rental purposes, and operating resort and hotel projects. It is the PRC flagship property arm of NWD, the controlling shareholder of NWCL, and is one of the large-scale national developers in the PRC. Shares of NWCL have been listed on the Main Board of the Stock Exchange since July 1999.

On 12 March 2014, the Offeror, a wholly-owned subsidiary of NWD, requested the NWCL Board to put forward the Proposal to the Scheme Shareholders regarding the proposed privatisation of NWCL by way of a scheme of arrangement. Further background to, and reasons for, the Scheme and the Proposal are set out in the Explanatory Statement included in the Scheme Document.

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER*Cancellation Price represents a substantial premium over historical market prices*

As set out in the Explanatory Statement, during the six-month period ended on and including the Last Trading Day, NWCL Shares have been traded within the range of HK\$3.69 and HK\$5.14 per NWCL Share with a simple average closing price of HK\$4.09 per NWCL Share. The Cancellation Price of HK\$6.80 per Scheme Share represents a premium of 66.2% over the simple average closing prices of the six-month period ended on and including the Last Trading Day. The Cancellation Price represents a substantial premium over such longer-term average, which in our view is more representative of the price performance of the NWCL Shares. For further details of the comparison of the Cancellation Price with the historical trading performance of the NWCL Shares, please see the section below headed “NWCL Share prices”.

It is also stated in the Explanatory Statement that since the Offeror and NWD already control an aggregate of approximately 70.2% interest in NWCL, the Offeror believes that it is unlikely that the Scheme Shareholders will receive any other general offer from a third party to acquire the Scheme Shares, as such offer would not succeed without the approval of NWD and the Offeror.

The Offeror accordingly considers that the Scheme and the Proposal provides an opportunity for the Scheme Shareholders to dispose of their NWCL Shares and receive cash at a price significantly above the historical market price prior to the Announcement. The Offeror has also stated that the Cancellation Price of HK\$6.80 per Scheme Share will not be increased, and the Offeror does not reserve the right to do so.

If the Scheme becomes effective, NWCL will, subject to the approval of the Stock Exchange, withdraw the listing of the NWCL Shares on the Stock Exchange. If the Scheme is not approved or the Proposal otherwise lapses, NWCL has no intention to seek the immediate withdrawal of the listing of NWCL Shares on the Stock Exchange.

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER

2. Financial information of the NWCL Group

Revenue and profits

The following table sets out the consolidated income statement of the NWCL Group for the six-month period ended 31 December 2013 and the years ended 30 June 2012 and 2013, as extracted from the financial information of the NWCL Group set out in Appendix I to the Scheme Document:

	For the six months ended 31 December 2013 HK\$'000 (Unaudited)	For the year ended 30 June 2013 2012 HK\$'000 HK\$'000 (Audited) (Audited)	
Revenue			
Property development	10,480,118	14,168,228	9,887,886
Rental operation	366,608	720,392	693,369
Others (principally hotel and property management services)	<u>1,037,701</u>	<u>1,265,252</u>	<u>1,947,500</u>
Total revenue	11,884,427	16,153,872	12,528,755
Cost of sales	(6,301,012)	(9,395,433)	(6,887,239)
Gross profit	5,583,415	6,758,439	5,641,516
<i>Gross profit margin</i>	<i>47.0%</i>	<i>41.8%</i>	<i>45.0%</i>
Profit before taxation	6,060,092	7,906,897	6,092,204
Taxation charge	<u>(2,530,558)</u>	<u>(3,051,541)</u>	<u>(2,812,704)</u>
Profit for the period	3,529,534	4,855,356	3,279,500
Profit attributable to NWCL Shareholders	3,394,594	4,616,314	3,080,929
Earnings per NWCL Share			
Basic (HK cents)	39.16	53.32	42.04
Diluted (HK cents)	39.14	53.29	41.72
Dividends for the year		606,589	605,409
<i>Per NWCL Share</i>		<i>HK\$0.07</i>	<i>HK\$0.07</i>

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER(i) *Revenue*

As shown in the above table, the revenue of the NWCL Group comprises revenues generated from (a) property development; (b) rental operation; and (c) other business segments including hotel operations, hotel management services, property management services and other operations. Set out below is a brief review of the performance of each segment during the above period.

(a) Property development

The property development segment is the biggest business segment of the NWCL Group in terms of revenue contribution. It accounted for approximately 78.9% and 87.7% of total revenues for the two years ended 30 June 2012 and 2013 respectively. Revenue from property development increased approximately 43.3% from the year ended 30 June 2012 to 30 June 2013, from approximately HK\$9,887.9 million to approximately HK\$14,168.2 million. Revenue increases were mainly due to increases in recorded sales as a result of an increase in completion of properties during the relevant periods. For the six month period ended 31 December 2013, sales of properties continued to be strong, with revenue from property development amounted to approximately HK\$10,480.1 million, or approximately 74.0% of the corresponding revenue for the year ended 30 June 2013.

(b) Rental operation

The rental operation segment accounted for approximately 4.5% and 5.5% of the total revenue of the NWCL Group for the year ended 30 June 2013 and 2012, respectively, with its segment revenue raising from approximately HK\$693.4 million to approximately HK\$720.4 million. The increase was mainly attributable to an overall increase in rental contributions from office premises and commercial properties, including Wuhan New World Centre and Wuhan New World International Trade Tower. Revenue from rental operations was approximately HK\$366.6 million for the six month period ended 31 December 2013. Fluctuations in revenues in this segment are relatively mild due to the stable nature of the property rental business.

(c) Others

Other revenue for the year ended 30 June 2013 mainly consists of revenue generated from hotel operations, hotel management services and property management services, which amounted to approximately HK\$334.9 million, HK\$471.3 million and HK\$339.7 million, respectively. In comparing with the previous year, revenue from hotel operations decreased by approximately 8.1%, due to a subdued hotel market in the PRC and reduced revenues as a result of renovation activities at the New World Shanghai Hotel,

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER

as well as a hotel owned by NWCL Group in Shenyang that ceased operations in November 2012. The revenue from property management segments increased by approximately 19.1% in the year ended 30 June 2013 in comparing with the previous year, due to an increase in property management services provided to property projects completed during the year. Other revenue for the six month period ended 31 December 2013 was approximately HK\$1,037.7 million.

(ii) *Gross profit*

Gross profit increased by 19.8% for the year ended 30 June 2013 compared to the same period in 2012, from approximately HK\$5,641.5 million to approximately HK\$6,758.4 million. Such increase was mainly attributed to the increase in property sales. The gross profit margin, however, decreased from approximately 45.0% to 41.8%, primarily due to differences in the recorded sales mix, as in the year ended 30 June 2013 a higher proportion of property sales were contributed from property projects in second and third tier cities in the PRC, with relatively lower gross profit margin. The gross profit margin for the six month period ended 31 December 2013 of approximately 47.0% compares favourably to the gross profit margin for the year ended 30 June 2013, primarily due to a different property sales mix.

(iii) *Profit attributable to NWCL Shareholders*

Profit attributable to NWCL Shareholders increased by approximately 49.8% from approximately HK\$3,080.9 million for the year ended 30 June 2012 to approximately HK\$4,616.3 million for the year ended 30 June 2013. The profit attributable to NWCL Shareholders for the six month period ended 31 December 2013 was approximately HK\$3,394.6 million. The continuous increase in profits attributable to NWCL Shareholders was primarily due to an increase in contributions from the NWCL Group's property development segment, which was due to an increase in recorded sales resulting from an increase in completion of property projects.

(iv) *Dividend paid to NWCL Shareholders*

Total dividend paid to NWCL Shareholders was HK\$0.07 per NWCL Share for each of the years ended 30 June 2013 and 30 June 2012, representing a yield of approximately 1.0% at the Cancellation Price.

(v) *Comments*

As shown in the above analysis of the NWCL Group's financial performance, the NWCL Group is principally a PRC property developer. Its revenue stream and accordingly profitability would depend on the timing of completion of its property projects. In view of the above, we have not placed a significant emphasis on the

PART VI	LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER
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profitability or price to earnings ratio (approximately 12.8 times based on the latest audited earnings per share of approximately HK\$53 cents and Cancellation Price of HK\$6.80) when analysing the NWCL Group. Instead, we consider the NWCL Group to be an asset-based group, and focus is put on analysing its balance sheet and valuation of its properties, as detailed in the following sections.

Balance sheet

The following table sets out the consolidated financial position of NWCL as at 31 December 2013 and 30 June 2013 and 2012 as extracted from the financial information of the NWCL Group set out in Appendix I to the Scheme Document:

	As at	As at 30 June	
	31 December	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Non-current assets			
Property, plant and equipment ("PPE")	4,471,199	3,430,117	2,660,411
Investment properties	21,230,834	19,928,241	17,165,024
Land use rights	619,918	621,096	679,009
Intangible assets	2,014,307	1,940,241	1,925,141
Properties held for development	19,015,573	17,350,847	15,864,552
Associated companies and joint ventures	14,423,495	12,914,943	11,502,724
Available for sale financial assets	<u>85,147</u>	<u>108,457</u>	<u>108,457</u>
Total non-current assets	61,860,473	56,293,942	49,905,318
Current assets			
Properties under development	21,651,463	20,449,013	17,951,504
Completed properties held for sale	9,024,331	7,093,274	5,060,918
Hotel inventories, at cost	4,608	4,551	4,181
Prepayments, debtors and other receivables	10,667,700	13,817,090	11,339,135
Amounts due from related companies	925,369	851,225	604,929
Cash and bank balances, unrestricted	<u>19,945,079</u>	<u>19,337,202</u>	<u>13,257,612</u>
Total current assets	62,218,550	61,552,355	48,218,279

PART VI	LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER
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	As at 31 December 2013 <i>HK\$'000</i> <i>(Unaudited)</i>	As at 30 June 2013 <i>HK\$'000</i> <i>(Audited)</i>	2012 <i>HK\$'000</i> <i>(Audited)</i>
Current liabilities			
Creditors and accruals	7,866,124	6,819,852	5,883,221
Deposits received on sale of properties	7,705,589	9,041,851	5,161,655
Amounts due to related companies	950,200	838,710	1,345,767
Short term loans	256,410	543,038	270,699
Current portion of long term borrowings	4,991,585	5,501,711	5,267,457
Amount due to non-controlling interests	103,639	103,192	101,916
Taxes payable	<u>4,886,073</u>	<u>3,497,028</u>	<u>2,988,122</u>
Total current liabilities	26,759,620	26,345,382	21,018,837
Non-current liabilities			
Long term borrowings	32,973,109	30,957,581	22,919,267
Deferred tax liabilities	<u>3,004,253</u>	<u>2,839,705</u>	<u>2,460,377</u>
Total non-current liabilities	35,977,362	33,797,286	25,379,644
Equity attributable to NWCL			
Shareholders	57,982,338	54,348,746	48,751,973
Non-controlling interests	<u>3,359,703</u>	<u>3,354,883</u>	<u>2,973,143</u>
Total equity	<u>61,342,041</u>	<u>57,703,629</u>	<u>51,725,116</u>

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER(i) *PPE*

PPE of the NWCL Group principally includes assets under construction (amongst others, hotel properties under construction), completed hotels and properties for NWCL Group's own use.

(ii) *Investment properties*

Investment properties include completed investment properties with a carrying value of approximately HK\$17,958.0 million and investment properties under development with a carrying value of approximately HK\$3,272.8 million, as at 31 December 2013. According to the NWCL Group's accounting policies, investment properties are carried at fair values in the consolidated balance sheet. Completed investment properties include office premises, commercial properties, serviced apartments, car parking portions of certain developments and other ancillary properties. Investment properties under development comprise mainly commercial properties and car parking portions of certain developments.

(iii) *Land use rights*

NWCL Group's interests in land use rights primarily represent the land portion of the NWCL Group's hotel properties held and other properties held for NWCL's own use under PPE.

(iv) *Properties held for development*

Major properties held for development as at 31 December 2013 include portions of Guiyang Jinyang Sunny Town, a commercial/residential composite development, portions of Shenyang New World Garden, comprising 5 parcels of adjoining sites being developed into a self-contained residential zone and portions of Canton First Estate, a residential and hotel development in Foshan.

(v) *Properties under development*

Major properties under development as at 31 December 2013 include Tianjin Xin Hui Hua Ting scheduled to be completed in 2014 and portions of Guangzhou Park Paradise, both of which are residential and commercial composite development projects.

(vi) *Completed properties held for sale*

Completed properties held for sale as at 31 December 2013 represent mainly commercial and residential developments, which include the completed phases of Shenyang New World Garden and Guangzhou Central Park-view.

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER*(vii) Borrowings and indebtedness position*

As at 31 December 2013, the NWCL Group had total borrowings of approximately HK\$38,221.1 million, and gearing ratio (defined as net debt, being the aggregate of borrowings, net of cash and bank balances, divided by total equity) of approximately 29.8%. As at 31 December 2013, the NWCL Group's committed unutilised bank loan facilities amounted to approximately HK\$3,719.6 million.

According to the statement of indebtedness as contained in Appendix I to the Scheme Document, the total borrowings of NWCL Group as at 28 February 2014 increased by approximately 0.4% to approximately HK\$38,387.3 million as compared to 31 December 2013.

Prospects

As stated in the 2013 interim report of NWCL, the directors of NWCL consider the property market in the PRC continued to grow with the support from concrete and genuine housing demand. NWCL management aims to continue to promote business development in the PRC by capturing the opportunities brought about by the national urbanisation development strategy and by maintaining a balance in the business development of first-, second- and third-tier cities.

In terms of government policies in 2014, the directors of NWCL expect the property control measures, including purchase restriction and price limitation, will still be strict in first-tier and certain core second-tier cities, while those in other second and third-tier cities will become relatively loose. Relatively tight mortgaging financing policies will also continue to be enforced. The NWCL Group has expanded its business into more than 20 first-, second- and third-tier cities, with approximately 80% of developable residential floor area located in second- and third-tier cities. We agree with the directors of NWCL that the above strategy helps to maintain a healthy balance of business coverage and to diversity policy risks. Nonetheless, the property control and tightening measures are in general beneficial to the long term and sustainable development of the NWCL Group's business and the property market in the PRC.

The overall development of the PRC economy in the medium to long term is one of the factors for determining the outlook of the PRC property market as a whole. Future developments may or may not attract a change in tightening measures by the PRC government. Therefore, it is difficult to ascertain the impact on the business prospects of property developers in the PRC, including the NWCL Group.

PART VI LETTER FROM THE NWCL INDEPENDENT FINANCIAL ADVISER

3. Assets and adjusted NAV

(i) Property interests

The unaudited consolidated financial statements of the NWCL Group as at 31 December 2013 is set out in Appendix I to the Scheme Document. As set out in the section headed “Financial information of the NWCL Group”, the net assets attributable to equity shareholders as at 31 December 2013 were approximately HK\$57,982.3 million.

The valuations of the NWCL Group’s property interests (together with the property interests held under or held through associated companies and jointly controlled entities of the NWCL Group) as at 28 February 2014 conducted by Knight Frank are set out in the valuation report contained in Appendix II to the Scheme Document. The market value of the property interests in existing state attributable to the NWCL Group may be analysed as follows:

	Market value of the property interests in existing state attributable to the NWCL Group (Note 1) RMB million	Proportion of total
Completed investment properties	19,565.9	19.2%
Investment properties under development	2,594.8	2.5%
Hotel properties	3,352.0	3.3%
Completed properties held for sale, properties held for/under development	65,008.4	63.8%
Land and buildings	672.5	0.7%
Assets under construction	1,703.5	1.7%
Contracted properties (Note 2)	8,969.6	8.8%
Total property interests	101,866.7	100.0%

Notes:

- Including those property interests held under or held through associated companies and jointly controlled entities of the NWCL Group.
- The NWCL Group has entered into Land Grant Contracts in respect of these two properties and the real estate title deeds are to be obtained after completing relevant procedures, which is anticipated to be completed in August 2014 (Beijing Xin Yu Garden) and before the end of 2019 (Haikou Meilisha Project — remaining portion), respectively.

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The completed investment properties as set out above comprise commercial properties, including both retail and office developments, serviced apartment properties, commercial podiums of both residential and commercial properties, car parking portions of certain developments, and other ancillary properties. This includes Shanghai Hong Kong New World Tower, a 58-storey office building with a value of approximately RMB2,605.5 million, and various portions of Beijing New World Centre Phase I, a multi-purpose complex with a value of approximately RMB1,743.0 million.

Investment properties under development comprise commercial properties and car parking portions of certain developments, including Shenyang K11 being developed into a large-scale commercial complex with a value of approximately RMB1,603.0 million.

Hotel properties comprise a total of 7 completed properties in Beijing, Dalian, Shanghai, Shunde and Wuhan.

Properties held for sale or lease/under development include the NWCL Group's completed properties and residential and commercial property projects where construction is in progress. Major projects/portions of projects under construction include:

- Shenyang New World Garden, a residential development with a total gross floor area ("GFA") of approximately 1,646,116.6 sqm and 6,793 car parks and a value of approximately RMB5,813.0 million;
- Guangzhou Covent Garden, a residential/commercial composite development with a total GFA of approximately 832,741.2 sqm and 505 car parks and a value of approximately RMB5,823.0 million;
- Guangzhou Park Paradise, a residential and commercial composite development project, with a total GFA of approximately 620,442.3 sqm;
- Shenzhen New World Signature Hill, a residential development project, with a total GFA of approximately 58,693.8 sqm; and
- Haikou Meilisha Project, a residential and commercial development with a GFA of approximately 900,687.8 sqm.

Land and buildings comprise golf courses, commercial properties and car park portions of property projects, including the Canton First Estate golf course and various office premises.

Assets under construction mainly include hotels under construction and the Shenyang New World Centre convention centre under development with a GFA of approximately 117,954.9 sqm.

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Contracted properties comprise Beijing Xin Yu Garden, a residential and commercial composite development with a GFA of approximately 677,800.0 sqm and 2,394 car parks and a value of approximately RMB6,571.6 million, and the remaining portion of the Haikou Meilisha Project with a GFA of approximately 1,095,473.3 sqm and 9,229 car parks and a value of approximately RMB2,398.0 million.

The above valuations have been used to calculate the adjusted unaudited consolidated net assets of the NWCL Group shown in sub-section (ii) below, against which the Cancellation Price is assessed. For this purpose, we have discussed the bases and assumptions for the property valuation with Knight Frank and concur with the approaches they have taken in valuing the different types of properties.

(ii) Adjusted NAV

In evaluating the Scheme, we have reviewed the adjusted unaudited consolidated net assets (the “Adjusted NAV”) of the NWCL Group, based on the unaudited consolidated financial statements of NWCL as at 31 December 2013 and the adjustments as set out in the table below. As we consider the NWCL Group to be an asset-based group, the Adjusted NAV better reflects the underlying net asset backing of the NWCL Group.

	<i>HK\$ million</i>
Unaudited consolidated NAV of the NWCL Group attributable to equity holders as at 31 December 2013	57,982.3
<i>Adjustments:</i>	
— Revaluation surplus arising from the valuation of property interests attributable to the NWCL Group as at 28 February 2014 (<i>Note 1</i>)	42,393.0
— Net deferred tax on attributable revaluation surplus (<i>Note 2</i>)	(12,839.0)
— Interim dividend paid on 15 May 2014	(347.0)
— Revaluation surplus arising from the acquisition of an interest in the Palm Island Resort project, net of tax (<i>Note 3</i>)	<u>191.1</u>
Adjusted NAV	<u><u>87,380.4</u></u>
Adjusted NAV per NWCL Share (<i>Note 4</i>)	<u><u>HK\$10.07</u></u>

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1. This represents revaluation surplus arising from the change in fair value of the investment properties and other property interests held by the NWCL Group, including associated companies and joint ventures, as at 28 February 2014, as valued by Knight Frank.
2. This represents the potential PRC corporate income tax (“CIT”) and land appreciation tax (“LAT”) attributable to the revaluation surplus of properties with an intention of future sale (which excludes properties held for investment, operation or own use in relation to LAT), amounted to approximately HK\$18,300.3 million, that would be crystallised for the NWCL Group (including associated companies and joint ventures) upon disposal of these properties at the valuation price (as set out in the valuation report contained in Appendix II to the Scheme Document), less attributable tax indemnity from NWD of approximately HK\$5,461.3 million. A deed of tax indemnity was entered into between NWD and NWCL in July 1999 when NWCL was first listed on the Stock Exchange, whereby NWD has undertaken to indemnify the NWCL Group in respect of relevant PRC CIT and LAT in consequence of the disposal of certain properties (the “**Indemnified Properties**”) held by the NWCL Group as at 31 March 1999. The above amount of HK\$5,461.3 million represents the amount to be received from NWD, pursuant to the tax indemnity, if those Indemnified Properties still currently owned by the NWCL Group are disposed of at the valuation price.
3. On 7 April 2014, NWD and NWCL jointly announced the entering into of a sale and purchase agreement, pursuant to which NWCL Group would acquire a 57.46% interest in a company principally engaged in the operation of the Palm Island Resort project in Guangdong Province, which is a golf club operation and real estate development project. Based on the valuation of relevant properties (as set out in item 146 of the valuation report contained in Appendix II to the Scheme Document) and their underlying book values, this acquisition will result in an additional revaluation surplus (net of tax) of approximately HK\$191.1 million.
4. Based on 8,680,631,746 NWCL Shares in issue as at the Latest Practicable Date.

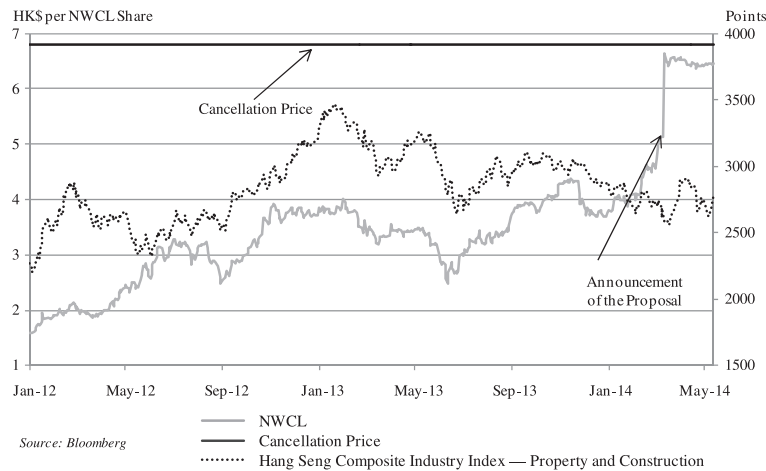
The Cancellation Price of HK\$6.80 per NWCL Share represents a discount of approximately 32.5% to the Adjusted NAV of HK\$10.07 per NWCL Share.

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4. NWCL Share price and trading volume

(i) NWCL Share prices

The share price chart below illustrates the daily closing price per NWCL Share quoted on the Stock Exchange from 1 January 2012 up to the Latest Practicable Date (both dates inclusive) (the “Review Period”):



As illustrated in the above share price chart, the NWCL Shares have been trading on the market at levels lower than the Cancellation Price of HK\$6.80 per Scheme Share during the Review Period. The NWCL Shares generally trended upward in 2012, while a general downward movement is evident in the first half of 2013, in general following the trend of the Hang Seng Composite Industry Index — Property and Construction (the “Industry Index”), and reached a low of HK\$2.49 on 13 June 2013. The NWCL Share price gradually recovered from 13 June 2013 to 15 November 2013, followed by a general downward trend until the end of 2013.

Generally, since the beginning of 2014, the NWCL Share price has increased, with a pronounced increase following the Announcement on 13 March 2014, consistently trading close to, but below, the Cancellation Price of HK\$6.80. In general, NWCL’s Share price exhibited a certain amount of correlation with the Industry Index for the period from the second half of 2012 to the first half of 2013. In the second half of 2013 this correlation was less pronounced, with the increase since February 2014 a possible consequence of market speculation in relation to the Scheme and the Proposal, amid the downward trend of the Industry Index in the same period.

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As illustrated in the above share price chart, the closing price of NWCL Shares was below the Cancellation Price at all times during the period under review. NWCL Shares closed at HK\$5.14 on the Last Trading Day. The Cancellation Price of HK\$6.80 per Scheme Share represents:

- a premium of approximately 32.3% over the closing price of NWCL Shares of HK\$5.14 as quoted by the Stock Exchange on the Last Trading Day;
- a premium of approximately 53.7% over the average closing price of NWCL Shares of approximately HK\$4.42 as quoted by the Stock Exchange for the 30 full trading days up to and including the Last Trading Day;
- a premium of approximately 64.3% over the average closing price of NWCL Shares of approximately HK\$4.14 as quoted by the Stock Exchange for the 60 full trading days up to and including the Last Trading Day;
- a premium of approximately 66.2% over the average closing price of NWCL Shares of approximately HK\$4.09 as quoted by the Stock Exchange for the six-month period up to and including the Last Trading Day;
- a premium of approximately 78.0% over the average closing price of NWCL Shares of approximately HK\$3.82 as quoted by the Stock Exchange for the 180 full trading days up to and including the Last Trading Day; and
- a premium of approximately 5.4% over the closing price of HK\$6.45 per NWCL Share as quoted on the Stock Exchange as at the Latest Practicable Date.

As set out in the explanatory paragraph above in regards to NWCL Share price movement, the NWCL Share price since February 2014 may have been affected by market speculation in relation to the Scheme and the Proposal. As such, we consider the premiums represented by the Cancellation Price over the longer-term averages of closing prices to be more representative of how the Cancellation Price is to be interpreted in relation to NWCL Share price. However, please note that there is no assurance that the price of NWCL Shares will remain at the current level if the Scheme or the Proposal is withdrawn or lapses.

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(ii) Turnover

The table below sets out the total number of NWCL Shares traded per month, the percentage of the monthly trading volume to the issued share capital of NWCL and the percentage of the monthly trading volume to NWCL Shares held by the public respectively during the Review Period:

	Total monthly trading volume of NWCL Shares <i>(Note)</i>	Approximate % of total monthly trading volume to the total issued NWCL Shares	Approximate % of total monthly trading volume to the public float
2012			
January	189,477,352	2.2	7.9
February	63,282,417	0.7	2.6
March	49,368,479	0.6	2.1
April	83,641,203	1.0	3.5
May	152,017,758	1.8	6.3
June	148,765,154	1.7	6.2
July	58,956,543	0.7	2.5
August	83,676,525	1.0	3.5
September	58,927,938	0.7	2.5
October	88,341,344	1.0	3.7
November	69,982,772	0.8	2.9
December	36,783,618	<u>0.4</u>	<u>1.5</u>
<i>2012 average</i>		<i>1.0</i>	<i>3.8</i>
2013			
January	61,932,443	0.7	2.6
February	47,269,588	0.5	2.0
March	61,655,117	0.7	2.6
April	38,726,320	0.4	1.6
May	48,446,262	0.6	2.0
June	69,269,491	0.8	2.9
July	43,155,806	0.5	1.8
August	30,974,682	0.4	1.3
September	67,982,553	0.8	2.8
October	76,334,182	0.9	3.2
November	176,063,710	2.0	7.3
December	42,796,945	<u>0.5</u>	<u>1.8</u>
<i>2013 average</i>		<i>0.7</i>	<i>2.6</i>
2014			
January	37,458,928	0.4	1.5
February	130,148,315	1.5	5.4
March	183,729,761	2.1	7.6

Note: Sourced from Bloomberg and NWCL

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As shown in the above table, the trading volumes were within the range of approximately 0.4% and 2.2% of the total issued NWCL Shares, and between approximately 1.3% and 7.9% of the issued NWCL Shares constituting the public float of NWCL. On this basis, we do not consider that the NWCL Shares have been consistently actively traded during the period. It follows that Scheme Shareholders who wish to sell a significant number of their NWCL Shares in the market may cause downward pressure on the market price of the NWCL Shares. The Scheme and the Proposal represents an opportunity for the Independent NWCL Shareholders to exit at a fixed cash price.

6. Comparisons

(i) Privatisation precedents

We have compared the Scheme and the Proposal to other privatisation proposals involving property companies listed on the Stock Exchange announced since 1 January 2004, approximately ten years before the Announcement, and up to the Latest Practicable Date (the “**Privatisation Precedents**”), which in our view represents an exhaustive list of privatisation proposals we were able to identify from the Stock Exchange’s website and satisfied the above selection criteria. The table below illustrates the premiums over the relevant six-month average share prices at which such privatisation proposals have been priced, and the levels of discounts to adjusted consolidated net assets at which the Privatisation Precedents were made:

Date of initial announcement	Company	Principal activities	Offer/cancellation price HK\$	Premium of offer/cancellation price over the six-month average share price prior to announcement of privatisation	Discount of cancellation price to consolidated adjusted NAV per share (Note 1)	Result
November 2013	Glorious Property Holdings Limited (stock code: 845)	Property development and investment	1.80	51.3%	(40.1)%	Not approved under headcount test (Note 2)
May 2012	Frasers Property (China) Ltd. (stock code: 535)	Property investment, development and management of residential, commercial and business park projects	0.28	75.0%	(46.7)%	Not approved under headcount test and by requisite number of scheme shares (Note 3)
January 2011	Shanghai Forte Land Company Limited (stock code: 2337)	Property development and investment	3.50	45.8%	(26.2)%	Successful
April 2010	Wheelock Properties Limited (stock code: 49)	Ownership of properties for development and letting, and investment holding	13.00	156.4%	(12.1)%	Successful

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Date of initial announcement	Company	Principal activities	Offer/cancellation price HK\$	Premium of offer/cancellation price over the six-month average share price prior to announcement of privatisation	Discount of cancellation price to consolidated adjusted NAV per share (Note 1)	Result
February 2008	Pacific Century Premium Developments Limited (stock code: 432)	Development and management of premium property and infrastructure projects, investment in premium-grade buildings in the Asia-Pacific region	2.85	15.4%	(12.3)%	Not approved under headcount test and by requisite number of scheme shares (Note 4)
April 2007	Shimao International Holdings Limited (stock code: 649)	Property development and investment	1.05	41.9%	(19.8)%	Successful
May 2005	Henderson China Holdings Limited (stock code: 246)	Property development and investment, project management, property management, finance and investment holding	8.00	75.4%	(36.1)%	Successful
November 2004	Kwong Sang Hong International Limited (stock code: 189)	Property development, sales of properties, property leasing, manufacturing and trading in cosmetic products	1.25	66.7%	(31.7)% (Note 5)	Successful
	Highest			156.4%	(12.1)%	
	Lowest			15.4%	(46.7)%	
	Mean			66.0%	(28.1)%	
	Median			59.0%	(29.0)%	
13 March 2014	The Scheme and the Proposal		6.80	66.2%	(32.5)%	

Source: Published scheme documents, circulars or announcements relating to the above proposals.

Notes:

1. The consolidated adjusted NAV per share for each of the Privatisation Precedents has been arrived at after making adjustments on consolidated net asset value, principally covering (i) revaluation surplus arising from the valuation of respective property interests; and (ii) relevant tax effects.
2. Approximately 96.9% of the votes by number of scheme shares casted by scheme shareholders at the court meeting were in favour of the privatisation scheme of Glorious Property Holdings Ltd. However, approximately 51.7% of the number of scheme shareholders voted against the privatisation scheme in the court meeting.
3. Approximately 30.8% of the total number of shares held by independent shareholders, and approximately 58.6% of the number of independent shareholders at the court meeting, were against the privatisation scheme of Frasers Property (China) Ltd.
4. Approximately 44.1% of the total number of shares held by independent shareholders, and approximately 71.0% of the number of independent shareholders at the court meeting, were against the privatisation scheme of Pacific Century Premium Developments Limited.

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5. The figure represents the pro forma adjusted unaudited consolidated net assets as disclosed in the pro forma statement of adjusted unaudited consolidated net tangible assets contained in the privatisation document of Kwong Sang Hong International Limited, after taking into account the attributable property revaluation surplus in the amount of approximately HK\$471.0 million as disclosed in the note to such statement.

Based on the above table, the mean and median of premiums over 6-month average closing prices for the Privatisation Precedents were approximately 66.0% and 59.0% respectively. The premium for the Scheme and the Proposal for the same period of approximately 66.2% is slightly higher than both the above mean and median of the Privatisation Precedents.

As seen in the above table, the cancellation prices offered by other privatisation proposals ranged from 12.1% to 46.7% discounts to the respective consolidated adjusted NAV per share, with mean and median discounts of approximately 28.1% and 29.0%. The 32.5% discount to the Adjusted NAV per NWCL Share represented by the Cancellation Price is in the mid range of, though slightly higher than the mean and median, discounts of the above precedent cases.

We have also analysed the following companies listed on the Stock Exchange that we consider to have a business and be of a size similar to NWCL, which (i) have derived over 50.0% of revenue from property development and from the PRC as per their latest published annual results, and (ii) have a market capitalisation between HK\$20.0 billion to HK\$90.0 billion as at the Latest Practicable Date (the “**Comparable Companies**”). In our view, the Comparable Companies set out below represent an exhaustive list of companies we were able to identify from the Stock Exchange’s website and satisfied the above selection criteria:

- Country Garden Holdings Company Limited (stock code: 2007)
- Longfor Properties Company Limited (stock code: 960)
- Evergrande Real Estate Group Limited (stock code: 3333)
- Shimao Property Holdings Limited (stock code: 813)
- Guangzhou R&F Properties Company Limited (stock code: 2777)
- SOHO China Limited (stock code: 410)
- Sino-Ocean Land Holdings Limited (stock code: 3377)
- Agile Property Holdings Limited (stock code: 3383)
- Franshion Properties (China) Limited (stock code: 817)

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The Cancellation Price represents a premium of approximately 1.8% over the NWCL Group's NAV as at 31 December 2013, which is above the median of the Comparable Companies of approximately (18.4)% (being the discount of market capitalisation to their latest published consolidated NAV). NWCL Shareholders should note that the above analysis evaluates NWCL Group's book NAV, and not the Adjusted NAV. Please refer to the beginning of the section headed "Privatisation precedents" for a comparison and analysis of the Adjusted NAV in the context of similar privatisation precedent cases.

(ii) Dividend yield

The Comparable Companies' dividend yields are in the range of approximately 2.6% and 15.9% with a mean and median of approximately 6.7% and 5.9% respectively. The yield of NWCL as represented by the Cancellation Price is approximately 1.0%, which means that Independent NWCL Shareholders who place a high priority on yield would have ready opportunities to re-invest the proceeds from the Cancellation Price at a higher yield.

(iii) Historical discount of market price to NAV

We have compared the closing price of NWCL Shares against the then latest consolidated NAV attributable to equity shareholders per NWCL Share, which we have assumed was generally available to the market from the date of publication of the relevant full year or interim results announcements and that the respective NWCL Share price has reflected such information.

Period (Note 1)	Published consolidated NAV attributable to equity shareholders per NWCL Share (Note 2)	Closing price per NWCL Share (Note 3)		Discount to NAV attributable to equity shareholders per NWCL Share	
		High	Low	Lowest	Highest
		Approximate %	Approximate %		
	HK\$	HK\$	HK\$	%	%
29/2/2012–25/9/2012	5.52	3.27	1.87	40.7	66.1
26/9/2012–26/2/2013	5.64	4.02	2.89	28.7	48.7
27/2/2013–24/9/2013	5.96	3.95	2.49	33.8	58.3
25/9/2013–24/2/2014	6.27	4.62	3.69	26.4	41.2
25/2/2014–Last Trading Day	6.68	5.14	4.49	23.0	32.8

Notes:

1. Date when NWCL released its full year or interim results announcements.
2. NAV attributable to equity shareholders are extracted from NWCL's annual or interim results announcements.
3. NWCL Share prices as extracted from Bloomberg.

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Based on the analysis set out above, NWCL Shares had been consistently traded at a substantial discount to the underlying NAV attributable to equity shareholders for the period from 29 February 2012 to the Last Trading Day, with discounts ranging from approximately 23.0% to 66.1%. The discount of approximately 32.5% represented by the Cancellation Price to the Adjusted NAV per NWCL Share is not a valid comparison basis in this context, given that the above table does not reflect adjusted NAV figures. For reference only, the 1.8% premium of Cancellation Price to the unadjusted NAV per NWCL Share of HK\$6.68 compares favourably to the historical discount of the market price to NAV attributable to equity shareholders as set out above.

THE RULE 13 OFFER

Pursuant to Rule 13 of the Takeovers Code, HSBC, on behalf of the Offeror, makes the Rule 13 Offer to the holders of NWCL Options to cancel their outstanding NWCL Options. The Rule 13 Offer is conditional on the Scheme becoming effective.

The consideration payable under the Rule 13 Offer is calculated on a “see-through” basis, pursuant to which each holder of NWCL Options is entitled to receive a sum for each NWCL Option equivalent to the amount calculated by deducting the exercise price per NWCL Share payable on exercise of the relevant NWCL Option from the Cancellation Price of HK\$6.80 per Scheme Share. We consider that the consideration offered on a “see-through” basis under the Rule 13 Offer is fair and reasonable.

As at the Latest Practicable Date, details of the NWCL Options, pursuant to the share option scheme of NWCL adopted on 26 November 2002 and 22 November 2011, were as follows:

NWCL Option exercise price (HK\$)	“See through” price (HK\$)	Outstanding options (vested)	Outstanding options (unvested)	Total outstanding options
<i>Share option scheme of NWCL adopted on 26 November 2002</i>				
3.913	2.887	1,180,035	—	1,180,035
2.953	3.847	3,013	—	3,013
2.878	3.922	130,801	—	130,801
2.262	4.538	46,290	123,346	169,636
2.349	4.451	2,805	207,792	210,597
3.013	3.787	647,860	366,545	1,014,405
3.036	3.764	7,535,893	2,570,017	10,105,910
2.705	4.095	137,779	653,463	791,242

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NWCL Option exercise price (HK\$)	“See through” price (HK\$)	Outstanding options (vested)	Outstanding options (unvested)	Total outstanding options
<i>Share option scheme of NWCL adopted on 22 November 2011</i>				
2.45	4.350	611,110	4,263,360	4,874,470
3.37	3.430	23,600	433,200	456,800
3.88	2.920	1,020,180	3,041,220	4,061,400
3.35	3.450	530,000	1,470,000	2,000,000
2.762	4.038	175,700	1,112,000	1,287,700
4.01	2.790	231,100	1,520,000	1,751,100
3.97	2.830	<u>261,320</u>	<u>3,517,120</u>	<u>3,778,440</u>
Total		<u>12,537,486</u>	<u>19,278,063</u>	<u>31,815,549</u>

If any NWCL Option is vested and is exercised in accordance with the terms of the Share Option Schemes prior to the date for determining entitlements under the Scheme, any NWCL Shares issued as a result of the exercise of NWCL Options prior to the date for determining entitlements under the Scheme will be subject to and eligible to participate in the Scheme. Holders of NWCL Options should note that they will not be able to exercise the NWCL Options after the Latest Option Exercise Date, currently expected to be 2 July 2014.

Pursuant to the provisions of both of the above option schemes, any NWCL Options granted under the Share Option Schemes that are not exercised or cancelled pursuant to the acceptance of the Rule 13 Offer will lapse automatically 14 days after the Effective Date. Therefore, holders of NWCL Options are strongly advised to accept the Rule 13 Offer. For holders of NWCL Options, there seems to us no advantage in delaying as the Rule 13 Offer will not proceed if the Scheme does not become effective, so the NWCL Options holder's position is not jeopardised by early acceptance of the Rule 13 Offer.

DISCUSSION

NWCL is primarily a property development company which also holds certain hotels and investment properties. It is well established, being listed in Hong Kong in 1999, and is controlled as to approximately 70.2% by NWD. It has a widespread portfolio of property projects in China in more than 20 cities. We have visited over 70.0% of the property interests by market value attributable to the NWCL Group as at 28 February 2014.

The property market in the PRC continued to grow with the support from concrete and genuine housing demand, and NWCL management aims to continue to promote business development in the PRC. However, restrictive policies in the PRC property market continue to be

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in force, which includes purchase and price restrictions and tightened mortgaging financing policies. Therefore, it is difficult to ascertain the impact on the business prospects of property developers in the PRC, including the NWCL Group.

The Scheme calls for the Scheme Shares to be cancelled in return for a cash payment of HK\$6.80 per Scheme Share. It has been stated that this price will not be increased. Accepting Independent NWCL Shareholders whose names also appear on NWCL's register of members on 16 April 2014 would have in addition received the interim dividend of HK\$0.04 per NWCL Share already paid.

In our analysis, we have primarily had regard to the premium of the Cancellation Price of HK\$6.80 per NWCL Share over the market price and the discount of the Cancellation Price to Adjusted NAV and compared them to past privatisation proposals and, in certain respects, to comparable companies. We have also considered dividend yield and trading liquidity of the NWCL Shares. We have not placed a significant weight on price/earnings ratio, as this can vary widely for a property development company, depending on the timing of completion of projects.

The Cancellation Price of HK\$6.80 per Scheme Share represents a substantial premium over recent market prices. Based on the average closing prices over a 6-month period up the Last Trading Day, which we believe is an appropriate basis for Scheme Shareholders to assess the Scheme and the Proposal, this premium is approximately 66.2%. This is slightly above the average, on the same basis, for similar past privatisation proposals where the mean premium is approximately 66.0% and the median premium is approximately 59.0%.

The dividend yield of NWCL at the Cancellation Price is 1.0%, compared to a range of yield for Comparable Companies of 2.6% to 15.9%. On this basis, Independent NWCL Shareholders could increase their income by accepting the Scheme and reinvesting the proceeds in a comparable company, if a high priority is placed on yield.

The Cancellation Price of HK\$6.80 represents a premium of 1.8% over the unaudited NAV of NWCL of HK\$6.68 per NWCL Share at 31 December 2013, but a discount of 32.5% to the Adjusted NAV of HK\$10.07 per NWCL Share. We have discussed the methodology of the property valuation (on which the Adjusted NAV is based) with the independent property valuer and consider it appropriate for the different kinds of property valued. The discount to Adjusted NAV is towards the mid-range, though slightly greater than the average, of past similar privatisation proposals, where the mean discount is 28.1% and the median discount is 29.0%. However, NWCL has traded consistently at discounts to book NAV (i.e. before revaluation surplus) ranging between approximately 23.0 to 66.1% over the last approximately two years. Companies of a broadly similar size focusing on property development in the PRC also typically trade at a discount to NAV before revaluation surplus, whereas the Scheme and the Proposal represents a premium of 1.8% over NWCL's book NAV as at 31 December 2013. Overall, we consider the somewhat above average premium over market price which the Cancellation Price represents compensates for the slightly greater than average discount to Adjusted NAV, as compared to similar proposals, and should also be viewed in light of the heavy discount at which NWCL has traded in the past.

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The consideration for the offer to the holders of the NWCL Options is on a “see through” basis. Such holders should note that any outstanding NWCL Options will lapse 14 days after the Effective Date.

OPINION AND ADVICE

Based on the above principal factors and reasons, we consider the terms of the Scheme and the Rule 13 Offer are fair and reasonable so far as the Independent NWCL Shareholders and holders of NWCL Options are concerned. Accordingly, we recommend the NWCL Independent Board Committee to advise the Independent NWCL Shareholders to vote in favour of the relevant resolutions to be proposed at the Court Meeting and the Extraordinary General Meeting to approve and implement the Scheme, and the holders of NWCL Options to accept the Rule 13 Offer.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED
M. N. Sabine
Chairman

PART VII**EXPLANATORY STATEMENT**

This Explanatory Statement constitutes the statement required under Order 102, rule 20(4)(e) of the Rules of the Grand Court of the Cayman Islands 1995 (revised).

**SCHEME OF ARRANGEMENT
TO CANCEL ALL THE SCHEME SHARES
IN CONSIDERATION OF THE OFFEROR
AGREEING TO PAY THE
CANCELLATION PRICE**

1. INTRODUCTION

NWD, the Offeror and NWCL jointly issued an announcement dated 13 March 2014, which stated that on 12 March 2014, the Offeror had requested the NWCL Board to put forward the Proposal to the Scheme Shareholders regarding the proposed privatisation of NWCL by way of the Scheme.

The Scheme and the Proposal involve the cancellation of all the Scheme Shares in exchange for the Cancellation Price, and the subsequent issue of new NWCL Shares to the Offeror, as a result of which it is intended that NWCL will be wholly-owned by NWD and the listing of NWCL Shares on the Stock Exchange will be withdrawn.

The Offeror is making the Rule 13 Offer to holders of NWCL Options to cancel all NWCL Options. The Rule 13 Offer will be conditional on the Scheme becoming effective.

The purpose of this Explanatory Statement is to explain the terms and effects of the Proposal, which are to be implemented by the Scheme, and the Rule 13 Offer, and to provide the NWCL Shareholders and holders of NWCL Options with other relevant information in relation to the Scheme, the Proposal and the Rule 13 Offer, in particular, to provide the intentions of NWD and the Offeror with regard to NWCL and the shareholding structure of NWCL before and after the Scheme and the Proposal.

The particular attention of the NWCL Shareholders and holders of NWCL Options is drawn to the following sections of this Scheme Document: (a) the letter from the NWCL Board set out in Part IV of this Scheme Document; (b) the letter from the NWCL Independent Board Committee set out in Part V of this Scheme Document; (c) the letter from Somerley, the NWCL Independent Financial Adviser, set out in Part VI of this Scheme Document; and (d) the terms of the Scheme set out in Appendix VI to this Scheme Document.

2. TERMS OF THE SCHEME AND THE PROPOSAL

The Proposal is to be implemented by way of a scheme of arrangement under Section 86 of the Companies Law.

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Under the Scheme, the Scheme Shares will be cancelled and, in consideration thereof, each Scheme Shareholder whose name appears in the register of members of NWCL as at the Scheme Record Date will be entitled to receive the Cancellation Price. **The Offeror has advised that the Cancellation Price will not be revised in the course of the Scheme.**

NWCL Shareholders whose names appear on the register of members of NWCL as at the record date for entitlement to a dividend (if any) declared by NWCL on or before the Effective Date will be entitled to receive such dividend (if any). NWCL does not expect to declare any further dividend on or before the Effective Date.

As at the Latest Practicable Date, the authorised share capital of NWCL was HK\$3,000,000,000.00 divided into 30,000,000,000 NWCL Shares, and the issued share capital of NWCL was approximately HK\$868,063,174.6 divided into 8,680,631,746 NWCL Shares. All of NWCL Shares rank equally in all respects as regards to rights to capital, dividends and voting. As at the Latest Practicable Date, the NWCL Shareholders (other than the Offeror and NWD) were interested in 2,703,612,375 NWCL Shares, representing approximately 31.15% of the issued share capital of NWCL.

As at the Latest Practicable Date, there were 31,815,549 NWCL Options granted under the Share Option Schemes, each giving the holder of each NWCL Option the right to subscribe for one new NWCL Share. The relevant exercise price applicable to each NWCL Option ranges from HK\$2.262 to HK\$4.01.

In the event that any NWCL Option is vested and exercised prior to the Meeting Record Date, the relevant registered holder of NWCL Share converted from NWCL Option shall be entitled to attend and vote at the Court Meeting and the Extraordinary General Meeting in respect of the relevant NWCL Share. In the event that any NWCL Option is vested and exercised prior to the Scheme Record Date, the relevant holder of the NWCL Share converted from the NWCL Option shall be subject to and eligible for the Scheme.

Any holder of NWCL Options, whose NWCL Options remain unvested or whose NWCL Options have vested but have not been exercised as at the Meeting Record Date and/or the Scheme Record Date (as the case may be), will not be entitled to attend and vote at the Court Meeting and the Extraordinary General Meeting in respect of such NWCL Options, and will not be eligible to participate in the Scheme but still be eligible to participate in the Rule 13 Offer in respect of such NWCL Options, respectively.

Apart from Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. Lee Luen-Wai, John and Mr. Cheng Chi-Kong, Adrian, there are no other holders of NWCL Options who are Offeror Concert Parties. Save for 31,815,549 NWCL Options, there are no outstanding options, warrants, derivatives or other securities issued by NWCL that carry a right to subscribe for or which are convertible into NWCL Shares.

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Details of the Rule 13 Offer made by HSBC on behalf of the Offeror in respect of NWCL Options are set out in the paragraph headed “9. Rule 13 Offer” below, and in the Rule 13 Offer Letter set out in Appendix IX to this Scheme Document.

After the Scheme becomes effective, the listing of NWCL Shares on the Stock Exchange will be withdrawn and NWCL will be wholly-owned by NWD. The Scheme and the Proposal are conditional upon the fulfilment or waiver, as applicable, of the Conditions as described in the paragraph headed “4. Conditions of the Scheme and the Proposal” below. All the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, being 31 August 2014 (or such later date as the Offeror, NWCL and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Scheme and the Proposal will lapse. Further announcements on any changes regarding the timetable of the Scheme and the Proposal will be made as and when necessary.

If the Scheme and the Proposal do not become unconditional, NWCL has no intention to seek the immediate withdrawal of the listing of NWCL Shares on the Stock Exchange.

Settlement of the Cancellation Price and the Rule 13 Offer will be implemented in full in accordance with the terms of the Scheme, the Proposal and the Rule 13 Offer, respectively, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against any such Scheme Shareholder or holder of NWCL Options.

3. CANCELLATION PRICE**Closing prices of NWCL Shares**

The Cancellation Price of HK\$6.80 per Scheme Share represents:

- a premium of approximately 32.3% over the closing price of HK\$5.14 per NWCL Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 36.3% over the average closing price of approximately HK\$4.99 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 42.2% over the average closing price of approximately HK\$4.78 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 53.7% over the average closing price of approximately HK\$4.42 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;

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- a premium of approximately 64.3% over the average closing price of approximately HK\$4.14 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 78.0% over the average closing price of approximately HK\$3.82 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- a premium of approximately 5.4% over the closing price of approximately HK\$6.45 per NWCL Share as quoted on the Stock Exchange on the Latest Practicable Date.

Net asset value per NWCL Share

The Cancellation Price of HK\$6.80 per Scheme Share represents:

- a premium of approximately 1.8% over the unaudited consolidated net asset value per NWCL Share of approximately HK\$6.68 as at 31 December 2013; and
- a discount of approximately 32.5% to the Adjusted NAV per NWCL Share of approximately HK\$10.07 as at 31 December 2013.

NWCL Shareholders should note that, as shown in the unaudited financial statements of NWCL as at 31 December 2013 as detailed in Appendix I to this Scheme Document, a significant portion of NWCL's assets consisted of investment properties, land use rights, properties held for development, properties under development and completed properties held for sale. The value of these assets as stated in such unaudited financial statements may or may not reflect the current market value of these assets. NWCL Shareholders should refer to the Appendix II to this Scheme Document, which contains a property valuation report from Knight Frank pursuant to, *inter alia*, Rule 11 of the Takeovers Code, for an updated valuation of NWCL's properties as at 28 February 2014.

4. CONDITIONS OF THE SCHEME AND THE PROPOSAL

The Proposal is, and the Scheme will become, effective and binding on NWCL and all NWCL Shareholders, subject to the fulfilment or waiver (as applicable) of the following conditions:

- (a) the approval of the Scheme (by way of poll) by a majority in number of the Independent NWCL Shareholders representing not less than three-fourths in value of the NWCL Shares held by the Independent NWCL Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (i) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the Scheme Shares held by the Independent NWCL Shareholders that are voted either in person or by proxy at the Court Meeting; and

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- (ii) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by the Independent NWCL Shareholders;
- (b) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the NWCL Shareholders present and voting in person or by proxy at an extraordinary general meeting of NWCL to approve and give effect to the reduction of the issued share capital of NWCL by cancelling the Scheme Shares, and (ii) the passing of an ordinary resolution by the NWCL Shareholders at an extraordinary general meeting of NWCL to increase immediately thereafter the issued share capital of NWCL to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new NWCL Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror;
- (c) the sanction of the Scheme (with or without modifications) by the Grand Court and, to the extent necessary, the Grand Court's confirmation of the reduction of the share capital of NWCL, and the registration of a copy of the Court Orders by the Registrar of Companies in the Cayman Islands;
- (d) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under Sections 15 and 16 of the Companies Law in relation to the reduction of the issued share capital of NWCL;
- (e) the shareholders of NWD approving the Proposal and the Rule 13 Offer at a general meeting of NWD;
- (f) all Authorisations in connection with the Scheme and the Proposal having been obtained or made from, with or by (as the case may be) the Relevant Authorities of the Cayman Islands, Hong Kong and any other relevant jurisdictions;
- (g) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in any relevant laws, rules, regulations or codes in connection with the Scheme and the Proposal or any related matters, documents (including circulars) or things, in each case up to and at the time when the Scheme and the Proposal become effective;
- (h) all necessary consents (including consents from the relevant lenders) in connection with the Scheme and the Proposal and the withdrawal of listing of NWCL from the Stock Exchange which may be required under any existing contractual obligations of NWCL being obtained and remaining in effect;

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- (i) if required, the obtaining by NWD and the Offeror of such other necessary consent, approval, authorisation, permission, waiver or exemption which may be required from any Relevant Authorities or other third parties which are necessary or desirable for the performance of the Scheme and the Proposal under the applicable laws and regulations;
- (j) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms);
- (k) since 31 December 2013, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the NWCL Group (to an extent which is material in the context of the NWCL Group taken as a whole or in the context of the Scheme and the Proposal); and
- (l) since the Announcement Date, there not having been instituted or remaining outstanding any litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the NWCL Group is a party (whether as plaintiff, defendant or otherwise) and no such proceedings having been threatened in writing against any such member (and no investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of any such member), in each case which is material and adverse in the context of the NWCL Group taken as a whole or in the context of the Scheme and the Proposal.

The Offeror reserves the right to waive conditions (f), (g), (h), (i), (j), (k) and (l) either in whole or in part, either generally or in respect of any particular matter. Conditions (a), (b), (c), (d) and (e) cannot be waived in any event. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme and the Proposal if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Scheme and the Proposal.

In respect of condition (e) above, an extraordinary general meeting of NWD is expected to be held on 10:30 a.m. on 16 June 2014 (which is on the same date as the Court Meeting and the Extraordinary General Meeting) to consider and if thought fit, approve the Proposal and the Rule 13 Offer.

As at the Latest Practicable Date, none of the conditions has been fulfilled or waived.

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All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, being 31 August 2014 (or such later date as the Offeror, NWCL and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Scheme and the Proposal will lapse. NWCL has no right to waive any of the Conditions.

Assuming that the above Conditions are fulfilled (or, as applicable, waived in whole or in part), it is expected that the Scheme will become effective on or before 17 July 2014 (Cayman Islands time). Further announcements will be made including, in particular, in relation to (i) the results of the Court Meeting and the Extraordinary General Meeting and, if the Resolutions are passed at those meetings; (ii) the result of the hearing of the petition for the sanction of the Scheme by the Grand Court; (iii) the Scheme Record Date; (iv) the Effective Date; and (v) the date of withdrawal of the listing of NWCL Shares on the Stock Exchange as further set out in Part III — Expected Timetable of this Scheme Document.

If the Scheme is not approved or the Proposal otherwise lapses, NWCL has no intention to seek the immediate withdrawal of the listing of NWCL Shares on the Stock Exchange. An announcement will be made in due course by the Offeror, NWD and NWCL in such event.

NWCL Shareholders and/or potential investors should be aware that the implementation of the Scheme and the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. NWCL Shareholders and potential investors should therefore exercise caution when dealing in the securities of NWCL. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

5. THE SCHEME AND THE COURT MEETING

Pursuant to Section 86 of the Companies Law, where an arrangement is proposed between a company and its members or any class of them, the Grand Court may, on the application of the company or any member of the company, order a meeting of the members of the company or class of members, as the case may be, to be summoned in such manner as the Grand Court directs.

It is expressly provided in Section 86 of the Companies Law that if a majority in number representing 75% in value of the members or class of members, as the case may be, present and voting either in person or by proxy at the meeting held as directed by the Grand Court as aforesaid, agree to any arrangement, the arrangement shall, if sanctioned by the Grand Court, be binding on all members or class of members, as the case may be, and also on the company. For the avoidance of doubt, the Grand Court will be ordering a meeting of a class of members being the NWCL Shareholders (other than NWD and the Offeror).

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In addition to satisfying any requirements imposed by law as summarised above, other than with the consent of the Executive to dispense with compliance or strict compliance therewith, Rule 2.10 of the Takeovers Code requires that the Scheme may only be implemented if:

- (a) the Scheme is approved by the Independent NWCL Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Independent NWCL Shareholders that are voted either in person or by proxy at the Court Meeting; and
- (b) the number of votes cast by the Independent NWCL Shareholders present and voting either in person or by way of proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all the Independent NWCL Shareholders.

For the purpose of this vote, the Independent NWCL Shareholders comprise all NWCL Shareholders as at the Meeting Record Date other than the Offeror and the Offeror Concert Parties. For the avoidance of doubt, the Independent NWCL Shareholders include any member of the HSBC group acting in its capacity as a Registered Owner of the NWCL Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; (ii) if the NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror and an Offeror Concert Party. NWCL Shareholders that are not the Independent NWCL Shareholders will be required to abstain from voting at the Court Meeting in accordance with the Takeovers Code.

As at the Latest Practicable Date, the Independent NWCL Shareholders held in aggregate 2,426,467,264 Scheme Shares. On that basis, and assuming no NWCL Options are exercised before the Meeting Record Date, 10% of the votes attached to Scheme Shares held by all the Independent NWCL Shareholders referred to in (b) above therefore represent approximately 242,646,726 NWCL Shares as at the Latest Practicable Date.

7. BINDING EFFECT OF THE SCHEME AND THE PROPOSAL

Upon the Scheme and the Proposal becoming effective, it will be binding on NWCL and all NWCL Shareholders, regardless of how they voted (or whether they voted) at the Court Meeting and the Extraordinary General Meeting.

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8. SHAREHOLDING STRUCTURE OF NWCL AND THE SCHEME SHARES

On the assumption that no NWCL Options are exercised before the Effective Date and there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, the table below sets out the shareholding structure of NWCL as at the Latest Practicable Date and upon completion of the Scheme:

NWCL Shareholders	As at the Latest Practicable Date		Upon completion of the Scheme (Note 14)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror (Note 1)	255,041,727	2.94	2,958,654,102	34.08
Offeror Concert Parties				
NWCL Shares held not subject to the Scheme:				
— NWD (Note 2)	<u>5,721,977,644</u>	<u>65.92</u>	<u>5,721,977,644</u>	<u>65.92</u>
	<u>5,977,019,371</u>	<u>68.86</u>	<u>8,680,631,746</u>	<u>100.00</u>
Offeror Concert Parties				
NWCL Shares held subject to the Scheme:				
— High Earnings (Note 3)	93,073,738	1.07	—	—
— Great Worth (Note 4)	22,508,064	0.26	—	—
— HSBC group (Note 5)	4,348,542	0.05	—	—
— Dr. Cheng Kar-Shun, Henry (Note 6)	151,983,526	1.75	—	—
— Mr. Cheng Kar-Shing, Peter (Note 7)	755,961	0.01	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	953,669	0.01	—	—
— Mr. Lee Luen-Wai, John (Note 9)	387,448	0.00	—	—
— Mr. Doo Wai-Hoi, William (Note 10)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo (Note 11)	517,500	0.01	—	—
— Ms. Ki Man-Fung, Leonie (Note 12)	<u>45,000</u>	<u>0.00</u>	<u>—</u>	<u>—</u>
	<u>277,145,111</u>	<u>3.19</u>	<u>—</u>	<u>—</u>

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NWCL Shareholders	As at the Latest Practicable Date		Upon completion of the Scheme (Note 14)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Aggregate number of NWCL Shares held by the Offeror Concert Parties	<u>5,999,122,755</u>	<u>69.11</u>	<u>5,721,977,644</u>	<u>65.92</u>
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,254,164,482	72.05	8,680,631,746	100.00
Independent NWCL Shareholders	<u>2,426,467,264</u>	<u>27.95</u>	—	—
Total	<u>8,680,631,746</u>	<u>100.00</u>	<u>8,680,631,746</u>	<u>100.00</u>
Total number of Scheme Shares (Note 13)	<u>2,703,612,375</u>	<u>31.15</u>	—	—

Notes:

- NWCL Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
- The Offeror is wholly-owned by NWD. NWD is acting in concert with the Offeror in relation to NWCL. NWCL Shares held by NWD will not form part of the Scheme Shares and will not be cancelled.
- High Earnings is wholly-owned by NWS. NWS is a non-wholly owned subsidiary of NWD. The shares of NWS are listed on the Stock Exchange with the stock code 0659. High Earnings is acting in concert with the Offeror in relation to NWCL.
- Great Worth is a non-wholly owned subsidiary of NWD and is acting in concert with the Offeror in relation to NWCL.
- HSBC is the financial adviser to the Offeror and relevant members of the HSBC group (except those which are exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) which hold NWCL Shares are presumed to be acting in concert with the Offeror in relation to NWCL in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code.
- Dr. Cheng Kar-Shun, Henry, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Dr. Cheng Kar-Shun, Henry is also interested in 2,077,922 NWCL Options, of which 1,662,336 are vested.
- Mr. Cheng Kar-Shing, Peter, who is a non-executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Mr. Cheng Kar-Shing, Peter is also interested in 831,169 NWCL Options, of which 664,936 are vested.

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8. Ms. Cheng Chi-Man, Sonia, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
9. Mr. Lee Luen-Wai, John, who is an independent non-executive director of NWD and an independent non-executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Latest Practicable Date, Mr. Lee Luen-Wai, John is also interested in 311,688 NWCL Options, of which 249,352 are vested.
10. Mr. Doo Wai-Hoi, William, who is a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
11. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William, a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
12. Ms. Ki Man-Fung, Leonie, who is an executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
13. The total number of NWCL Shares (assuming that no NWCL Options are exercised before the Effective Date and there is no other change in shareholding of NWCL before completion of the Scheme) minus the aggregate number of NWCL Shares held by the Offeror and NWD equals the total number of Scheme Shares (on the same assumptions).
14. Under the Scheme, the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. On the assumption that no NWCL Options are exercised before the Effective Date and the assumption that there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, forthwith upon such reduction, the issued share capital of NWCL will be increased to HK\$868,063,174.6 divided into 8,680,631,746 NWCL Shares by the issue of 2,703,612,375 NWCL Shares to the Offeror at par and the reserve created in NWCL's books of account as a result of the capital reduction will be applied in paying up in full at par the 2,703,612,375 new NWCL Shares so issued to the Offeror.
15. All percentages in the above table are approximations.

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On the assumption that all NWCL Options are vested and exercised in full before the Effective Date and the assumption that there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, the table below sets out the shareholding structure of NWCL before completion of the Scheme and upon completion of the Scheme:

NWCL Shareholders	Before completion of the Scheme (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL between the Latest Practicable Date and completion of the Scheme)		Upon completion of the Scheme (Note 15)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror (Note 1)	255,041,727	2.92	2,990,469,651	34.32
Offeror Concert Parties NWCL Shares held not subject to the Scheme:				
— NWD (Note 2)	<u>5,721,977,644</u>	<u>65.68</u>	<u>5,721,977,644</u>	<u>65.68</u>
	<u>5,977,019,371</u>	<u>68.60</u>	<u>8,712,447,295</u>	<u>100.00</u>
Offeror Concert Parties NWCL Shares held subject to the Scheme:				
— High Earnings (Note 3)	93,073,738	1.07	—	—
— Great Worth (Note 4)	22,508,064	0.26	—	—
— HSBC group (Note 5)	4,348,542	0.05	—	—
— Dr. Cheng Kar-Shun, Henry (Note 6)	154,061,448	1.77	—	—
— Mr. Cheng Kar-Shing, Peter (Note 7)	1,587,130	0.02	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	953,669	0.01	—	—
— Mr. Lee Luen-Wai, John (Note 9)	699,136	0.01	—	—
— Mr. Cheng Chi-Kong, Adrian (Note 10)	935,066	0.01	—	—
— Mr. Doo Wai-Hoi, William (Note 11)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo (Note 12)	517,500	0.00	—	—
— Ms. Ki Man-Fung, Leonie (Note 13)	<u>45,000</u>	<u>0.00</u>	<u>—</u>	<u>—</u>
	<u>281,300,956</u>	<u>3.23</u>	<u>—</u>	<u>—</u>

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NWCL Shareholders	Before completion of the Scheme (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL between the Latest Practicable Date and completion of the Scheme)		Upon completion of the Scheme (Note 15)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Aggregate number of NWCL Shares held by the Offeror Concert Parties	<u>6,003,278,600</u>	<u>68.91</u>	<u>5,721,977,644</u>	<u>65.68</u>
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,258,320,327	71.83	8,712,447,295	100.00
Independent NWCL Shareholders	<u>2,454,126,968</u>	<u>28.17</u>	<u>—</u>	<u>—</u>
Total	<u>8,712,447,295</u>	<u>100.00</u>	<u>8,712,447,295</u>	<u>100.00</u>
Total number of Scheme Shares (Note 14)	<u>2,735,427,924</u>	<u>31.40</u>	<u>—</u>	<u>—</u>

Notes:

- NWCL Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
- The Offeror is wholly-owned by NWD. NWD is acting in concert with the Offeror in relation to NWCL. NWCL Shares held by NWD will not form part of the Scheme Shares and will not be cancelled.
- High Earnings is wholly-owned by NWS. NWS is a non-wholly owned subsidiary of NWD. The shares of NWS are listed on the Stock Exchange with the stock code 0659. High Earnings is acting in concert with the Offeror in relation to NWCL.
- Great Worth is a non-wholly owned subsidiary of NWD and is acting in concert with the Offeror in relation to NWCL.
- HSBC is the financial adviser to the Offeror and relevant members of the HSBC group (except those which are exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) which hold NWCL Shares are presumed to be acting in concert with the Offeror in relation to NWCL in accordance with class 5 of the definition of "acting in concert" under the Takeovers Code.
- Dr. Cheng Kar-Shun, Henry, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.

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7. Mr. Cheng Kar-Shing, Peter, who is a non-executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
8. Ms. Cheng Chi-Man, Sonia, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
9. Mr. Lee Luen-Wai, John, who is an independent non-executive director of NWD and an independent non-executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
10. Mr. Cheng Chi-Kong, Adrian, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
11. Mr. Doo Wai-Hoi, William, who is a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
12. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William, a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
13. Ms. Ki Man-Fung, Leonie, who is an executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
14. The total number of NWCL Shares (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL before completion of the Scheme) minus the aggregate number of NWCL Shares held by the Offeror and NWD equals the total number of Scheme Shares (on the same assumptions).
15. Under the Scheme, the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. On the assumption that all NWCL Options are vested and exercised in full before the Effective Date and the assumption that there is no other change in the shareholding of NWCL between the Latest Practicable Date and completion of the Scheme, forthwith upon such reduction, the issued share capital of NWCL will be increased to HK\$871,244,729.5 divided into 8,712,447,295 NWCL Shares by the issue of 2,735,427,924 NWCL Shares to the Offeror at par and the reserve created in NWCL's books of account as a result of the capital reduction will be applied in paying up in full at par the 2,735,427,924 new NWCL Shares so issued to the Offeror.
16. All percentages in the above table are approximations.

Following the Effective Date and the withdrawal of the listing of NWCL Shares on the Stock Exchange, NWD will hold 100% of the issued share capital of NWCL, of which (i) 65.92% will be held directly; and (ii) 34.08% will be held indirectly through the Offeror, a wholly-owned subsidiary of NWD on the assumption that no NWCL Options are exercised before the Effective Date and there is no other change in shareholding in NWCL before completion of the Scheme.

As at the Latest Practicable Date, the authorised share capital of NWCL was HK\$3,000,000,000.00 divided into 30,000,000,000 NWCL Shares of HK\$0.10 each, and the issued share capital of NWCL was HK\$868,063,174.6 divided into 8,680,631,746 NWCL Shares of HK\$0.10 each. There were no preference shares of NWCL in issue.

As at the Latest Practicable Date, the Offeror held 255,041,727 NWCL Shares representing approximately 2.94% of the issued share capital of NWCL. Such NWCL Shares will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. As at the Latest

PART VII**EXPLANATORY STATEMENT**

Practicable Date, the Offeror Concert Parties held in aggregate 5,999,122,755 NWCL Shares, representing approximately 69.11% of the issued share capital of NWCL. Of these Offeror Concert Parties, NWCL Shares held by NWD will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. NWCL Shares held by the remaining Offeror Concert Parties will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective, but such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting provided that, for the avoidance of doubt, Independent NWCL Shareholders who may vote include any member of the HSBC group acting in its capacity as a Registered Owner of the NWCL Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; (ii) if the NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party.

Save for 4,155,845 NWCL Options, there were no options, warrants or convertible securities in respect of NWCL Shares held by the Offeror or the Offeror Concert Parties or outstanding derivatives in respect of NWCL Shares entered into by the Offeror or the Offeror Concert Parties as at the Latest Practicable Date, and save for 31,815,549 NWCL Options, NWCL did not have in issue any warrants, options, derivatives, convertible securities or other securities convertible into NWCL Shares as at the Latest Practicable Date.

9. RULE 13 OFFER**The Share Option Schemes**

NWCL adopted the Share Option Schemes on 26 November 2002 and 22 November 2011 respectively pursuant to which, among others, directors of NWCL (including executive directors and independent non-executive directors) and its employees are eligible for the grant of NWCL Options. As at the Latest Practicable Date, there were 31,815,549 NWCL Options, which when exercised in full, will entitle their holders to subscribe for 31,815,549 NWCL Shares. The relevant exercise price applicable to each NWCL Option ranges from HK\$2.262 to HK\$4.01.

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EXPLANATORY STATEMENT

Below is a table setting out all the exercise prices and the corresponding “see-through” prices under the Rule 13 Offer for all of the NWCL Options granted under the Share Option Schemes:

Exercise price (HK\$)	“See-through” price/NWCL Option Offer Price (HK\$)	Total outstanding options (vested and unvested)	Exercisable period (DD/MM/YY)
3.913	2.887	1,180,035	30/07/2009–13/08/2014
2.953	3.847	3,013	05/01/2010–09/01/2015
2.878	3.922	130,801	14/02/2010–21/02/2015
2.262	4.538	169,636	25/06/2010–28/06/2015
2.349	4.451	210,597	24/07/2010–24/07/2015
3.013	3.787	1,014,405	16/12/2010–30/12/2015
3.036	3.764	10,105,910	19/02/2011–29/02/2016
2.705	4.095	791,242	28/08/2011–15/09/2016
2.450	4.350	4,874,470	05/06/2012–16/06/2017
3.370	3.430	456,800	25/11/2012–29/11/2017
3.880	2.920	4,061,400	10/02/2013–17/02/2018
3.350	3.450	2,000,000	04/05/2013–16/05/2018
2.762	4.038	1,287,700	26/07/2013–25/07/2018
4.010	2.790	1,751,100	18/11/2013–17/11/2018
3.970	2.830	3,778,440	14/02/2014–13/02/2019

The Rule 13 Offer

Pursuant to the Rule 13 Offer made by HSBC on behalf of the Offeror, the NWCL Option Offer Price is offered for each vested and unvested NWCL Option held as at the Rule 13 Offer Record Date in consideration for the cancellation of all rights and obligations under the NWCL Options and the immediate cancellation of the NWCL Options.

The Rule 13 Offer is conditional upon the Scheme becoming effective and binding.

NWCL Options exercised prior to the Meeting Record Date

In the event that any NWCL Option is vested and exercised prior to the Meeting Record Date, the relevant registered holder of the NWCL Share issued upon conversion of the relevant NWCL Option shall be entitled to attend and vote at the Court Meeting and the Extraordinary General Meeting in respect of the relevant NWCL Share. In the event that any NWCL Option is vested and exercised prior to the Scheme Record Date, the relevant holder of the NWCL Share issued upon conversion of the relevant NWCL Option shall be subject to and eligible for the Scheme.

PART VII**EXPLANATORY STATEMENT****NWCL Options not exercised prior to the Meeting Record Date and/or the Scheme Record Date**

Any holder of NWCL Options whose NWCL Options remain unvested or whose NWCL Options have vested but have not been exercised as at the Meeting Record Date and/or the Scheme Record Date (as the case may be), will not be entitled to attend and vote at the Court Meeting and the Extraordinary General Meeting in respect of such NWCL Options, and will not be eligible to participate in the Scheme but will still be eligible to participate in the Rule 13 Offer in respect of such NWCL Options, respectively.

Payment of NWCL Option Offer Price

Each holder of NWCL Options as at the Rule 13 Offer Record Date who accepts the Rule 13 Offer and lodges a completed Form of Acceptance by the prescribed deadline will be entitled to receive the NWCL Option Offer Price as set out in their respective Rule 13 Offer Letters that are sent to each holder of NWCL Options individually. The NWCL Option Offer Price represents the “see-through” price of that NWCL Option, being the amount by which the Cancellation Price exceeds the relevant exercise price of that NWCL Option.

The cheques for payment of the NWCL Option Offer Price under the Rule 13 Offer will be dispatched within seven Business Days following the later of the date that the Rule 13 Offer becomes unconditional and the date of receipt of a valid acceptance. Please refer to the expected timetable as set out in Part III of this Scheme Document for details.

All payments in respect of the NWCL Option Offer Price will be made in Hong Kong dollars. Settlement of the NWCL Option Offer Price to which holders of NWCL Options are entitled under the Rule 13 Offer will be implemented in full in accordance with the terms of the Rule 13 Offer, without regard to any lien, right of set-off, counterclaim or other analogous right which the Offeror may otherwise be, or claim to be, entitled against any such holder of NWCL Options.

Rule 13 Offer Letter

The Rule 13 Offer Letter setting out the terms and conditions of the Rule 13 Offer is being dispatched separately to holders of NWCL Options and is substantially in the form set out in Appendix IX — Form of Rule 13 Offer Letter to this Scheme Document.

Lapse of NWCL Options

Any NWCL Options granted under the Share Option Schemes that are not exercised or cancelled pursuant to the acceptance of the Rule 13 Offer will lapse automatically fourteen (14) days after the Effective Date.

PART VII**EXPLANATORY STATEMENT****10. TOTAL CONSIDERATION**

On the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Scheme (before taking into account the Rule 13 Offer) would be approximately HK\$18,385 million. On the assumption that all NWCL Options are vested and exercised in full before the Effective Date, the amount of cash required for the Scheme would be approximately HK\$18,601 million.

On the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Rule 13 Offer would be approximately HK\$113 million.

The Offeror intends to finance the cash required for the Scheme and the Rule 13 Offer from a credit facility provided by HSBC (in its capacity as lender).

HSBC, the financial adviser to the Offeror in connection with the Scheme, the Proposal and the Rule 13 Offer, is satisfied that sufficient financial resources are available to the Offeror for the payment in full of the cash consideration payable under the Scheme and the Rule 13 Offer in accordance with their respective terms.

11. REASONS FOR, AND BENEFITS OF, THE SCHEME AND THE PROPOSAL**For the Independent NWCL Shareholders**

The Cancellation Price represents a premium of approximately 1.8% over the unaudited consolidated net asset value per NWCL Share of approximately HK\$6.68 as at 31 December 2013, a discount of approximately 32.5% to the Adjusted NAV per NWCL Share of approximately HK\$10.07 as at 31 December 2013 and a premium of approximately 32.3% over the closing price of NWCL Shares of HK\$5.14 as quoted by the Stock Exchange on the Last Trading Day. The Cancellation Price has been determined on a commercial basis after taking into account the prices of NWCL Shares traded on the Stock Exchange, the trading multiples of comparable trading companies and with reference to other privatisation transactions in Hong Kong in recent years.

NWCL Shareholders should note that, as shown on the unaudited financial statements of NWCL as at 31 December 2013 as detailed in Appendix I to this Scheme Document, a significant portion of NWCL's assets consisted of investment properties, land use rights, properties held for development, properties under development and completed properties held for sale. The value of these assets as stated in such unaudited financial statements may or may not reflect the current market value of these assets. NWCL Shareholders should refer to the Appendix II to this Scheme Document, which contains a property valuation report from Knight Frank pursuant to, *inter alia*, Rule 11 of the Takeovers Code, for an updated valuation of NWCL's properties as at 28 February 2014.

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During the six-month period ended on and including the Last Trading Day, the lowest and highest closing prices per NWCL Share on the Stock Exchange were HK\$3.69 and HK\$5.14 respectively, with a simple average closing price of approximately HK\$4.09.

Over the one-year period ended on and including the Last Trading Day, liquidity in NWCL Shares was restricted to an average daily turnover of HK\$13.8 million or 3.5 million NWCL Shares on the Stock Exchange. Such average daily turnover in number of NWCL Shares represented only approximately 0.13% of the number of Scheme Shares.

The Cancellation Price represents a substantial premium of approximately 66.2% over the simple average closing prices of six-month period ended on and including the Last Trading Day.

NWCL Shares have habitually been traded at a discount to their attributable net asset value. The closing price of NWCL Shares on the Last Trading Day represented a discount of approximately 23.1% to the unaudited consolidated net asset value per NWCL Share (based on the unaudited financial statements of NWCL as at 31 December 2013 and 8,676,663,175 NWCL Shares in issue as at the Last Trading Day). By contrast, the Cancellation Price is at a premium over such net asset value per NWCL Share of 1.8%, but at a discount to the Adjusted NAV per NWCL Share of approximately HK\$10.07 as at 31 December 2013 of 32.5%.

Since the Offeror and its parent company NWD already own, on an aggregated basis, approximately 68.89% of the issued share capital of NWCL as at the Announcement Date, the directors of the Offeror believe that it is unlikely that the Scheme Shareholders will receive any other general offer from a third party to acquire the Scheme Shares, as such offer would not succeed without the approval of NWD and the Offeror.

In addition, NWCL Shareholders should note that no discussions have taken place (or are taking place) with any third party regarding the disposal of any of the NWCL Shares held by the Offeror and NWD. NWD and the Offeror intend to continue the existing business of NWCL upon successful implementation of the Scheme and the Proposal. NWD and the Offeror have no intention to make any major changes to the existing operation and business, or to discontinue the employment of the employees of NWCL Group nor does it have any plans to redeploy any of the fixed assets of the NWCL Group after implementation of the Scheme and the Proposal. However, NWD and the Offeror will continue to assess business opportunities as they arise.

The Offeror accordingly considers that the Scheme provides an opportunity for the holders of the Scheme Shares to dispose of their NWCL Shares and receive cash at a price significantly above the historical market price prior to the Announcement. In light of the low liquidity of NWCL Shares, it is difficult for the holders of the Scheme Shares to realise their Scheme Shares in the stock market without adversely affecting the market price of NWCL Shares. The Offeror considers that the Scheme also affords the holders of the Scheme Shares

PART VII**EXPLANATORY STATEMENT**

with the opportunity to realise their investments in NWCL as referred to above, and if they so wish, invest the monies received under the Scheme in alternative investments with higher liquidity than the NWCL Shares or use them for other purposes.

For NWCL

NWCL will require substantial funding for its future developments. Without being subject to the requirements relevant to being run as a standalone listed public company, NWCL will be able to fund larger property development projects through leveraging NWD's greater financial strength, including the latter's access to more competitive financing terms for raising bank borrowings. Additionally, upon becoming an unlisted wholly-owned subsidiary of NWD, the provision of intra-group funding from NWD to NWCL will be facilitated. Due to the low liquidity of the NWCL Shares and the significant discount to the net asset value per NWCL Share of its trading price on the Stock Exchange, the public equity capital market does not provide NWCL a viable funding alternative.

12. INFORMATION ON NWCL

NWCL is a company incorporated in the Cayman Islands with limited liability, the shares of which have been listed on the Main Board of the Stock Exchange since July 1999 with the stock code 0917.

NWCL is the flagship property arm of NWD in the PRC and is one of the large-scale national developers in the PRC with unaudited consolidated total assets of approximately HK\$124.1 billion as at 31 December 2013. The audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2013 were approximately HK\$7,906,897,000 and approximately HK\$4,855,356,000 respectively and the audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2012 were approximately HK\$6,092,204,000 and approximately HK\$3,279,500,000 respectively. The NWCL Group's development portfolio comprises 36 major projects spanning over 21 large cities or major transportation hubs as at 31 December 2013.

The NWCL Group develops property projects for sale, develops and manages investment properties for rental purposes, and operates resort and hotel projects. Its property projects encompass residential estates, serviced apartments, villas, offices, shopping centres, mixed use comprehensive buildings, hotels and resorts. The NWCL Group has undertaken urban redevelopment projects in the old city centre of Beijing, Tianjin and Jinan, and is the developer of landmark commercial complexes in Beijing, Shanghai, Wuhan, Tianjin and Dalian and large-scale residential communities in Shenyang, Wuhan, Guangzhou, Chengdu, Changsha and Guiyang.

PART VII**EXPLANATORY STATEMENT****13. INFORMATION ON NWD AND THE OFFEROR**

NWD is the parent company of NWCL and a company incorporated in Hong Kong with limited liability, the shares of which have been listed on the Main Board of the Stock Exchange since 1972 with the stock code 0017. It is a constituent stock of the Hong Kong Hang Seng Index with a total unaudited asset value of approximately HK\$354.7 billion as at 31 December 2013.

The NWD Group is a leading property development company based in Hong Kong. NWD was founded in 1970 and for more than four decades, the NWD Group has expanded its business portfolio from a single focus on the property business to five core areas, comprising property, infrastructure, services, hotels and department stores in Hong Kong, the PRC and Macau. The NWD Group is also involved in direct investment and an array of other businesses, including telecommunications.

The Offeror is a wholly-owned subsidiary of NWD.

14. INTENTIONS OF NWD AND THE OFFEROR

NWD and the Offeror intend to continue the existing business of NWCL upon successful implementation of the Scheme and the Proposal. NWD and the Offeror have no intention to make any major changes to the existing operation and business, or to discontinue the employment of the employees of NWCL Group nor does it have any plans to redeploy any of the fixed assets of the NWCL Group after implementation of the Scheme and the Proposal. However, NWD and the Offeror will continue to assess business opportunities as they arise.

15. WITHDRAWAL OF LISTING OF NWCL SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange, in accordance with Rule 6.15 of the Listing Rules, immediately following the Effective Date. Please refer to the expected timetable as set out in Part III of this Scheme Document for details.

NWCL Shareholders will be notified by way of an announcement of the exact dates of the Scheme Record Date, the Effective Date, the last day for dealing in NWCL Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of NWCL Shares on the Stock Exchange will become effective. Please refer to the expected timetable as set out in Part III of this Scheme Document for details.

PART VII**EXPLANATORY STATEMENT****16. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

The Proposal will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date, being 31 August 2014 (or such later date as the Offeror, NWCL and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive). If the Scheme is not approved or the Proposal otherwise lapses, NWCL has no intention to seek the immediate withdrawal of the listing of NWCL Shares on the Stock Exchange.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Scheme and the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for NWCL, except with the consent of the Executive.

17. OVERSEAS NWCL SHAREHOLDERS AND HOLDERS OF NWCL OPTIONS

The making of (i) the Proposal to the Scheme Shareholders; and (ii) the Rule 13 Offer to the holders of NWCL Options, who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders or holders of NWCL Options respectively are located. Such Scheme Shareholders and such holders of NWCL Options should inform themselves about and observe any applicable legal, tax or regulatory requirements. It is the responsibility of any overseas Scheme Shareholders and overseas holders of NWCL Options wishing to take any action in relation to the Scheme, the Proposal and the Rule 13 Offer, respectively, to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with any other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. Any acceptance by such Scheme Shareholders and holders of NWCL Options will be deemed to constitute a representation and warranty from such persons to NWD, the Offeror, NWCL and their respective advisers, including HSBC, the financial adviser to the Offeror, that those local laws and regulatory requirements have been complied with.

Scheme Shareholders and holders of NWCL Options are recommended to consult their own professional advisers if they are in any doubt as to their respective positions.

18. REGISTRATION AND PAYMENT

Assuming that the Scheme Record Date falls on 17 July 2014, it is proposed that the register of members of NWCL will be closed from 8 July 2014 (or such other date as NWCL Shareholders may be notified by way of an announcement) onwards in order to establish entitlements under the Scheme. In order to qualify for entitlements under the Scheme, NWCL Shareholders should ensure that their NWCL Shares are lodged with the Hong Kong branch share registrar of NWCL for

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registration in their names or in the names of their nominees before 4:30 p.m. on 7 July 2014. The Hong Kong branch share registrar of NWCL is Tricor Standard Limited, which is located at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Payment of Cancellation Price to Scheme Shareholders

Upon the Scheme becoming effective, payment of the Cancellation Price for the Scheme Shares will be made to the Scheme Shareholders whose names appear on the register of members of NWCL as at the Scheme Record Date. On the basis that the Scheme becomes effective on or about 17 July 2014 (Cayman Islands time), cheques for payment of the Cancellation Price payable under the Scheme are expected to be dispatched on or before 28 July 2014. In the absence of any specific instructions to the contrary received in writing by Tricor Standard Limited, the Hong Kong branch share registrar of NWCL, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, cheques will be sent by ordinary post in postage pre-paid envelopes addressed to the persons entitled thereto at their respective registered addresses or, in the case of joint holders, to the registered address of that joint holder whose name stands first in the register of members of NWCL in respect of the joint holding. All such cheques will be sent at the risk of the person(s) entitled thereto and none of NWD, the Offeror, NWCL, HSBC or any of them will be responsible for any loss or delay in dispatch.

On or after the day being six calendar months after the posting of such cheques, the Offeror shall have the right to cancel or countermand payment of any such cheques which has not been cashed or has been returned uncashed, and shall place all monies represented thereby in a deposit account in the Offeror's name with a licensed bank in Hong Kong selected by NWCL.

The Offeror shall hold such monies until the expiry of six years from the Effective Date and shall prior to such date, make payments therefrom of the sums to persons who satisfy the Offeror that they are respectively entitled thereto. On the expiry of six years from the Effective Date, the Offeror shall be released from any further obligation to make any payments under the Scheme.

Assuming that the Scheme becomes effective, all existing certificates representing the Scheme Shares will cease to have effect as documents or evidence of title as from the Effective Date, which is expected to be on or about 17 July 2014 (Cayman Islands time).

Settlement of the Cancellation Price to which the Scheme Shareholders are entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against any such Scheme Shareholder.

PART VII**EXPLANATORY STATEMENT****Payment of NWCL Option Offer Price to holders of NWCL Options**

On the basis that the latest time to accept the Rule 13 Offer and closing date of the Rule 13 Offer fall on 31 July 2014, cheques for payment of the NWCL Option Offer Price payable under the Rule 13 Offer are expected to be dispatched on or before 11 August 2014. Cheques will be sent by posting the same in postage pre-paid envelopes addressed to the persons entitled thereto at their respective registered addresses. All such cheques will be sent at the risk of the person(s) entitled thereto and none of NWD, the Offeror, NWCL, HSBC or any of them will be responsible for any loss or delay in dispatch.

On or after the day being six calendar months after the posting of such cheques, the Offeror shall have the right to cancel or countermand payment of any such cheques which has not been cashed or has been returned uncashed, and shall place all monies represented thereby in a deposit account in the Offeror's name with a licensed bank in Hong Kong selected by NWCL.

The Offeror shall hold such monies until the expiry of six years from the Effective Date and shall prior to such date, make payments therefrom of the sums to persons who satisfy the Offeror that they are respectively entitled thereto. On the expiry of six years from the Effective Date, the Offeror shall be released from any further obligation to make any payments under the Scheme.

Settlement of the consideration to which the holders of NWCL Options are entitled under the Rule 13 Offer will be implemented in full in accordance with the terms of the Rule 13 Offer, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against any such holders of NWCL Options.

19. TAXATION**Hong Kong stamp duty and tax consequences**

As the Scheme and the Proposal do not involve the sale and purchase of Hong Kong stock, no Hong Kong stamp duty will be payable pursuant to the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) on the cancellation of the Scheme Shares upon the Scheme becoming effective.

Similarly, as the acceptance of the Rule 13 Offer and the payment of the cash consideration for the cancellation of the NWCL Options does not involve the sale and purchase of Hong Kong stock, no Hong Kong stamp duty will be payable pursuant to the Stamp Duty Ordinance upon the acceptance of the Rule 13 Offer or the payment of the cash consideration under the Rule 13 Offer.

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The Scheme Shareholders and the holders of NWCL Options, whether in Hong Kong or in other jurisdictions, are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of the Scheme, the Proposal or the Rule 13 Offer and, in particular, whether the receipt of the Cancellation Price or of cash consideration under the Rule 13 Offer would make such Scheme Shareholder or holder of NWCL Options liable to taxation in Hong Kong or in other jurisdictions.

It is emphasised that none of NWD, the Offeror, NWCL and HSBC or any of their respective directors, officers or associates or any other person involved in the Scheme, the Proposal or the Rule 13 Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Scheme or the Rule 13 Offer.

20. COURT MEETING AND EXTRAORDINARY GENERAL MEETING

In accordance with the directions of the Grand Court, the Court Meeting will be held for the purpose of considering and, if thought fit, passing a resolution to approve the Scheme (with or without modifications). Independent NWCL Shareholders whose names appear on the register of members of NWCL as at the Meeting Record Date will be entitled to attend and vote, in person or by proxy, at the Court Meeting. The Scheme will be subject to the approval by the Independent NWCL Shareholders at the Court Meeting in the manner referred to in the paragraphs headed “4. Conditions of the Scheme and the Proposal” and “6. Additional Requirements as Imposed by Rule 2.10 of the Takeovers Code” in Part VII — Explanatory Statement of this Scheme Document.

For the avoidance of doubt, the Independent NWCL Shareholders who may vote at the Court Meeting include any member of the HSBC group acting in its capacity as a Registered Owner of the NWCL Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; (ii) if the NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror and an Offeror Concert Party.

The Extraordinary General Meeting will be held after the Court Meeting for the purpose of the NWCL Shareholders to consider and if thought fit pass (i) the special resolution to approve the reduction of the share capital of NWCL by cancelling the Scheme Shares; and (ii) the ordinary resolution to immediately restore the issued share capital of NWCL to its former amount by the issue of the same number of NWCL Shares as the number of Scheme Shares cancelled, credited as fully paid, for issuance to the Offeror.

Court Meeting

Independent NWCL Shareholders whose names appear on the register of members of NWCL as at the Meeting Record Date shall be entitled to attend and vote, in person or by proxy, at the Court Meeting. At the Court Meeting, the Independent NWCL Shareholders, present and voting either in person or by proxy, will be entitled to vote all of their respective NWCL Shares in favour of the Scheme or against it.

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In accordance with the direction from the Grand Court, in the case of HKSCC Nominees Limited, for the purpose of counting the majority in number, it shall be treated as a multi-headed NWCL Shareholder. In this regard, HKSCC Nominees Limited shall be permitted to vote both for and against the Scheme in accordance with instructions received by it from the Investor Participants and Other CCASS Participants. However, for the purpose of calculating the “majority in number”, each such Investor Participant or Other CCASS Participant who instructs HKSCC Nominees Limited to vote in favour of the Scheme shall be counted for the majority in number as a single NWCL Shareholder voting in favour of the Scheme, and, if applicable, each such Investor Participant or Other CCASS Participant who instructs HKSCC Nominees Limited to vote against the Scheme shall be counted for the majority in number as a single NWCL Shareholder voting against the Scheme. HKSCC Nominees Limited itself, as opposed to instructing Investor Participants and Other CCASS Participants, shall not be counted as a NWCL Shareholder for the purpose of the calculation of the majority in number.

The Scheme is conditional upon, among other things, approval by a majority in number of the Independent NWCL Shareholders representing not less than 75% in value of the NWCL Shares present and voting in person or by proxy at the Court Meeting, provided that (i) the Scheme is approved (by way of poll) by the Independent NWCL Shareholders holding at least 75% of the votes attaching to the NWCL Shares held by the Independent NWCL Shareholders that are voted either in person or by proxy at the Court Meeting; and (ii) the number of votes cast (by way of poll) by the Independent NWCL Shareholders present and voting either in person or by proxy at Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all NWCL Shares held by all the Independent NWCL Shareholders.

In accordance with the Companies Law, the “75% in value” requirement, as described above, will be met if the total value of NWCL Shares being voted in favour of the Scheme is at least 75% of the total value of the NWCL Shares voted at the Court Meeting. In accordance with the Companies Law, the “majority in number” requirement, as described above, will be met if the number of Independent NWCL Shareholders voting in favour of the Scheme exceeds the number of Independent NWCL Shareholders voting against the Scheme. For the purpose of calculating the “majority in number” requirement, the number of Independent NWCL Shareholders, present and voting in person or by proxy, will be counted, **however as directed by the Grand Court, in the case of HKSCC Nominees Limited, for the purpose of counting the majority in number, it shall be treated as a multi-headed NWCL Shareholder. In this regard, HKSCC Nominees Limited shall be permitted to vote both for and against the Scheme in accordance with instructions received by it from the Investor Participants and Other CCASS Participants. For the purpose of calculating the “majority in number”, each such Investor Participant or Other CCASS Participant who instructs HKSCC Nominees Limited to vote in favour of the Scheme shall be counted for the majority in number as a single NWCL Shareholder voting in favour of the Scheme, and, if applicable, each such Investor Participant or Other CCASS Participant who instructs HKSCC Nominees Limited to vote against the Scheme shall be counted for the**

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majority in number as a single NWCL Shareholder voting against the Scheme. HKSCC Nominees Limited itself, as opposed to instructing Investor Participants and Other CCASS Participants, shall not be counted as a NWCL Shareholder for the purpose of the calculation of the majority in number.

Notice of the Court Meeting is set out in Appendix VII to this Scheme Document. The Court Meeting will be held at 2:30 p.m. (Hong Kong time) on 16 June 2014 at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong.

Extraordinary General Meeting

All NWCL Shareholders whose names appear on the register of members of NWCL as at the Meeting Record Date shall be entitled to attend and vote, in person or by proxy, at the Extraordinary General Meeting with respect to the special resolution to, among other things, (i) approve the reduction of the share capital of NWCL by cancelling and extinguishing the Scheme Shares; and (ii) immediately restore the issued share capital of NWCL to its former amount by the issue of the same number of NWCL Shares as the number of Scheme Shares cancelled, credited as fully paid, for issuance to the Offeror.

The special resolution described in the paragraph above will be passed if not less than three-fourths of the votes cast by the NWCL Shareholders, present and voting in person or by proxy at the Extraordinary General Meeting, are in favour of the special resolution.

At the Extraordinary General Meeting, a poll will be taken and each NWCL Shareholder present and voting, either in person or by proxy, will be entitled to vote all of his/her/its Shares in favour of (or against) the resolutions. Alternatively, such NWCL Shareholder may vote some of their NWCL Shares in favour of the resolutions and any or all of the balance of their NWCL Shares against the resolutions (and vice versa).

Each of the Offeror and NWD has indicated that those NWCL Shares held by each of them will be voted in favour of the resolutions to be proposed at the Extraordinary General Meeting.

At the Extraordinary General Meeting, the resolutions will be put to the vote by way of poll as required under Rule 13.39(4) of the Listing Rules.

Notice of the Extraordinary General Meeting is set out in Appendix VIII to this Scheme Document. The Extraordinary General Meeting will be held at 4:00 p.m. (Hong Kong time) (or immediately after the conclusion or adjournment of the Court Meeting convened for the same day and place) on 16 June 2014 at Meeting N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong.

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Assuming that the Conditions are fulfilled (or, as applicable, waived in whole or in part), it is expected that the Scheme will become effective on or before 17 July 2014 (Cayman Islands time). Further announcements will be made including, in particular, in relation to (i) the results of the Court Meeting and the Extraordinary General Meeting and, whether all the resolutions are passed at those meetings; (ii) the result of the hearing of the petition for the sanction of the Scheme by the Grand Court; (iii) the Scheme Record Date; (iv) the Effective Date; and (v) the date of withdrawal of the listing of NWCL Shares on the Stock Exchange as further set out in Part III — Expected Timetable of this Scheme Document.

21. BENEFICIAL OWNERS

Beneficial Owners are urged to have their names entered in the register of members of NWCL as soon as possible for, among other things, the following reasons:

- (a) to enable the Beneficial Owners to become NWCL Shareholders so that they can attend the Court Meeting in the capacity as members of NWCL and to be represented by proxies to be appointed by them;
- (b) to enable NWCL to properly classify members of NWCL as Scheme Shareholders for the purposes of Section 86 of the Companies Law; and
- (c) to enable NWCL and the Offeror to make arrangements to effect payments by way of the delivery of cheques to the most appropriate person when the Scheme becomes effective. All deliveries of cheques required for making payment in respect of the Scheme Shares as aforesaid shall be effected by duly posting the same in postage pre-paid envelopes addressed to the persons respectively entitled thereto at their respective addresses as appearing in the register of members of NWCL as at the Scheme Record Date.

No person shall be recognised by NWCL as holding any NWCL Shares upon any trust. In the case of any Beneficial Owner whose NWCL Shares are held upon trust by, and registered in the name of, a Registered Owner (other than HKSCC Nominees Limited), such Beneficial Owner should contact the Registered Owner and provide him, her or it with instructions or make arrangements with the Registered Owner in relation to the manner in which NWCL Shares of the Beneficial Owner should be voted at the Court Meeting and/or the Extraordinary General Meeting. Such instructions and/or arrangements should be given or made in advance of the relevant latest time for the lodgement of forms of proxy in respect of the Court Meeting and the Extraordinary General Meeting in order to provide the Registered Owner with sufficient time to accurately complete his, her or its proxy and to submit it by the deadline. To the extent that any Registered Owner requires instructions from or arrangements to be made with any Beneficial Owner at a particular date or time in advance of the relevant latest time for the lodgement of forms of proxy in respect of the Court Meeting and the Extraordinary General Meeting, then any such Beneficial Owner should comply with the requirements of such Registered Owner.

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Any Beneficial Owner whose NWCL Shares are deposited in CCASS and registered under the name of HKSCC Nominees Limited must, unless such Beneficial Owner is a person admitted to participate in CCASS as an Investor Participant, contact their broker, custodian, nominee or other relevant person who is, or has in turn deposited such NWCL Shares with, an Other CCASS Participant regarding voting instructions to be given to such persons if they wish to vote in respect of the Scheme. Beneficial Owners should contact their broker, custodian, nominee or other relevant person in advance of the relevant latest time for the lodgement of forms of proxy in respect of the Court Meeting and the Extraordinary General Meeting, in order to provide such broker, custodian, nominee or other relevant person with sufficient time to provide HKSCC with instructions or make arrangements with HKSCC in relation to the manner in which NWCL Shares of the Beneficial Owner should be voted at the Court Meeting and/or the Extraordinary General Meeting. The procedure for voting in respect of the Scheme by HKSCC Nominees Limited with respect to the NWCL Shares shall be in accordance with the “General Rules of CCASS” and the “CCASS Operational Procedures” in effect from time to time.

22. GENERAL

The Offeror has appointed HSBC as its financial adviser in connection with the Scheme, the Proposal and the Rule 13 Offer.

The directors of NWCL (other than those on the NWCL Independent Board Committee whose views are set out in the letter from the NWCL Independent Board Committee in Part V of this Scheme Document) all believe that the terms of the Scheme and the Proposal are fair and reasonable and in the interests of NWCL Shareholders as a whole. The independent non-executive directors of NWCL forming the NWCL Independent Board Committee, namely Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James and Mr. Ip Yuk-Keung, Albert, have provided their recommendation in the letter from the NWCL Independent Board Committee in Part V of this Scheme Document.

Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia and Mr. Cheng Chi-Him, Conrad, being directors of NWCL and who are interested in the Scheme, the Proposal and/or the Rule 13 Offer have abstained from voting in respect of the board resolutions of NWCL in relation to the Scheme, the Proposal and the Rule 13 Offer.

In light of the recommendation of the NWCL Independent Board Committee as set out in Part V of this Scheme Document and the recommendation of the NWCL Independent Financial Adviser as set out in Part VI of this Scheme Document, Rule 2.3 of the Takeovers Code is not applicable, and the Offeror and NWCL have agreed that all costs, charges and expenses of the advisers and counsels appointed by NWCL, including the NWCL Independent Financial Adviser, will be borne by NWCL, all costs, charges and expenses of the advisers and counsels appointed by Offeror will be borne by the Offeror, and other costs, charges and expenses of the Scheme and the Proposal will be shared between the Offeror and NWCL equally.

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As at the Latest Practicable Date, there were no arrangements of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Offeror or any Offeror Concert Parties and any other person.

As at the Latest Practicable Date, there was no agreement or arrangement to which the Offeror was a party which related to the circumstances in which it might or might not invoke or seek to invoke a condition to the Scheme and the Proposal.

As at the Latest Practicable Date, save as disclosed in Appendix III — General Information Relating to the Offeror to this Scheme Document, there were no NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares which the Offeror and the Offeror Concert Parties have borrowed or lent, save for borrowed securities (if any) which have been either on-lent or sold by the Offeror Concert Parties.

As at the Latest Practicable Date, no person who owned or controlled NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares had irrevocably committed themselves to the Offeror or NWD to vote their NWCL Shares in favour of or against the resolutions in respect of the Scheme at the Court Meeting or the Extraordinary General Meeting. NWD and the Offeror have indicated that those NWCL Shares held by them will be voted in favour of the resolutions to be proposed at the Extraordinary General Meeting.

Associates of NWD, the Offeror or NWCL, (as defined in the Takeovers Code, including shareholders holding 5% or more of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of NWD, the Offeror or NWCL,) are hereby reminded to disclose their dealings in any securities of NWCL under Rule 22 of the Takeovers Code.

23. SUMMARY OF ACTIONS TO BE TAKEN**Independent NWCL Shareholders and NWCL Shareholders**

A pink form of proxy for use at the Court Meeting and a white form of proxy for use at the Extraordinary General Meeting are enclosed with copies of this Scheme Document sent to Registered Owners of NWCL Shares.

Whether or not you are able to attend the Court Meeting and/or the Extraordinary General Meeting, the Independent NWCL Shareholders are strongly urged to complete and sign the enclosed pink form of proxy in respect of the Court Meeting, and the NWCL Shareholders are strongly urged to complete and sign the enclosed white form of proxy in respect of the Extraordinary General Meeting, in accordance with the instructions printed thereon, and to lodge them at the office of the Hong Kong branch share registrar of NWCL, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. In order to be valid, the pink form of proxy for use at the Court Meeting should be lodged not later than 2:30 p.m. (Hong Kong time) on 14 June 2014, and the white form of proxy for use at the Extraordinary General Meeting should be lodged not later than 4:00 p.m. (Hong Kong time) on 14 June 2014. The completion and return of a form of proxy for the Court Meeting

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or the Extraordinary General Meeting will not preclude the Independent NWCL Shareholders and the NWCL Shareholders from attending and voting in person at the relevant meeting. In such event, the returned form of proxy will be deemed to have been revoked.

In the case of any Beneficial Owner whose NWCL Shares are held by a Registered Owner (including a nominee, trustee, depositary or authorised custodian or third party), such Beneficial Owner should contact the Registered Owner and provide instructions as to the manner in which NWCL Shares of the Beneficial Owner should be voted at the Court Meeting and/or Extraordinary General Meeting. Such instructions, subject to the express requirements of the Registered Owner, should be given in advance of the relevant latest time for the lodgement of proxies in respect of the Court Meeting and Extraordinary General Meeting.

If any Independent NWCL Shareholder or NWCL Shareholder does not appoint a proxy and that Independent NWCL Shareholder or NWCL Shareholder does not attend and vote at the Court Meeting and/or Extraordinary General Meeting, that Independent NWCL Shareholder or NWCL Shareholder will still be bound by the outcome of such Court Meeting and/or Extraordinary General Meeting if, among other things, the resolutions are passed by the requisite majorities at the Court Meeting and the Extraordinary General Meeting. Independent NWCL Shareholders and NWCL Shareholders are therefore strongly urged to attend and vote at the Court Meeting and/or the Extraordinary General Meeting in person or by proxy.

For the purpose of determining the entitlements of the Independent NWCL Shareholders to attend and vote at the Court Meeting and the NWCL Shareholders to attend and vote at the Extraordinary General Meeting, the register of members of NWCL will be closed from 11 June 2014 to 16 June 2014 (both days inclusive) and during such period, no transfer of NWCL Shares will be effected. In order to qualify to vote at the Court Meeting and the Extraordinary General Meeting, all transfers accompanied by the relevant share certificates must be lodged with Tricor Standard Limited, the Hong Kong branch share registrar of NWCL at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong before 4:30 p.m. on 10 June 2014.

Further announcements will be made in relation to (i) the results of the Court Meeting and the Extraordinary General Meeting and, whether all the resolutions are passed at those meetings; (ii) the result of the hearing of the petition for the sanction of the Scheme by the Grand Court; (iii) the Scheme Record Date; (iv) the Effective Date; and (v) the date of withdrawal of the listing of NWCL Shares on the Stock Exchange as further set out in Part III — Expected Timetable of this Scheme Document.

Petition hearing in the Grand Court

Prior to the dispatch of this Scheme Document, in accordance with section 86 of the Companies Law, NWCL obtained directions from the Grand Court providing for the convening of the Court Meeting to consider the Scheme and other procedural matters regarding the Scheme.

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In accordance with sections 14, 15 and 86 of the Companies Law, if the Resolutions are approved at the Court Meeting and the Extraordinary General Meeting, NWCL must then make a further application to the Grand Court to confirm the resolution reducing the share capital of NWCL and to sanction the Scheme. NWCL and the Offeror cannot complete the Scheme and the Proposal without obtaining these approvals. In this regard, NWCL has filed a Petition with the Grand Court seeking these approvals which will be heard at 10:00 a.m. (Cayman Islands time) on 15 July 2014.

In determining whether to exercise its discretion and sanction the Scheme, the Grand Court will determine, among other things, whether the Scheme is fair to the Independent NWCL shareholders.

At the hearing of the Petition, the Grand Court may impose such conditions as it deems appropriate in relation to the Scheme, but may not impose any material changes without the joint consent of NWCL and the Offeror. NWCL may consent on behalf of its shareholders to any modification of the Scheme which the Grand Court may think fit to approve or impose.

If the Grand Court sanctions the Scheme and if all of the other conditions to the Scheme are satisfied or (to the extent allowed by law), waived (and NWCL and the Offeror do not jointly agree to abandon the Scheme), NWCL intends to file the Court Order sanctioning the Scheme with the Cayman Islands Registrar of Companies on 17 July 2014. This will cause the Scheme to become effective.

INDEPENDENT NWCL SHAREHOLDERS (INCLUDING ANY BENEFICIAL OWNERS OF SUCH NWCL SHARES THAT GIVE VOTING INSTRUCTIONS TO A CUSTODIAN OR CLEARING HOUSE THAT SUBSEQUENTLY VOTES AT THE COURT MEETING) SHOULD NOTE THAT THEY WILL BE ENTITLED TO APPEAR AT THE GRAND COURT HEARING EXPECTED TO BE ON 15 JULY 2014 AT WHICH NWCL WILL SEEK, AMONG OTHER THINGS, THE SANCTION OF THE SCHEME.

Holders of NWCL Options

The Rule 13 Offer Letter is being sent to each holder of NWCL Options separately. Holders of NWCL Options should refer to those letters, the form of which is set out in Appendix IX to this Scheme Document. Any holder of NWCL Options who wishes to accept the Rule 13 Offer must complete and return the duly completed and executed Form of Acceptance by 4:30 p.m. on 31 July 2014 (or such later date and time as may be notified to the holders of NWCL Options by NWD, the Offeror or HSBC), delivered to the Offeror, care of New World Development Company Limited (新世界發展有限公司) at 25th Floor, New World Tower 1, 18 Queen's Road Central, Hong Kong, for the attention of the board of the Offeror and marked "New World China Land Limited — Rule 13 Offer". No acknowledgement of receipt of any Form of Acceptance or any other document will be given.

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The holders of NWCL Options should also note the instructions and other terms and conditions of the Rule 13 Offer printed on the Rule 13 Offer Letter and the Form of Acceptance.

24. RECOMMENDATIONS

Your attention is drawn to the following:

- (a) the paragraph headed “17. Recommendations” in the “Letter from the NWCL Board” set out in Part IV of this Scheme Document;
- (b) the letter from the NWCL Independent Board Committee set out in Part V of this Scheme Document; and
- (c) the letter from Somerley set out in Part VI of this Scheme Document.

25. FURTHER INFORMATION

Further information is set out in the Appendices to, and elsewhere in, this Scheme Document, all of which form part of this Explanatory Statement.

NWCL Shareholders should rely only on the information contained in this Scheme Document. None of NWCL, the Offeror, NWD, HSBC or any of their respective affiliates has authorised anyone to provide you with information that is different from what is contained in this Scheme Document.

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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I. FINANCIAL SUMMARY

The following summary financial information for each of the three financial years ended 30th June 2011, 2012, 2013 and for the six months ended 31 December 2013 is extracted from the respective published audited consolidated financial statements of the NWCL Group as set forth in the annual report for the years ended 30 June 2011, 2012, 2013 dated 29 September 2011 (pages 128 to 204), 26 September 2012 (pages 132 to 216) and 25 September 2013 (pages 146 to 238), respectively, and the unaudited interim report dated 25 February 2014 (pages 16 to 39) of the Group.

The auditors of NWCL did not issue any qualified opinion on the financial statements of the NWCL Group for each of the three years ended 30 June 2011, 2012 and 2013. There are no exceptional items because of size, nature or incidence that are required to be disclosed in the financial statements of the NWCL Group for each of the three years ended 30 June 2011, 2012 and 2013.

In this appendix, references to “the Company” and “the Group” shall mean NWCL and NWCL Group respectively.

Consolidated Income Statements

	Year ended 30 June			Six Months ended 31 December
	2011 <i>HK\$'000</i>	2012 <i>HK\$'000</i>	2013 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Revenues	13,557,227	12,528,755	16,153,872	11,884,427
Cost of sales	(9,300,950)	(6,887,239)	(9,395,433)	(6,301,012)
Gross profit	4,256,277	5,641,516	6,758,439	5,583,415
Other income	879,277	772,288	1,031,293	901,023
Other gains, net	680,239	249,186	840,955	268,456
Changes in fair value of investment properties	386,890	1,025,791	623,795	310,306
Selling expenses	(267,034)	(420,724)	(550,200)	(419,771)
Administrative and other operating expenses	(981,636)	(1,256,521)	(1,347,765)	(726,704)
Operating profit before finance costs	4,954,013	6,011,536	7,356,517	5,916,725
Finance costs	(268,470)	(292,503)	(414,256)	(188,041)
Share of results of associated companies and joint ventures	378,176	373,171	964,636	331,408
Profit before taxation	5,063,719	6,092,204	7,906,897	6,060,092
Taxation charge	(1,917,443)	(2,812,704)	(3,051,541)	(2,530,558)
Profit for the year/period	<u>3,146,276</u>	<u>3,279,500</u>	<u>4,855,356</u>	<u>3,529,534</u>
Attributable to:				
Equity holders of the Company	3,025,826	3,080,929	4,616,314	3,394,594
Non-controlling interests	120,450	198,571	239,042	134,940
	<u>3,146,276</u>	<u>3,279,500</u>	<u>4,855,356</u>	<u>3,529,534</u>
Earnings per share				
Basic	50.55 cents	42.04 cents	53.32 cents	39.16 cents
Diluted	<u>50.06 cents</u>	<u>41.72 cents</u>	<u>53.29 cents</u>	<u>39.14 cents</u>
Dividend per share	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.04</u>

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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Consolidated Statements of Financial Position

	As at 30 June			As at
	2011	2012	2013	31 December
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>2013</i> <i>HK\$'000</i>
ASSETS				
Non-current assets				
Property, plant and equipment	1,832,310	2,660,411	3,430,117	4,471,199
Investment properties	14,197,823	17,165,024	19,928,241	21,230,834
Land use rights	693,090	679,009	621,096	619,918
Intangible assets	23,394	1,925,141	1,940,241	2,014,307
Properties held for development	12,478,678	15,864,552	17,350,847	19,015,573
Associated companies and joint ventures	10,047,204	11,502,724	12,914,943	14,423,495
Available-for-sale financial assets	58,362	108,457	108,457	85,147
	39,330,861	49,905,318	56,293,942	61,860,473
Current assets				
Properties under development	15,214,997	17,951,504	20,449,013	21,651,463
Completed properties held for sale	2,767,280	5,060,918	7,093,274	9,024,331
Hotel inventories, at cost	4,653	4,181	4,551	4,608
Prepayments, debtors and other receivables	10,976,586	11,339,135	13,817,090	10,667,700
Amounts due from related companies	589,809	604,929	851,225	925,369
Cash and bank balances, restricted	10,355	—	—	—
Cash and bank balances, unrestricted	10,640,373	13,257,612	19,337,202	19,945,079
	40,204,053	48,218,279	61,552,355	62,218,550
Total assets	79,534,914	98,123,597	117,846,297	124,079,023
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital	576,239	864,979	866,360	867,186
Reserves	40,887,420	47,540,960	53,135,700	56,768,180
Interim dividend	—	—	—	346,972
Proposed final dividend	230,505	346,034	346,686	—
	41,694,164	48,751,973	54,348,746	57,982,338
Non-controlling interests	2,354,690	2,973,143	3,354,883	3,359,703
Total equity	44,048,854	51,725,116	57,703,629	61,342,041

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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	As at 30 June			As at
	2011	2012	2013	31 December
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
LIABILITIES				
Non-current liabilities				
Long term borrowings	14,151,021	22,919,267	30,957,581	32,973,109
Deferred tax liabilities	2,185,100	2,460,377	2,839,705	3,004,253
	16,336,121	25,379,644	33,797,286	35,977,362
Current liabilities				
Creditors and accruals	3,714,991	5,883,221	6,819,852	7,866,124
Deposits received on sale of properties	4,819,682	5,161,655	9,041,851	7,705,589
Amounts due to related companies	1,337,068	1,345,767	838,710	950,200
Short term loans	370,087	270,699	543,038	256,410
Current portion of long term borrowings	6,382,934	5,267,457	5,501,711	4,991,585
Amounts due to non-controlling interests	101,512	101,916	103,192	103,639
Taxes payable	2,423,665	2,988,122	3,497,028	4,886,073
	19,149,939	21,018,837	26,345,382	26,759,620
Total liabilities	35,486,060	46,398,481	60,142,668	62,736,982
Total equity and liabilities	79,534,914	98,123,597	117,846,297	124,079,023
Net current assets	21,054,114	27,199,442	35,206,973	35,458,930
Total assets less current liabilities	60,384,975	77,104,760	91,500,915	97,319,403

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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II. (A) AUDITED CONSOLIDATED FINANCIAL STATEMENTS

Set out below is financial information of the NWCL Group as extracted from the published audited financial statements of the NWCL Group for the year ended 30 June 2013.

Consolidated Income Statement

For the year ended 30 June 2013

	<i>Note</i>	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Revenues	6	16,153,872	12,528,755
Cost of sales		<u>(9,395,433)</u>	<u>(6,887,239)</u>
Gross profit		6,758,439	5,641,516
Other income	7	1,031,293	772,288
Other gains, net	8	840,955	249,186
Changes in fair value of investment properties	17	623,795	1,025,791
Selling expenses		(550,200)	(420,724)
Administrative and other operating expenses		<u>(1,347,765)</u>	<u>(1,256,521)</u>
Operating profit before finance costs	9	7,356,517	6,011,536
Finance costs	10	(414,256)	(292,503)
Share of results of			
Associated companies		46,264	16,844
Jointly controlled entities		<u>918,372</u>	<u>356,327</u>
Profit before taxation		7,906,897	6,092,204
Taxation charge	13	<u>(3,051,541)</u>	<u>(2,812,704)</u>
Profit for the year		<u><u>4,855,356</u></u>	<u><u>3,279,500</u></u>
Attributable to:			
Equity holders of the Company		4,616,314	3,080,929
Non-controlling interests		<u>239,042</u>	<u>198,571</u>
		<u><u>4,855,356</u></u>	<u><u>3,279,500</u></u>
Earnings per share	14		
Basic		53.32 cents	42.04 cents
Diluted		<u>53.29 cents</u>	<u>41.72 cents</u>
Dividends	15	<u><u>606,589</u></u>	<u><u>605,409</u></u>

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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Consolidated Statement of Comprehensive Income*For the year ended 30 June 2013*

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the year	4,855,356	3,279,500
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Translation differences	1,435,731	207,509
Share of other comprehensive income of jointly controlled entities	127,271	35,180
Share of other comprehensive income of associated companies	(1,284)	(594)
Realisation of translation differences upon disposal of a subsidiary	—	(12,291)
Other comprehensive income for the year	1,561,718	229,804
Total comprehensive income for the year	6,417,074	3,509,304
Total comprehensive income attributable to:		
Equity holders of the Company	6,160,788	3,306,889
Non-controlling interests	256,286	202,415
	6,417,074	3,509,304

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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Consolidated Statement of Financial Position*As at 30 June 2013*

	<i>Note</i>	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment	<i>16</i>	3,430,117	2,660,411
Investment properties	<i>17</i>	19,928,241	17,165,024
Land use rights	<i>18</i>	621,096	679,009
Intangible assets	<i>19</i>	1,940,241	1,925,141
Properties held for development	<i>21</i>	17,350,847	15,864,552
Associated companies	<i>22</i>	428,574	429,774
Jointly controlled entities	<i>23</i>	12,486,369	11,072,950
Available-for-sale financial assets	<i>24</i>	<u>108,457</u>	<u>108,457</u>
		<u>56,293,942</u>	<u>49,905,318</u>
Current assets			
Properties under development	<i>26</i>	20,449,013	17,951,504
Completed properties held for sale	<i>27</i>	7,093,274	5,060,918
Hotel inventories, at cost		4,551	4,181
Prepayments, debtors and other receivables	<i>28</i>	13,817,090	11,339,135
Amounts due from related companies	<i>29</i>	851,225	604,929
Cash and bank balances, unrestricted	<i>25</i>	<u>19,337,202</u>	<u>13,257,612</u>
		<u>61,552,355</u>	<u>48,218,279</u>
Total assets		<u>117,846,297</u>	<u>98,123,597</u>
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	<i>30</i>	866,360	864,979
Reserves	<i>31</i>	53,135,700	47,540,960
Proposed final dividend	<i>31</i>	<u>346,686</u>	<u>346,034</u>
		54,348,746	48,751,973
Non-controlling interests		<u>3,354,883</u>	<u>2,973,143</u>
Total equity		<u>57,703,629</u>	<u>51,725,116</u>

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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	<i>Note</i>	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
LIABILITIES			
Non-current liabilities			
Long term borrowings	32	30,957,581	22,919,267
Deferred tax liabilities	33	<u>2,839,705</u>	<u>2,460,377</u>
		----- 33,797,286	----- 25,379,644
Current liabilities			
Creditors and accruals	34	6,819,852	5,883,221
Deposits received on sale of properties		9,041,851	5,161,655
Amounts due to related companies	29	838,710	1,345,767
Short term loans	35	543,038	270,699
Current portion of long term borrowings	32	5,501,711	5,267,457
Amounts due to non-controlling interests	36	103,192	101,916
Taxes payable	37	<u>3,497,028</u>	<u>2,988,122</u>
		----- 26,345,382	----- 21,018,837
Total liabilities		----- 60,142,668	----- 46,398,481
Total equity and liabilities		<u>117,846,297</u>	<u>98,123,597</u>
Net current assets		<u>35,206,973</u>	<u>27,199,442</u>
Total assets less current liabilities		<u>91,500,915</u>	<u>77,104,760</u>

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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Statement of Financial Position*As at 30 June 2013*

	<i>Note</i>	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
ASSETS			
Non-current asset			
Subsidiaries	20	----- 38,098,364	----- 34,205,811
Current assets			
Prepayments, deposits and other receivables	28	16,820	34,189
Amounts due from related companies	29	694,864	585,231
Cash and bank balances, unrestricted	25	8,317,940	6,724,281
		----- 9,029,624	----- 7,343,701
Total assets		<u>47,127,988</u>	<u>41,549,512</u>
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	30	866,360	864,979
Reserves	31	27,374,946	27,451,828
Proposed final dividend	31	346,686	346,034
Total equity		----- 28,587,992	----- 28,662,841
LIABILITIES			
Non-current liability			
Long term borrowings	32	----- 17,802,429	----- 12,495,891
Current liabilities			
Creditors and accruals	34	191,684	108,601
Amounts due to related companies	29	3,000	3,000
Current portion of long term borrowings	32	496,227	250,000
Taxes payable	37	46,656	29,179
		----- 737,567	----- 390,780
Total liabilities		<u>18,539,996</u>	<u>12,886,671</u>
Total equity and liabilities		<u>47,127,988</u>	<u>41,549,512</u>
Net current assets		<u>8,292,057</u>	<u>6,952,921</u>
Total assets less current liabilities		<u>46,390,421</u>	<u>41,158,732</u>

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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Consolidated Cash Flow Statement*For the year ended 30 June 2013*

	<i>Note</i>	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Operating activities			
Net cash generated from/(used in) operations	40(a)	3,510,452	(2,332,929)
Tax paid		<u>(2,644,457)</u>	<u>(2,097,105)</u>
Net cash from/(used in) operating activities		<u>865,995</u>	<u>(4,430,034)</u>
Investing activities			
Interest received		267,560	100,780
Additions to property, plant and equipment, land use rights and investment properties		(1,630,088)	(1,078,304)
Increase in investments in jointly controlled entities		(1,047,460)	(1,287,215)
Decrease in investments in jointly controlled entities		306,737	386,601
Increase in investments in associated companies		(7)	(48)
Decrease in investments in associated companies		46,187	—
Acquisition of subsidiaries	40(b)	(6,960)	(1,950,234)
Additions to available-for-sale financial assets		—	(26,785)
Dividend income from an available-for-sale financial asset		—	1,854
Disposal of a subsidiary	40(d)	—	45,346
Disposal of property, plant and equipment, land use rights and investment properties		<u>441,306</u>	<u>142,611</u>
Net cash used in investing activities		<u>(1,622,725)</u>	<u>(3,665,394)</u>
Financing activities			
Interest paid		(999,259)	(761,526)
Increase in long term borrowings		10,853,750	11,632,788
Repayment of long term borrowings		(3,269,640)	(4,118,159)
Capital contribution from non-controlling interests		224,522	577,367
Issue of shares		24,835	4,265,343
Increase/(decrease) in short term loans		265,823	(102,683)
Redemption of convertible bonds		—	(401,462)
Dividends paid		(606,289)	(489,879)
Decrease in restricted bank balances		<u>—</u>	<u>10,355</u>
Net cash from financing activities		<u>6,493,742</u>	<u>10,612,144</u>
Net increase in cash and cash equivalents		5,737,012	2,516,716
Cash and cash equivalents at beginning of the year		13,257,612	10,640,373
Exchange differences on cash and cash equivalents		<u>342,578</u>	<u>100,523</u>
Cash and cash equivalents at end of the year		<u>19,337,202</u>	<u>13,257,612</u>
Analysis of cash and cash equivalents			
Unrestricted cash and bank balances	25	<u>19,337,202</u>	<u>13,257,612</u>

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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Consolidated Statement of Changes in Equity*For the year ended 30 June 2013*

	Attributable to equity holders of the Company			Non- controlling interests	Total equity
	Share capital	Reserves	Shareholders' funds	HK\$'000	HK\$'000
	HK\$'000	HK\$'000	HK\$'000		
Balance at 1 July 2012	864,979	47,886,994	48,751,973	2,973,143	51,725,116
Translation differences	—	1,418,487	1,418,487	17,244	1,435,731
Share of other comprehensive income of jointly controlled entities	—	127,271	127,271	—	127,271
Share of other comprehensive income of associated companies	—	(1,284)	(1,284)	—	(1,284)
Other comprehensive income for the year	—	1,544,474	1,544,474	17,244	1,561,718
Profit for the year	—	4,616,314	4,616,314	239,042	4,855,356
Total comprehensive income for the year	—	6,160,788	6,160,788	256,286	6,417,074
Transactions with owners					
Contribution by and distribution to owners					
Issue of shares	1,381	23,454	24,835	—	24,835
Capital contribution from non-controlling interests	—	—	—	128,687	128,687
Share-based payments	—	14,206	14,206	—	14,206
Dividends paid	—	(606,289)	(606,289)	—	(606,289)
Change in ownership interests in a subsidiary	1,381	(568,629)	(567,248)	128,687	(438,561)
Acquisition of additional interests in a subsidiary	—	3,233	3,233	(3,233)	—
Total transactions with owners	1,381	(565,396)	(564,015)	125,454	(438,561)
Balance at 30 June 2013	866,360	53,482,386	54,348,746	3,354,883	57,703,629

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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	Attributable to equity holders of the Company			Non- controlling interests	Total equity
	Share capital	Reserves	Shareholders' funds		
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Balance at 1 July 2011	576,239	41,117,925	41,694,164	2,354,690	44,048,854
Translation differences	—	203,665	203,665	3,844	207,509
Disposal of a subsidiary	—	(12,291)	(12,291)	—	(12,291)
Share of other comprehensive income of jointly controlled entities	—	35,180	35,180	—	35,180
Share of other comprehensive income of associated companies	—	(594)	(594)	—	(594)
Other comprehensive income for the year	—	225,960	225,960	3,844	229,804
Profit for the year	—	3,080,929	3,080,929	198,571	3,279,500
Total comprehensive income for the year	—	3,306,889	3,306,889	202,415	3,509,304
Transactions with owners					
Contribution by and distribution to owners					
Issues of shares	288,740	3,976,603	4,265,343	—	4,265,343
Capital contribution from non-controlling interests	—	—	—	412,150	412,150
Share-based payments	—	14,610	14,610	—	14,610
Dividends paid	—	(489,879)	(489,879)	—	(489,879)
	288,740	3,501,334	3,790,074	412,150	4,202,224
Change in ownership interests in a subsidiary					
Acquisition of additional interests in a subsidiary	—	(3,888)	(3,888)	3,888	—
Total transactions with owners	288,740	3,497,446	3,786,186	416,038	4,202,224
Others					
Share of reserve of a jointly controlled entity	—	(35,266)	(35,266)	—	(35,266)
	288,740	3,462,180	3,750,920	416,038	4,166,958
Balance at 30 June 2012	864,979	47,886,994	48,751,973	2,973,143	51,725,116

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**Notes to the Financial Statements****1. GENERAL INFORMATION**

New World China Land Limited (新世界中國地產有限公司) (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in investment and development of property projects in the People’s Republic of China (the “PRC”).

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business in Hong Kong is 9/F., New World Tower 1, 18 Queen’s Road Central, Hong Kong.

The Company is listed on The Stock Exchange of Hong Kong Limited.

The immediate and ultimate holding company is New World Development Company Limited (新世界發展有限公司) (“NWD”), a company incorporated and listed in Hong Kong.

These financial statements have been approved for issue by the Board of Directors on 25 September 2013.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and available-for-sale financial assets which have been measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 5 below.

(a) Adoption of amendment to standard

The Group has adopted the following amendment to standard which is relevant to the Group’s operations and is mandatory for the financial year ended 30 June 2013:

HKAS 1 (Amendment)	Presentation of Items of Other Comprehensive Income
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The adoption of this amendment to standard affects the presentation only and does not have any effect on the results and financial position of the Group.

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(b) Standards, amendments to standards and interpretations which are not yet effective

The following new or revised standards, amendments to standards and interpretations are mandatory for accounting periods beginning on or after 1 January 2013 or later periods but which the Group has not early adopted:

Effective for the year ending 30 June 2014

HKFRS 1 (Amendment)	Government Loans
HKFRS 7 (Amendment)	Financial Instruments: Disclosures — Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKAS 19 (Revised 2011)	Employee Benefits
HKAS 27 (Revised 2011)	Separate Financial Statements
HKAS 28 (Revised 2011)	Associates and Joint Ventures
HK (IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine
Annual Improvements Project	Annual Improvements 2009–2011 Cycle

Effective for the year ending 30 June 2015 or after

HKFRS 9	Financial Instruments
HKFRS 7 and HKFRS 9 (Amendments)	Financial Instruments: Disclosures — Mandatory Effective Date of HKFRS 9 and Transition Disclosures
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (Revised 2011)	Investment Entities
HKAS 32 (Amendment)	Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendment)	Recoverable Amount Disclosures for Non-Financial Assets
HKAS 39 (Amendment)	Novation of Derivatives and Continuation of Hedge Accounting
HK (IFRIC)-Int 21	Levies

The Group has already commenced an assessment of the impact of these new or revised standards, amendments to standards and interpretations, certain of which may be relevant to the Group's operation and may give rise to changes in accounting policies, changes in disclosures and remeasurement of certain items in the financial statements.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**3. PRINCIPAL ACCOUNTING POLICIES**

The principal accounting policies adopted for the preparation of these financial statements, which have been consistently applied to all the years presented, unless otherwise stated, are set out below:

(a) Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all of its subsidiaries made up to 30 June.

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Any investment retained in the former subsidiary is recognised at its fair value at the date when control is lost.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owner of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On the acquisition by acquisition basis, the Group recognises a non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree at the date of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Company's investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(ii) Jointly controlled entities

A jointly controlled entity is a joint venture established as a corporation, partnership or other entity in which the venturers have their respective interests and establish a contractual arrangement among them to define their joint control over the economic activity of the entity.

The Group recognises its interest in jointly controlled entities using equity method of accounting. Interests in jointly controlled entities are stated in the consolidated financial statements at cost plus the share of post-acquisition results and reserves and goodwill on acquisition less provision for impairment losses. The interests in jointly controlled entities also include long term interests that, in substance,

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP

form part of the Group's net investment in the jointly controlled entities. The share of post-acquisition results and reserves is based on the relevant profit sharing ratios which vary according to the nature of the jointly controlled entities set out as follows:

Equity joint ventures/wholly foreign owned enterprises

Equity joint ventures/wholly foreign owned enterprises are joint ventures in respect of which the capital contribution ratios of the venturers are defined in the joint venture contracts and the profit sharing ratios of the venturers are in proportion to the capital contribution ratios.

Co-operative joint ventures

Co-operative joint ventures are joint ventures in respect of which the profit sharing ratios of the venturers and share of net assets upon the expiration of the joint venture periods are not in proportion to their capital contribution ratios but are as defined in the joint venture contracts.

Companies limited by shares

Companies limited by shares are limited liability companies in respect of which each shareholder's beneficial interests therein is in accordance with the amount of the voting share capital held thereby.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the jointly controlled entity that is attributable to the other ventures. The Group does not recognise its share of profits or losses from the jointly controlled entity that result from the purchase of assets from the jointly controlled entity until it resells the assets to an independent party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets, or an impairment loss.

For equity accounting purpose, accounting policies of jointly controlled entities have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iii) Associated companies

An associated company is a company other than a subsidiary and a jointly controlled entity, in which the Group has significant influence through representatives on the board of directors.

Investments in associated companies are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investments in associated companies include goodwill (net of any accumulated impairment loss) identified on acquisition. The interests in associated companies also include long term interest that, in substance, form part of the Group's net investment in associated companies.

The share of post-acquisition profits or losses of associated companies is recognised in the consolidated income statement, and the share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. For equity accounting purpose, accounting policies of associated companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(iv) Transactions with non-controlling interests**

Non-controlling interests is the equity in a subsidiary which is not attributable, directly or indirectly, to a parent. The Group treats transactions with non-controlling interests (namely, acquisitions of additional interests and disposals of partial interests in subsidiaries that do not result in a loss of control) as transactions with equity owners of the Group, instead of transactions with parties not within the Group. For purchases of additional interests in subsidiaries from non-controlling shareholders, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of partial interests to non-controlling interests are also recorded in equity.

(b) Intangible assets**(i) Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the attributable share of the net identifiable assets of the acquired subsidiaries, associated companies or jointly controlled entities and fair value of the non-controlling interest in the acquiree. Goodwill on acquisitions of jointly controlled entities and associated companies is included in interests in jointly controlled entities and associated companies respectively. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of all or part of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of testing for impairment.

(ii) Trademarks

Separately acquired trademarks are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the date of acquisition. Trademarks with indefinite life are carried at cost less impairment and are not amortised.

(iii) Hotel management contracts

Separately acquired hotel management contracts are shown at historical cost. Hotel management contracts acquired in a business combination are recognised at fair value at the date of acquisition. Hotel management contracts have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of hotel management contracts over their estimated useful lives of 20 years.

(iv) Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the date of acquisition. Customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of customer relationships over their estimated useful lives of 20 years.

(v) Process, technology and know-how

Process, technology and know-how acquired in a business combination are recognised at fair value at the date of acquisition. Process, technology and know-how have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of process, technology and know-how over their estimated useful lives of 10 years.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(c) Assets under leases****(i) Finance leases**

Leases that transfer to the Group substantially all the risks and rewards of ownership of assets are accounted for as finance leases. Finance leases are capitalised at the lease's commencement date at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in liabilities. The finance charges are charged to the income statement over the lease periods so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets held under finance leases are depreciated on the basis described in note 3(f)(ii) below.

(ii) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor), are charged to the income statement on a straight-line basis over the period of the lease.

(d) Land use rights

The upfront prepayments made for the land use rights are expensed in the income statement on a straight-line basis over the period of the rights or when there is impairment, the impairment is expensed in the income statement.

(e) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property.

Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property comprises land held under operating leases and buildings held under finance leases. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Fair value is determined by professional qualified valuers on an open market value basis at the end of each reporting period. Changes in fair value are recognised in the income statement.

Where fair value of property that is being constructed or developed as investment property is not reliably determinable, it is measured at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier).

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

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(f) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of assets. Subsequent costs are included in the carrying amount of the assets or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to the income statement during the financial period in which they are incurred. The carrying amount of an asset is written down immediately to its recoverable amount if the carrying value of an asset is greater than its estimated recoverable amount.

(i) Assets under construction

All direct and indirect costs relating to the construction of property, plant and equipment, including borrowing costs during the construction period are capitalised as the costs of the assets.

(ii) Depreciation

No depreciation is provided on assets under construction.

Depreciation of other property, plant and equipment is calculated to allocate their cost to their estimated residual values over their estimated useful lives using the straight-line method. Estimated useful lives are summarised as follows:

Other properties	20–40 years
Leasehold improvements	5–10 years or over the relevant lease period
Furniture, fixtures and equipment	5–8 years
Motor vehicles	3 years

The residual values and useful lives of the assets are reviewed, and adjusted if appropriate, at the end of each reporting period.

(iii) Gain or loss on disposal

The gain or loss on disposal of property, plant and equipment is determined by comparing the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the income statement.

(g) Impairment of investments in subsidiaries, jointly controlled entities, associated companies and non-financial assets

Non-financial assets that have an indefinite useful life, for example goodwill, or have not yet been available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount. An impairment loss is recognised in the income statement for the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of its fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped as cash-generating units for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP

Impairment testing of the investments in subsidiaries, jointly controlled entities or associated companies is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary, jointly controlled entity or associated company in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(h) Investments

The Group classifies its investments in the categories of financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. Management determines the classification of its investments at initial recognition depending on the purpose for which the investments are acquired.

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading and those designated as at fair value through profit or loss at inception under certain circumstances. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable and are included in current assets, except for those with maturities of more than twelve months after the end of the reporting period, which are classified as non-current assets.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. Held-to-maturity financial assets are included in non-current assets, except for those with maturities of less than twelve months from the end of the reporting period, which are classified as current assets.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months from the end of the reporting period.

Regular way purchases and sales of financial assets are recognised on trade-date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP

Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss are included in the income statement in the financial period in which they arise. Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income. When available-for-sale financial assets are sold, the accumulated fair value adjustments are included in the income statement as gains or losses from financial assets. Changes in the fair value of monetary financial assets denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the financial asset and other changes in the carrying amount of the financial asset. The translation differences on monetary financial assets are recognised in the income statement; translation differences on non-monetary financial assets are recognised in other comprehensive income.

The fair values of quoted investment are based on current bid prices. If the market for a financial asset is not active and for unlisted financial assets, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

(i) Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity instruments classified as available-for-sale financial assets, a significant or prolonged decline in the fair value of the asset below its cost is considered in determining whether the assets are impaired. In case of debt instruments, objective evidence of impairment includes significant financial difficulty of the issuer or counterparty; default or delinquency in interest or principal payments; or it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement, is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

(j) Properties held for/under development

Properties held for/under development comprise prepayments for land use rights, development expenditure and borrowing costs capitalised, and are carried at the lower of cost and net realisable value. Properties under development included in the current assets are expected to be realised in, or is intended for sale in the Group's normal operating cycle.

(k) Completed properties held for sale

Completed properties held for sale are initially measured at the carrying amount of the property at the date of reclassification from properties under development. Completed properties held for sale are carried at the lower of cost and net realisable value. Net realisable value is determined by reference to management estimates based on prevailing market conditions.

(l) Hotel inventories

Hotel inventories primarily comprise food, beverages and operating supplies and are stated at the lower of cost and net realisable value. Cost is calculated on the weighted average basis. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(m) Contracts in progress**

Contracts in progress comprise contract cost incurred, plus recognised profits (less recognised losses) less progress billing. Cost comprises materials, direct labour and overheads attributable to bringing the work in progress to its present condition.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group uses the “percentage-of-completion method” to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

(n) Trade and other receivables

Trade and other receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, which is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivable. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the carrying amount of the assets and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the provision is recognised in the income statement. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the income statement.

(o) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings under current liabilities in the statement of financial position.

(p) Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(r) Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(s) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability, other than that assumed in a business combination, is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(t) Current and deferred taxation

The current taxation is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group, jointly controlled entities and associated companies operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred taxation is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred taxation is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred taxation assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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Deferred taxation is provided on temporary differences arising on investments in subsidiaries, jointly controlled entities and associated companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(u) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method or capitalised on the basis set out in note 3(v), where appropriate.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

(v) Borrowing costs

Borrowing costs incurred for the construction of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed as incurred.

(w) Convertible bonds**(i) *Convertible bonds with equity component***

Convertible bonds that can be converted to equity share capital at the option of the holders, where the number of shares that would be issued on conversion and the value of the consideration that would be received do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition, the fair value of liability component of the convertible bonds is determined using a market interest rate for an equivalent non-convertible bond. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

The liability component is subsequently carried at amortised cost, calculated using the effective interest method, until extinguished on conversion, redemption or maturity. The equity component is recognised in equity, net of any tax effects.

The equity component is not re-measured subsequent to initial recognition except on conversion or expiry. When the bond is converted, the relevant equity component and the carrying amount of the liability component at the time of conversion are transferred to share capital and share premium for the shares issued. When the bond is redeemed, the relevant equity component is transferred to retained profits.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(ii) Convertible bonds without equity component**

All other convertible bonds which do not exhibit the characteristics mentioned in (i) above are accounted for as hybrid instruments consisting of an embedded derivative and a host debt contract.

At initial recognition, the embedded derivative of the convertible bonds is accounted for as derivative financial instrument and is measured at fair value. Any excess of proceeds over the amount initially recognised as the derivative component is recognised as a liability under the contract. Transaction costs that relate to the issue of the convertible bonds are allocated to the liability under the contract.

The derivative component is subsequently carried at fair value and changes in fair value are recognised in the income statement. The liability under the contract is subsequently carried at amortised cost, calculated using the effective interest method, until extinguished on conversion, redemption or maturity.

When the bond is converted, the carrying amount of the liability under the contract together with the fair value of the relevant derivative component at the time of conversion are transferred to share capital and share premium as consideration for the shares issued. When the bond is redeemed, any difference between the redemption amount and the carrying amounts of both components is recognised in the income statement.

(x) Employee benefits**(i) Employee leave entitlements**

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Bonus plans

Provision for bonus plans are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(iii) Defined contribution plans

The Group's contributions to defined contribution retirement plans, including the Mandatory Provident Fund Scheme and employee pension schemes established by municipal government in PRC are expensed as incurred. Contributions are reduced by contributions forfeited by those employees who leave the schemes prior to vesting fully in the contributions, where applicable.

(iv) Equity-settled share-based compensation

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted at the date of grant, excluding the impact of any non-market vesting conditions. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

On lapse of share option according to the plan, corresponding amount recognised in share option reserve is transferred to retained profits.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

(y) Foreign currencies**(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is Renminbi. The consolidated financial statements are presented in Hong Kong dollar to facilitate analysis of financial information by the holding company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates ruling at the end of the reporting period are recognised in the income statement.

Translation differences on financial assets held at fair value through profit or loss is reported as part of the fair value gain or loss. Translation differences on non-monetary available-for-sale financial assets are included in equity.

(iii) Group companies

The results and financial position of all the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (1) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the end of that reporting period;
- (2) income and expenses for each income statement are translated at average exchange rates;
- (3) all resulting exchange differences are recognised as a separate component of equity; and
- (4) on the disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the equity holders of the Company are reclassified to profit or loss.

During the preparation of consolidated financial statements, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings, are taken to shareholders' equity. In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associated companies or jointly controlled entities that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate ruling at the end of reporting period.

(z) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive committee that makes strategic decisions.

(aa) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services rendered in the ordinary course of the Group's activities. Revenue is shown net of returns, rebates and discounts, allowances for credit and other revenue reducing factors.

Revenue is recognised when the amount can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria for each of the activities have been met. Estimates are based on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

(i) Property sales

Revenue from sale of properties is recognised when the risks and rewards of the properties are passed to the purchasers. Deposits and instalments received on properties sold prior to their completion are included under current liabilities.

(ii) Income from land preparatory work

Income from land preparatory work is recognised when the outcome of performing the work can be reliably estimated.

(iii) Rental income

Rental income from properties leased out under an operating lease is recognised in the income statement on a straight-line basis over the lease term.

Contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

(iv) Hotel operation income

Hotel operation income is recognised when services are rendered.

(v) Property management services fee income

Property management services fee income is recognised when services are rendered.

(vi) Project management fee income

Project management fee income is recognised when services are rendered.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(vii) Hotel management services fee income**

Hotel management services fee income is recognised when services are rendered.

(viii) Interest income

Interest income is recognised on a time proportion basis using the effective interest method to the extent that interest income can be reliably measured and it is probable that future economic benefit will flow to the Group.

(ix) Construction income

Revenue from construction service contracts is recognised using the percentage of completion method when the contracts have progressed to a stage where an outcome can be estimated reliably. Revenue from construction service contracts is measured by reference to the proportion of costs incurred for work performed to the end of the reporting period as compared to the estimated total costs to completion. Anticipated losses on contracts are fully provided when it is probable that total contract costs will exceed total contract revenue. When the outcome of construction service contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

(x) Trademark fee income

Trademark fee income is recognised on an accrual basis in accordance with the relevant agreements.

(xi) Dividend income

Dividend income is recognised when the right to receive payment is established.

(ab) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders/directors.

(ac) Insurance contracts

The Group assesses at the end of each reporting period the liabilities under its insurance contracts using current estimates of future cash flows. If the carrying amount of the relevant insurance liabilities is less than the best estimate of the expenditure required to settle the relevant insurance liabilities at the end of the reporting period, the Group recognises the entire difference in the income statement. These estimates are recognised only when the outflow is probable and the estimates can be reliably measured.

The Group regards its financial guarantee contracts in respect of mortgage facilities provided to certain property purchasers and guarantees provided to its related parties as insurance contracts.

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION

The Group conducts its operation in the PRC and accordingly is subject to special consideration and risk exposure under an unique political, economic and legal environment. The Group's activities expose it to a variety of financial risks and the Group's overall risk management policy seeks to minimise potential adverse effects on the Group's financial performance. The Group continues to control financial risk in a conservative approach to safeguard the interest of shareholders.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(a) Market risk****(i) Foreign exchange risk**

The Group's operations are mainly conducted in the PRC. Entities within the Group are exposed to foreign exchange risk from future commercial transactions and monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

The Group currently does not have a foreign currency hedging policy. It manages its foreign currency risk by closely monitoring the movement of the foreign currency rates and will consider to enter into forward foreign exchange contracts to reduce the exposure should the need arise.

At 30 June 2013, the Group's entities with functional currency of Renminbi had net monetary liabilities denominated in Hong Kong dollar of HK\$12,108,002,000 (2012: HK\$10,494,574,000) and net monetary assets denominated in United States dollar of HK\$2,753,179,000 (2012: HK\$4,947,197,000) respectively. If Hong Kong dollar and United States dollar had strengthened/weakened by 5% against Renminbi respectively with all other variables unchanged, the Group's profit before taxation would have been HK\$467,741,000 (2012: HK\$277,369,000) lower/higher respectively.

This sensitivity analysis ignores any offsetting foreign exchange factors and has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period. The stated change represents management's assessment of reasonably possible changes in foreign exchange rates at the end of the reporting period. There are no other significant monetary balances held by relevant companies at 30 June 2013 that are denominated in a non-functional currency. Currency risks as defined by HKFRS 7 arise on account of monetary assets and liabilities being denominated in a currency that is not the functional currency; differences resulting from the translation of financial statements into the Group's presentation currency are not taken into consideration.

(ii) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. The Group's interest bearing assets mainly include bank deposits and amounts due from jointly controlled entities. The Group's floating rate borrowings will be affected by fluctuation of prevailing market interest rates and will expose the Group to cash flow interest rate risk. Fair value interest rate risk is the risk that the value of a financial asset or liability will fluctuate because of changes in market interest rates. The Group's borrowings issued at fixed rates expose the Group to fair value interest rate risk.

To mitigate the risk, the Group has maintained fixed and floating rate debts. The level of fixed rate debt for the Group is decided after taking into consideration the potential impact of higher interest rates on profit or loss, interest cover and the cash flow cycles of the Group's businesses and investments.

If interest rates had been 100 basis points higher/lower with all other variables held constant, the Group's profit before taxation would have been HK\$26,450,000 higher/lower (2012: HK\$1,092,000 higher/lower). The sensitivity analysis has been determined assuming that the change in interest rates had occurred throughout the year and had been applied to the exposure to interest rate risk for financial instruments in existence at the end of the reporting period. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in those interest rates which have the most impact on the Group at the end of the reporting period. Changes in market interest rates affect the interest income or expense of non-derivative variable-interest financial instruments. As a consequence, they are included in the calculation of profit before taxation sensitivities.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(b) Credit risk**

The credit risk of the Group and the Company mainly arises from deposits with bank, prepayment, trade and other receivables and balances receivable from related companies, associated companies and jointly controlled entities. The exposures to these credit risks are closely monitored on an ongoing basis by established credit policies in each of its core businesses.

Deposits are mainly placed with high-credit-quality financial institutions. Prepayments mainly include prepaid land preparatory cost, deposits for purchase of land and prepayments for proposed development projects. The Group is well aware of the progress and will continue to monitor the status and take appropriate actions if necessary. Trade receivables mainly include receivables from sale and lease of properties and other services. The Group and the Company carry out regular review and follow-up action on any overdue amounts to minimise exposures to credit risk. There is no concentration of credit risk with respect to trade receivables from third party customers as there are a large number of customers.

In addition, the Group and the Company monitor the exposure to credit risk in respect of the financial assistance provided to subsidiaries, associated companies and jointly controlled entities through exercising control or influence over their financial and operating policy decisions and reviewing their financial positions on a regular basis.

The Group provides guarantees to banks in connection with certain property purchasers' mortgage loans for financing their purchase of the properties until the issuance of the official property title transfer certificates by the relevant authority in the PRC. If a purchaser defaults on the payment of its mortgage during the term of the guarantee, the bank holding the mortgage may demand the Group to repay the outstanding amount of the loan and any accrued interest thereon. Under such circumstances, the Group is able to retain the purchasers' deposits and sell the properties to recover any amounts paid by the Group to the bank. Therefore the Group's credit risk is significantly reduced. Nevertheless, the net realisable values of the relevant properties are subject to the fluctuation of the property market in general, the Group assesses at the end of each reporting period the potential liabilities based on the current estimates of future cash flows. As at 30 June 2013, no provision has been made in the financial statements (2012: Nil).

(c) Liquidity risk

Prudent liquidity risk management includes managing the profile of debt maturities and funding sources, maintaining sufficient cash, and ensuring the availability of funding from an adequate amount of committed credit facilities. It is the policy of the Group and the Company to regularly monitor current and expected liquidity requirements and to ensure that adequate funding is available for operating, investing and financing activities. The Group and the Company also maintain undrawn committed credit facilities to further reduce liquidity risk in meeting funding requirements. At 30 June 2013, the Group's unutilised committed bank loan facilities amounted to HK\$3,424 million (2012: HK\$4,936 million).

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The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cashflow.

Group

	Carrying amount HK\$'000	Total contractual undiscounted cashflow HK\$'000	Within 1 year HK\$'000	Over 1 year but within 5 years HK\$'000	After 5 years HK\$'000
At 30 June 2013					
Creditors and accruals	6,819,852	6,598,601	5,744,956	802,566	51,079
Amounts due to jointly controlled entities	771,577	771,577	771,577	—	—
Amounts due to group companies	63,111	63,111	63,111	—	—
Amounts due to companies owned by a director	4,022	4,022	4,022	—	—
Amounts due to non- controlling interests	103,192	103,192	103,192	—	—
Short term loans	543,038	564,998	564,998	—	—
Long term borrowings	<u>36,459,292</u>	<u>42,311,929</u>	<u>7,098,711</u>	<u>31,617,218</u>	<u>3,596,000</u>
At 30 June 2012					
Creditors and accruals	5,883,221	5,693,937	5,237,619	448,400	7,918
Amounts due to jointly controlled entities	1,301,396	1,301,396	1,301,396	—	—
Amounts due to group companies	34,525	34,525	34,525	—	—
Amounts due to companies owned by a director	9,846	9,846	9,846	—	—
Amounts due to non- controlling interests	101,916	101,916	101,916	—	—
Short term loans	270,699	275,665	275,665	—	—
Long term borrowings	<u>28,186,724</u>	<u>33,190,208</u>	<u>6,516,166</u>	<u>22,866,431</u>	<u>3,807,611</u>

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Company

	Carrying amount <i>HK\$'000</i>	Total contractual undiscounted cashflow <i>HK\$'000</i>	Within 1 year <i>HK\$'000</i>	Over 1 year but within 5 years <i>HK\$'000</i>	After 5 years <i>HK\$'000</i>
At 30 June 2013					
Creditors and accruals	191,684	191,684	191,684	—	—
Amounts due to group companies	3,000	3,000	3,000	—	—
Long term borrowings	<u>18,298,656</u>	<u>20,561,133</u>	<u>1,175,600</u>	<u>15,229,249</u>	<u>4,156,284</u>
At 30 June 2012					
Creditors and accruals	108,601	108,601	108,601	—	—
Amounts due to group companies	3,000	3,000	3,000	—	—
Long term borrowings	<u>12,745,891</u>	<u>14,158,914</u>	<u>709,171</u>	<u>10,472,711</u>	<u>2,977,032</u>

(d) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group generally obtains long term financing to on-lend or contribute as equity to its subsidiaries, jointly controlled entities and associated companies to meet their funding needs in order to provide more cost-efficient financing. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue or repurchase shares, raise new debt financing or sell assets to reduce debt.

The Group monitors capital on the basis of the Group's gearing ratio. The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings less cash and bank balances.

The gearing ratios at 30 June 2013 and 2012 were as follows:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Consolidated total borrowings	37,002,330	28,457,423
Less: cash and bank balances	<u>(19,337,202)</u>	<u>(13,257,612)</u>
Consolidated net debt	<u>17,665,128</u>	<u>15,199,811</u>
Total equity	<u>57,703,629</u>	<u>51,725,116</u>
Gearing ratio	<u>30.6%</u>	<u>29.4%</u>

The increase in gearing ratio at 30 June 2013 was primarily due to increase in net debt for funding the capital expenditure for investment properties under development and properties under development.

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(e) Fair value estimation

Financial instruments that are measured in the statement of financial position at fair value are disclosed by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. None of the instruments is included in level 1 as at 30 June 2013 and 30 June 2012.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. None of the instrument is included in level 2 as at 30 June 2013 and 30 June 2012.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the Group's financial instruments that are measured at fair value at 30 June 2013 and 2012:

	Level 1 <i>HK\$'000</i>	Level 2 <i>HK\$'000</i>	Level 3 <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 30 June 2013				
Unlisted investment classified as available-for-sale financial assets	<u>—</u>	<u>—</u>	<u>108,457</u>	<u>108,457</u>
At 30 June 2012				
Unlisted investment classified as available-for-sale financial assets	<u>—</u>	<u>—</u>	<u>108,457</u>	<u>108,457</u>

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The following table presents the changes in level 3 instruments for the year ended 30 June 2013 and 2012:

	Available-for-sale financial assets	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
At beginning of the year	108,457	58,362
Translation differences	—	(40)
Additions	—	26,785
Acquisition of a subsidiary	—	23,350
At end of the year	108,457	108,457

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant effect on carrying amounts of assets and liabilities are as follows:

(a) Valuation of completed investment properties and investment properties under development

The fair value of each investment property is individually determined at the end of each reporting period by independent valuers based on a market value assessment. The valuers have relied on the capitalisation of income approach as their primary methods, supported by the direct comparison method. These methodologies are based upon estimates of future results and a set of assumptions specific to each property to reflect its tenancy and cashflow profile. The fair value of each investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

In the case of investment properties under development, their fair value reflects the expectations of market participants of the value of the properties when they are completed, less deductions for the costs required to complete the projects and appropriate adjustments for profit and risk. The valuation and all key assumptions used in the valuation should reflect market conditions at the end of each reporting period. The key assumptions include the value of completed properties, period of development, outstanding construction costs, finance costs, other professional costs, risk associated with completing the projects and generating income after completion and investors' return as a percentage of value or costs. The fair value is made by reference to independent valuation.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP**(b) Provision for properties held for/under development and for sale**

The Group assesses the carrying amounts of properties held for/under development and for sale according to their estimated net realisable value based on the realisability of these properties, taking into account costs to completion based on past experience and net sales value based on prevailing market conditions. Provision is made when events or changes in circumstances indicate that the carrying amounts may not be realised. The assessment requires the use of judgement and estimates.

(c) Income taxes

The Group is subject to corporate income tax, land appreciation tax, withholding tax and other taxes in the PRC. Significant judgement is required in determining the provision for taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises taxes based on estimates of the likely outcome with reference to current tax laws and practices. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the provision for income and other taxes and deferred tax in the period in which such determination is made.

Recognition of deferred tax assets, which principally relate to tax losses, depends on the management's expectation of future taxable profit that will be available against which tax losses can be utilised. The outcome of their actual utilisation may be different.

(d) Share-based payments

The fair value of options granted is estimated by independent professional valuers based on various assumptions on volatility, life of options, dividend paid out rate and annual risk-free interest rate, excluding the impact of any non-market vesting conditions, which generally represent the best estimate of the fair value of the share options at the date of grant.

(e) Estimated useful lives of property, plant and equipment and intangible assets

The Group invests in tangible and intangible assets. The Group performs annual review to assess the appropriateness of the estimated useful lives, taking into account the technological changes, prospective economic utilisation, physical condition of the assets concerned, the product life cycles, brand extension opportunities and management's long term strategic development. Any change may cause the estimated period of use to change.

(f) Impairment of property, plant and equipment and intangible assets

The Group regularly reviews whether there are any indications of impairment and recognises an impairment loss if the carrying amount of an asset is lower than its recoverable amount. The Group tests annually for impairment for those intangible assets that have an indefinite useful life, i.e. goodwill and trademarks. The recoverable amounts have been determined based on the higher of the fair value less costs to sell and value in use calculations. These calculations require the use of estimates, such as discount rates, future profitability and growth rates.

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(g) Recoverability of prepayments, debtors and other receivable

The Group assesses whether there is objective evidence as stated in note 3(n) that prepayments, debtors, loans and receivables are impaired. It recognises impairment based on estimates of the extent and timing of future cash flows using applicable discount rates. The final outcome of the recoverability and cash flows of these prepayments and receivables will impact the amount of impairment required.

(h) Financial guarantees

The Group assesses at the end of each reporting period the liabilities under insurance contracts, using current estimates of future cash flows.

In respect of the financial guarantee contracts provided to property purchasers, the Group considers the net realisable value of the relevant properties against the outstanding mortgage principal and interest.

6. REVENUES AND SEGMENT INFORMATION

- (a) The Group is principally engaged in investment in and development of property projects in the PRC. Revenues comprise turnover which include gross proceeds from sale of properties, income from land preparatory work, revenue from rental and hotel operation, property management services fee income, project management fee income, hotel management services fee income and contracting services income.

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Sale of properties	14,168,228	9,887,886
Income from land preparatory work	—	723,795
Rental income	720,392	693,369
Income from hotel operation	334,867	364,512
Property management services fee income	339,687	285,246
Project management fee income	64,301	105,014
Hotel management services fee income	471,305	468,933
Contracting services income	<u>55,092</u>	<u>—</u>
	<u>16,153,872</u>	<u>12,528,755</u>

- (b) The chief operating decision-maker has been identified as the executive committee. This committee reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The committee considers the business from the perspective of the services and products. The management assesses the performance of property sales, land preparatory work, rental operation, hotel operation, property management services operations and hotel management services operations. Other operations include contracting services and ancillary services in property projects.

In prior years, the executive committee assesses the performance of the operating segments based on a measure of attributable operating profit ("AOP") before finance costs and taxation charge. With effect from the financial year commencing on 1 July 2012, the management considers AOP before finance costs and after taxation charge is a more relevant performance measurement basis to be used in the Group's internal financial and management reporting that is reviewed by the executive committee. Information for the year ended 30 June 2012 that is presented for comparative purposes has been restated accordingly. This measurement basis excludes the effects of changes in fair value of investment properties, gains and losses from changes in group

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structure, net foreign exchange gains, amortisation of intangible assets acquired from business combinations, income and expenses at corporate office and deferred tax (charge)/credit on undistributed profits. Interest income is included in the result of each operating segment that is reviewed by the executive committee.

Sales between segments are carried out in accordance with terms agreed by the parties involved. The revenue from external parties reported to the executive committee is measured in a manner consistent with that in the consolidated income statement.

Segment assets consist primarily of property, plant and equipment, investment properties, land use rights, properties held for/under development, intangible assets, prepayments, debtors and other receivables, amounts due from related companies and completed properties held for sale. They exclude cash and bank balances, available-for-sale financial assets and prepayment for proposed development projects held and managed at corporate office. These are part of the reconciliation to total assets on the consolidated statement of financial position.

Segment liabilities comprise mainly creditors and accruals, deposits received on sale of properties and amounts due to related companies. They exclude bank and other borrowings, deferred tax liabilities, taxes payable, other creditors and accruals at corporate office. These are part of the reconciliation to total liabilities on the consolidated statement of financial position.

The majority of the assets and operations of the Group are located in the PRC. Revenues are mainly derived from the PRC. Non-current assets other than financial instruments are mainly located in the PRC.

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(c) For the year ended 30 June 2012 and 30 June 2013, there was no revenue derived from a single external customer exceeding 10% of total revenue.

Year ended 30 June 2013	Property sales HK\$'000	Land preparatory work HK\$'000	Rental operation HK\$'000	Hotel operation HK\$'000	Property management services HK\$'000	Hotel management services HK\$'000	Other operations HK\$'000	Total HK\$'000
Segment revenues								
Company and subsidiaries								
Total revenues	14,232,529	—	743,887	334,867	452,029	490,359	81,735	16,335,406
Inter-segment revenues	—	—	(23,495)	—	(112,342)	(19,054)	(26,643)	(181,534)
External revenues	14,232,529	—	720,392	334,867	339,687	471,305	55,092	16,153,872
Associated companies —								
attributable to the Group	11,730	—	30,981	19,433	3,790	—	—	65,934
Jointly controlled entities —								
attributable to the Group	2,716,702	—	404,449	90,341	79,483	—	—	3,290,975
	<u>16,960,961</u>	<u>—</u>	<u>1,155,822</u>	<u>444,641</u>	<u>422,960</u>	<u>471,305</u>	<u>55,092</u>	<u>19,510,781</u>
Segment bank and other interest income								
	<u>162,836</u>	<u>—</u>	<u>14,509</u>	<u>314</u>	<u>1,697</u>	<u>4,131</u>	<u>370</u>	<u>183,857</u>
AOP before finance costs and after taxation charge								
Company and subsidiaries	3,046,335	—	313,493	(100,835)	(89,911)	19,907	(26,929)	3,162,060
Associated companies	27,765	—	16,077	(5,911)	(50)	—	—	37,881
Jointly controlled entities	701,782	—	186,195	(50,007)	(8,331)	—	8,629	838,268
	<u>3,775,882</u>	<u>—</u>	<u>515,765</u>	<u>(156,753)</u>	<u>(98,292)</u>	<u>19,907</u>	<u>(18,300)</u>	<u>4,038,209</u>
Additions to non-current assets other than financial instruments								
	2,810,051	655	787,874	557,159	3,322	2,352	73,665	4,235,078
Depreciation and amortisation	57,840	—	3,232	137,840	2,243	56,172	933	258,260
Share of results of								
Associated companies	27,136	—	25,087	(5,909)	(50)	—	—	46,264
Jointly controlled entities	327,444	—	657,191	(59,061)	(8,349)	—	1,147	918,372
As at 30 June 2013								
Segment assets	66,419,411	2,779,112	21,029,447	2,554,871	228,738	2,084,426	324,353	95,420,358
Associated companies and jointly controlled entities	3,993,490	(8,199)	8,551,425	380,389	(11,219)	3,642	5,415	12,914,943
Available-for-sale financial assets								108,457
Property, plant and equipment at corporate office								3,597
Prepayments, debtors and other receivables at corporate office								134,131
Amounts due from related companies at corporate office								694,404
Cash and bank balances at corporate office								<u>8,570,407</u>
Total assets								<u>117,846,297</u>
Segment liabilities	16,026,702	5,674	388,326	53,843	183,283	74,455	133,031	16,865,314
Creditors and accruals at corporate office								225,197
Taxes payable								3,210,122
Borrowings								37,002,330
Deferred tax liabilities								<u>2,839,705</u>
Total liabilities								<u>60,142,668</u>

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Year ended 30 June 2012	Property sales <i>HKS'000</i>	Land preparatory work <i>HKS'000</i>	Rental operation <i>HKS'000</i>	Hotel operation <i>HKS'000</i>	Property management services <i>HKS'000</i>	Hotel management services <i>HKS'000</i>	Other operations <i>HKS'000</i>	Total <i>HKS'000</i>
Segment revenues								
Company and subsidiaries								
Total revenues	9,992,900	723,795	713,756	380,297	341,245	487,133	—	12,639,126
Inter-segment revenues	—	—	(20,387)	(15,785)	(55,999)	(18,200)	—	(110,371)
External revenues	9,992,900	723,795	693,369	364,512	285,246	468,933	—	12,528,755
Associated companies —								
attributable to the Group	19,028	—	22,551	21,382	2,114	—	—	65,075
Jointly controlled entities —								
attributable to the Group	581,512	—	340,890	84,888	74,993	—	—	1,082,283
	<u>10,593,440</u>	<u>723,795</u>	<u>1,056,810</u>	<u>470,782</u>	<u>362,353</u>	<u>468,933</u>	<u>—</u>	<u>13,676,113</u>
Segment bank and other interest income								
	74,331	163	7,931	392	918	2,697	40	86,472
AOP before finance costs and after taxation charge								
Company and subsidiaries	2,037,786	13,281	209,378	(83,630)	(53,739)	21,874	(376)	2,144,574
Associated companies	1,397	—	8,623	(5,231)	(6)	—	—	4,783
Jointly controlled entities	249,590	—	147,232	(37,809)	(3,846)	—	8,051	363,218
	<u>2,288,773</u>	<u>13,281</u>	<u>365,233</u>	<u>(126,670)</u>	<u>(57,591)</u>	<u>21,874</u>	<u>7,675</u>	<u>2,512,575</u>
Additions to non-current assets other than financial instruments								
	3,754,730	396	742,154	221,799	3,303	1,975,043	1,133	6,698,558
Depreciation and amortisation	53,703	200	14,669	139,457	1,872	52,063	1,172	263,136
Share of results of								
Associated companies	4,911	—	17,168	(5,229)	(6)	—	—	16,844
Jointly controlled entities	(55,241)	—	462,304	(45,530)	(3,675)	—	(1,531)	356,327
As at 30 June 2012								
Segment assets	53,928,098	2,567,739	17,674,896	2,293,302	204,733	2,097,686	4,430	78,770,884
Associated companies and jointly controlled entities	3,373,635	(16,574)	7,715,589	415,252	(2,035)	7,735	9,122	11,502,724
Available-for-sale financial assets								108,457
Property, plant and equipment at corporate office								4,271
Prepayments, debtors and other receivables at corporate office								175,293
Amounts due from related companies at corporate office								585,231
Cash and bank balances at corporate office								<u>6,976,737</u>
Total assets								<u>98,123,597</u>
Segment liabilities	11,988,516	1,473	379,304	60,969	153,736	57,415	1,196	12,642,609
Creditors and accruals at corporate office								133,296
Taxes payable								2,704,776
Borrowings								28,457,423
Deferred tax liabilities								<u>2,460,377</u>
Total liabilities								<u>46,398,481</u>

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Reconciliations of reportable segment revenues to revenues of the Group and reportable AOP before finance costs and after taxation charge to profit before taxation:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
(i) Revenues		
Total segment revenues	19,510,781	13,676,113
Less:		
Revenues of associated companies and jointly controlled entities, attributable to the Group	<u>(3,356,909)</u>	<u>(1,147,358)</u>
Revenues as presented in consolidated income statement	<u>16,153,872</u>	<u>12,528,755</u>
(ii) Profit before taxation		
AOP before finance costs and after taxation charge	4,038,209	2,512,575
Bank and other interest income — corporate	70,052	25,311
Deferred tax (charge)/credit on undistributed profits	(148,081)	3,385
Corporate administrative expenses	(236,331)	(222,136)
Finance costs	<u>(397,589)</u>	<u>(287,362)</u>
AOP after corporate items	----- <u>3,326,260</u>	----- <u>2,031,773</u>
Changes in fair value of investment properties, net of deferred taxation	819,778	938,177
Net foreign exchange gains	522,812	159,137
Amortisation of intangible assets	<u>(52,536)</u>	<u>(48,158)</u>
	----- <u>1,290,054</u>	----- <u>1,049,156</u>
Profit attributable to equity holders of the Company	4,616,314	3,080,929
Taxation charge	3,051,541	2,812,704
Profit attributable to non-controlling interests	<u>239,042</u>	<u>198,571</u>
Profit before taxation	<u>7,906,897</u>	<u>6,092,204</u>

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7. OTHER INCOME

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Tax indemnity from the ultimate holding company (<i>note 13</i>)	617,208	503,477
Bank and other interest income	264,806	106,969
Interest income from jointly controlled entities, net of withholding tax (<i>note</i>)	128,102	80,319
Trademark fee income from jointly controlled entities	21,177	79,669
Dividend income from an available-for-sale financial asset	—	1,854
	<u>1,031,293</u>	<u>772,288</u>

Note: The property projects of the Group's jointly controlled entities have been partly financed by the Group in the form of equity capital and unsecured shareholder's advances, majority of which are interest bearing. The Group's attributable share of shareholders' loan interest expenses of jointly controlled entities is included in the share of results of jointly controlled entities as follows:

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Share of shareholders' loan interest expenses of jointly controlled entities	<u>(100,577)</u>	<u>(66,498)</u>

8. OTHER GAINS, NET

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net foreign exchange gains	535,766	157,954
Gain on disposal of property, plant and equipment and land use rights	309,407	—
(Loss)/gain on disposal of investment properties	(4,218)	53,640
Gain on disposal of a subsidiary	—	37,592
	<u>840,955</u>	<u>249,186</u>

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9. OPERATING PROFIT BEFORE FINANCE COSTS

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating profit before finance costs is arrived at after crediting:		
Gross rental income from investment properties	683,416	631,870
Gain on disposal of property, plant and equipment and land use rights	309,407	—
Gain on disposal of investment properties	<u>—</u>	<u>53,640</u>
and after charging:		
Cost of properties sold	8,035,776	5,023,921
Staff costs (<i>note 11</i>)	518,149	449,567
Depreciation of property, plant and equipment	185,021	192,616
Outgoings in respect of investment properties	279,762	287,622
Rental for leased premises	45,229	38,906
Loss on disposal/write off of property, plant and equipment	—	14,219
Loss on disposal of investment properties	4,218	—
Amortisation of land use rights	20,703	22,362
Amortisation of intangible assets	52,536	48,158
Auditors' remuneration	<u>14,012</u>	<u>12,485</u>

Contingent rent included in revenue amounted to HK\$34,005,000 (2012: HK\$16,203,000) for the year.

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
The future minimum rental receivable under non-cancellable operating leases are as follows:		
Within one year	444,416	396,281
Between two and five years	810,277	643,131
Beyond five years	<u>757,660</u>	<u>812,718</u>
	<u>2,012,353</u>	<u>1,852,130</u>

Generally the Group's operating leases are for terms of two to five years except for 33 (2012: 28) long term leases which are beyond five years.

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10. FINANCE COSTS

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest on bank borrowings		
— wholly repayable within five years	1,062,443	778,666
— not wholly repayable within five years	96,412	86,749
Interest on loans from fellow subsidiaries wholly repayable within five years	8,799	7,815
Interest on loans from non-controlling interests not wholly repayable within five years	1,808	10,581
Interest on fixed rate bonds wholly repayable within five years	541,896	96,809
Interest on short term loans	26,119	39,098
Interest on advances from participating interest	126,423	103,094
Interest on convertible bonds wholly repayable within five years	—	14,724
	1,863,900	1,137,536
Amounts capitalised in property, plant and equipment, investment properties and properties held for/under development	(1,449,644)	(845,033)
	414,256	292,503

Note: To the extent funds are borrowed generally and used for the purpose of financing certain property, plant and equipment, investment properties and properties held for/under development, the capitalisation rate used to determine the amounts of borrowing costs eligible for the capitalisation is 4.16% (2012: 1.70%) for the year.

11. STAFF COSTS

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Wages, salaries and other benefits	494,889	426,790
Pension costs — defined contribution plans (<i>note</i>)	9,054	8,167
Share-based payments	14,206	14,610
	518,149	449,567

Note: The Group has established a defined contribution retirement scheme under the Occupational Retirement Scheme Ordinance for all employees in Hong Kong since September 1999. The contributions to the scheme are based on a percentage of the employees' salaries ranging from 5% to 10%, depending upon the length of service of the employees. The Group's contributions to the scheme are expensed as incurred.

With the implementation of the Mandatory Provident Fund ("MPF") Scheme Ordinance on 1 December 2000, the Group established a new MPF Scheme. Except for employees who commenced employment after 1 October 2000, all the existing employees were given an option to select between the existing defined contribution retirement scheme and the MPF Scheme. The employees who commenced employment after 1 October 2000 are required to join the MPF Scheme. The Group's contributions to the MPF scheme are based on fixed percentages of members' salaries, ranging from 5% of MPF relevant income to 10% of the basic salary. Members' mandatory contributions are fixed at 5% of MPF relevant income.

The Group also contributes to retirement plans for its employees in the PRC at a percentage in compliance with the requirements of the respective municipal governments in the PRC.

The assets of all retirement schemes are held separately from those of the Group in independently administered funds. The total pension costs charged to the consolidated income statement for the year amounted to HK\$9,054,000 (2012: HK\$8,167,000).

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12. DIRECTORS' AND SENIOR MANAGEMENT REMUNERATION

(i) Details of the directors' emoluments are as follows:

Name of director	Fees <i>HK\$'000</i>	Other emoluments <i>HK\$'000</i>	Retirement benefits <i>HK\$'000</i>	Share option benefits <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 30 June 2013					
Dr Cheng Kar-shun, Henry	180	—	—	450	630
Mr Cheng Chi-kong, Adrian	180	2,298	148	337	2,963
Mr Doo Wai-hoi, William	120	—	—	180	300
Mr Cheng Kar-shing, Peter	180	—	—	180	360
Ms Cheng Chi-man, Sonia	180	3,840	155	9	4,184
Mr Cheng Chi-him, Conrad	180	1,364	59	—	1,603
Mr Chow Yu-chun, Alexander	60	—	—	112	172
Mr Fong Shing-kwong, Michael	180	1,838	78	113	2,209
Ms Ngan Man-ying, Lynda	180	6,552	507	225	7,464
Dr Cheng Wai-chee, Christopher	300	—	—	67	367
Hon Tien Pei-chun, James	260	—	—	67	327
Mr Lee Luen-wai, John	260	—	—	67	327
Mr Ip Yuk-keung, Albert	130	—	—	—	130
	<u>2,390</u>	<u>15,892</u>	<u>947</u>	<u>1,807</u>	<u>21,036</u>
For the year ended 30 June 2012					
Dr Cheng Kar-shun, Henry	180	—	—	848	1,028
Mr Cheng Chi-kong, Adrian	180	2,160	105	636	3,081
Mr Doo Wai-hoi, William	120	—	—	339	459
Mr Cheng Kar-shing, Peter	180	—	—	339	519
Ms Cheng Chi-man, Sonia	180	3,400	135	33	3,748
Mr Cheng Chi-him, Conrad	180	1,290	56	—	1,526
Mr Leung Chi-kin, Stewart	60	—	—	85	145
Mr Chow Yu-chun, Alexander	120	—	—	214	334
Mr Chow Kwai-cheung	80	—	—	85	165
Mr Fong Shing-kwong, Michael	180	1,728	112	207	2,227
Ms Ngan Man-ying, Lynda	180	6,260	421	426	7,287
Dr Cheng Wai-chee, Christopher	300	—	—	128	428
Mr Tien Pei-chun, James	260	—	—	128	388
Mr Lee Luen-wai, John	260	—	—	128	388
	<u>2,460</u>	<u>14,838</u>	<u>829</u>	<u>3,596</u>	<u>21,723</u>

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- (ii) The five individuals whose emoluments were the highest in the Group for the year include one (2012: one) director whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining four (2012: four) individuals during the year are as follows:

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Salaries, discretionary bonus, other allowances and other benefits in kind	23,028	21,464
Share option benefits	701	809
Contribution to retirement benefit scheme	<u>1,190</u>	<u>990</u>
	<u><u>24,919</u></u>	<u><u>23,263</u></u>

The emoluments fall within the following bands:

	Number of individuals	
	2013	2012
HK\$4,500,001 — HK\$5,000,000	1	1
HK\$5,500,001 — HK\$6,000,000	1	1
HK\$6,000,001 — HK\$6,500,000	—	1
HK\$6,500,001 — HK\$7,000,000	1	1
HK\$7,500,001 — HK\$8,000,000	<u>1</u>	<u>—</u>
	<u><u>4</u></u>	<u><u>4</u></u>

- (iii) The remuneration payable to the senior management during the year fall within the following bands:

	Number of individuals	
	2013	2012
HK\$1,000,001 — HK\$1,500,000	1	2
HK\$1,500,001 — HK\$2,000,000	1	2
HK\$2,000,001 — HK\$2,500,000	5	2
HK\$2,500,001 — HK\$3,000,000	2	1
HK\$4,000,001 — HK\$4,500,000	1	1
HK\$4,500,001 — HK\$5,000,000	1	1
HK\$5,500,001 — HK\$6,000,000	1	1
HK\$6,500,001 — HK\$7,000,000	<u>1</u>	<u>1</u>
	<u><u>13</u></u>	<u><u>11</u></u>

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13. TAXATION CHARGE

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current taxation		
PRC corporate income tax	1,301,213	769,077
PRC land appreciation tax	1,468,042	1,788,555
Deferred taxation	282,286	255,072
	3,051,541	2,812,704

Share of taxation of associated companies and jointly controlled entities for the year ended 30 June 2013 of HK\$4,204,000 (2012: HK\$6,080,000) and HK\$545,714,000 (2012: HK\$218,758,000) respectively are included in the consolidated income statement as share of results of associated companies and jointly controlled entities.

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the rate of taxation prevailing in the PRC in which the Group operates as follows:

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before taxation	7,906,897	6,092,204
Share of results of		
Associated companies	(46,264)	(16,844)
Jointly controlled entities	(918,372)	(356,327)
	6,942,261	5,719,033
Calculated at a taxation rate of 25% (2012: 25%)	1,735,565	1,429,758
Income not subject to taxation	(494,498)	(286,742)
Expenses not deductible for taxation purposes	430,433	229,138
Tax losses not recognised	128,641	114,628
Deduction from PRC land appreciation tax	(367,011)	(447,139)
Utilisation of previously unrecognised tax losses	(725)	(36,561)
Temporary differences not recognised	(4,749)	(13,306)
Recognition of temporary differences	4,282	29,321
Deferred taxation on undistributed profits	151,561	5,052
	1,583,499	1,024,149
PRC land appreciation tax	1,468,042	1,788,555
	3,051,541	2,812,704

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits in Hong Kong for the year (2012: Nil). PRC corporate income tax ("CIT") has been provided on the estimated assessable profits of subsidiaries, associated companies and jointly controlled entities operating in the PRC at 25% (2012: 25%). PRC land appreciation tax ("LAT") is provided at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sale of properties less deductible expenditures including costs of land use rights and property development expenditures.

In July 1999, a deed of tax indemnity was entered into between NWD, the ultimate holding company, and the Company whereby the ultimate holding company undertakes to indemnify the Group in respect of, inter alia, certain PRC CIT and LAT payable in consequence of the disposal of certain properties held by the Group as at 31 March 1999. During the year, tax indemnity amounting to HK\$617,208,000 (2012: HK\$503,477,000) was effected (note 7).

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14. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share for the year is based on the following:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Profit attributable to equity holders of the Company	<u>4,616,314</u>	<u>3,080,929</u>
	Number of shares	
	2013	2012
Weighted average number of shares for calculating basic earnings per share	8,658,244,749	7,328,152,646
Effect of dilutive potential shares:		
Share options	3,703,319	4,070,275
Convertible bonds	<u>—</u>	<u>52,802,526</u>
Weighted average number of shares for calculating diluted earnings per share	<u>8,661,948,068</u>	<u>7,385,025,447</u>

15. DIVIDENDS

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Interim dividend paid of HK\$0.03 (2012: HK\$0.03) per share	259,903	259,375
Final dividend proposed of HK\$0.04 (2012: HK\$0.04) per share	<u>346,686</u>	<u>346,034</u>
	<u>606,589</u>	<u>605,409</u>

At a meeting held on 25 September 2013, the directors recommended a final dividend of HK\$0.04 per share. This proposed dividend is not reflected as a dividend payable in these financial statements, but will be reflected as an appropriation of contributed surplus for the year ending 30 June 2014.

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16. PROPERTY, PLANT AND EQUIPMENT**Group**

	Other properties <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Furniture, fixtures and equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Assets under construction <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost						
At 1 July 2012	2,049,040	328,799	773,255	87,436	1,050,842	4,289,372
Translation differences	78,291	11,680	27,718	3,706	38,927	160,322
Acquisition of a subsidiary	—	—	5,770	—	—	5,770
Additions	—	8,038	41,754	9,167	792,119	851,078
Reclassifications	112,808	—	—	—	(112,808)	—
Transfer from properties under development	5,386	—	—	—	—	5,386
Disposals/write off	<u>(124,854)</u>	<u>(2,422)</u>	<u>(189,841)</u>	<u>(12,475)</u>	<u>—</u>	<u>(329,592)</u>
At 30 June 2013	<u>2,120,671</u>	<u>346,095</u>	<u>658,656</u>	<u>87,834</u>	<u>1,769,080</u>	<u>4,982,336</u>
Accumulated depreciation and impairment						
At 1 July 2012	668,328	312,725	590,446	57,462	—	1,628,961
Translation differences	26,909	11,478	22,609	1,825	—	62,821
Charge for the year	124,532	9,719	41,365	9,405	—	185,021
Disposals/write off	<u>(124,200)</u>	<u>(2,422)</u>	<u>(187,989)</u>	<u>(9,973)</u>	<u>—</u>	<u>(324,584)</u>
At 30 June 2013	<u>695,569</u>	<u>331,500</u>	<u>466,431</u>	<u>58,719</u>	<u>—</u>	<u>1,552,219</u>
Net book value						
At 30 June 2013	<u>1,425,102</u>	<u>14,595</u>	<u>192,225</u>	<u>29,115</u>	<u>1,769,080</u>	<u>3,430,117</u>

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	Other properties <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Furniture, fixtures and equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Assets under construction <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost						
At 1 July 2011	2,035,696	318,444	731,172	92,051	113,033	3,290,396
Translation differences	24,287	205	8,570	1,107	1,379	35,548
Acquisition of subsidiaries	—	6,132	4,520	—	—	10,652
Additions	61	4,938	52,473	8,459	280,659	346,590
Transfer from completed properties held for sale	4,641	—	—	—	—	4,641
Transfer from properties under development	—	—	—	—	655,771	655,771
Disposals/write off	<u>(15,645)</u>	<u>(920)</u>	<u>(23,480)</u>	<u>(14,181)</u>	<u>—</u>	<u>(54,226)</u>
At 30 June 2012	<u>2,049,040</u>	<u>328,799</u>	<u>773,255</u>	<u>87,436</u>	<u>1,050,842</u>	<u>4,289,372</u>
Accumulated depreciation and impairment						
At 1 July 2011	547,585	292,664	560,465	57,372	—	1,458,086
Translation differences	6,855	3,973	4,303	377	—	15,508
Charge for the year	117,353	17,000	45,844	12,419	—	192,616
Disposals/write off	<u>(3,465)</u>	<u>(912)</u>	<u>(20,166)</u>	<u>(12,706)</u>	<u>—</u>	<u>(37,249)</u>
At 30 June 2012	<u>668,328</u>	<u>312,725</u>	<u>590,446</u>	<u>57,462</u>	<u>—</u>	<u>1,628,961</u>
Net book value						
At 30 June 2012	<u>1,380,712</u>	<u>16,074</u>	<u>182,809</u>	<u>29,974</u>	<u>1,050,842</u>	<u>2,660,411</u>

As at 30 June 2013, certain other properties and furniture, fixtures and equipment with carrying amount of HK\$395,817,000 (2012: HK\$419,234,000) were pledged as securities for the Group's long term borrowings.

17. INVESTMENT PROPERTIES

	Group	
	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Completed investment properties	16,771,879	14,801,975
Investment properties under development	<u>3,156,362</u>	<u>2,363,049</u>
	<u>19,928,241</u>	<u>17,165,024</u>

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The movement in investment properties during the year is as follows:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
At valuation		
At beginning of the year	17,165,024	14,197,823
Additions	787,073	740,128
Transfer from properties under development	650,313	1,122,957
Transfer from completed properties held for sale	105,532	16,826
Translation differences	661,093	177,940
Disposals	(64,589)	(87,188)
Disposal of a subsidiary	—	(29,253)
Increase in fair value	<u>623,795</u>	<u>1,025,791</u>
At end of the year	<u>19,928,241</u>	<u>17,165,024</u>

The investment properties were revalued at 30 June 2013 on an open market value basis by Knight Frank Petty Limited, independent professional valuers, and are held in the PRC under the following leases:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Leases of over 50 years	964,082	848,897
Leases of between 10 to 50 years	18,964,159	16,316,127
Leases of below 10 years	<u>—</u>	<u>—</u>
	<u>19,928,241</u>	<u>17,165,024</u>

As at 30 June 2013, certain investment properties with carrying value of HK\$5,400,318,000 (2012: HK\$5,093,721,000) were pledged as securities for the Group's long term borrowings.

18. LAND USE RIGHTS

	Group	
	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
At beginning of the year	679,009	693,090
Translation differences	25,394	8,281
Disposals	(62,604)	—
Amortisation	<u>(20,703)</u>	<u>(22,362)</u>
At end of the year	<u>621,096</u>	<u>679,009</u>

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The Group's interests in land use rights represent prepaid operating lease payments and are held in the PRC under the following leases:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Leases of over 50 years	1,382	1,374
Leases of between 10 to 50 years	619,714	677,635
	621,096	679,009

As at 30 June 2013, land use rights with carrying amount of HK\$238,343,000 (2012: HK\$235,832,000) were pledged as securities for the Group's long term borrowings.

19. INTANGIBLE ASSETS

	Goodwill <i>HK\$'000</i>	Trademarks <i>HK\$'000</i>	Hotel management contracts <i>HK\$'000</i>	Process, technology and know-how <i>HK\$'000</i>	Customer relationships <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 30 June 2012							
Cost	559,227	614,865	428,063	38,916	544,817	—	2,185,888
Accumulated amortisation	—	—	(19,620)	(3,567)	(24,971)	—	(48,158)
Accumulated impairment	(212,589)	—	—	—	—	—	(212,589)
Net book value	346,638	614,865	408,443	35,349	519,846	—	1,925,141
Year ended 30 June 2013							
Opening net book value	346,638	614,865	408,443	35,349	519,846	—	1,925,141
Acquisition of a subsidiary	—	—	—	—	—	67,636	67,636
Amortisation	—	—	(21,403)	(3,892)	(27,241)	—	(52,536)
Closing net book value	346,638	614,865	387,040	31,457	492,605	67,636	1,940,241
At 30 June 2013							
Cost	559,227	614,865	428,063	38,916	544,817	67,636	2,253,524
Accumulated amortisation	—	—	(41,023)	(7,459)	(52,212)	—	(100,694)
Accumulated impairment	(212,589)	—	—	—	—	—	(212,589)
Net book value	346,638	614,865	387,040	31,457	492,605	67,636	1,940,241

Goodwill is allocated to the Group's cash generating units identified according to business segment. As at 30 June 2013, goodwill of HK\$14,227,000 (2012: HK\$14,227,000), HK\$9,167,000 (2012: HK\$9,167,000), and HK\$323,244,000 (2012: HK\$323,244,000) is allocated to the segments of property sales, hotel operation and hotel management services respectively. Other intangible assets with indefinite useful life allocated to the segment of hotel management services amounts to HK\$614,865,000 (2012: HK\$614,865,000). Amortisation of intangible assets of HK\$52,536,000 (2012: HK\$48,158,000) is included in the administrative and other operating expenses in the consolidated income statement.

For the purpose of impairment test, the recoverable amount of the business unit is determined based on value-in-use calculations, which uses cash flow projections based on financial budgets and a pre-tax discount rate.

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For the segments of property sales and hotel operation, the key assumptions adopted on growth rates and discount rates used in the value-in-use calculations are based on management best estimates. Growth rates with range from 3% to 4% (2012: 7% to 10%) are determined by considering both internal and external factors relating to the relevant segments. Discount rates used also reflect specific risks relating to the relevant segments, which range from 6.5% to 9.2% (2012: 6% to 7.5%).

For the segment of hotel management services, the key assumptions adopted on growth rates and discount rates used in the value-in-use calculations are based on management best estimates. A financial budget of 6 years with average annual growth rate of 31% (2012: 31%) are determined by considering both internal and external factors relating to this segment and the hotel management contracts in the pipeline. A financial budget of 6 years reflects the medium term plan of management in expanding, the business in the existing and new markets. Cash flows beyond the six-year period are extrapolated using the long term growth rates of 3% (2012: 3%). Discount rate used also reflects specific risks relating to the relevant segment, which was 19.1% (2012: 16.5%).

20. SUBSIDIARIES

	Company	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Unlisted shares, at cost of HK\$4 (2012: HK\$4)	—	—
Amounts due by subsidiaries, net of provision	38,098,364	34,205,811
	38,098,364	34,205,811

The amounts receivable are unsecured, interest free and have no fixed terms of repayment.

Details of principal subsidiaries are given in note 42.

21. PROPERTIES HELD FOR DEVELOPMENT

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Land use rights	8,189,595	8,855,964
Development and incidental costs	8,513,690	6,757,181
Interest capitalised	647,562	251,407
	17,350,847	15,864,552

The analysis of the carrying value of land use rights held in the PRC included in the properties held for development is as follows:

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Leases of over 50 years	6,703,236	7,089,637
Leases of between 10 to 50 years	1,486,359	1,766,327
	8,189,595	8,855,964

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As at 30 June 2013, the aggregate carrying value of properties held for development pledged as securities for long term borrowings amounted to HK\$813,670,000 (2012: HK\$771,429,000).

22. ASSOCIATED COMPANIES

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Group's share of net assets/(liabilities)	42,141	(7,912)
Amounts due by associated companies, net of provision (<i>note i</i>)	386,433	437,686
	428,574	429,774

Notes:

- (i) The amounts receivable are unsecured, interest free and have no specific repayment terms.
- (ii) The Group's share of revenues, results, assets and liabilities of its associated companies, all of which are unlisted, are as follows:

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenues	65,934	65,075
Profit for the year	46,264	16,844
Non-current assets	464,397	418,311
Current assets	40,947	30,817
Total assets	505,344	449,128
Non-current liabilities	(452,873)	(452,846)
Current liabilities	(10,330)	(4,194)
Total liabilities	(463,203)	(457,040)

- (iii) Details of principal associated companies are given in note 42.

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23. JOINTLY CONTROLLED ENTITIES

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Equity joint ventures		
Group's share of net assets	8,948	24,660
Amounts due by jointly controlled entities		
Non-interest bearing (<i>note i</i>)	1,153,552	58,812
	1,162,500	83,472
Wholly foreign owned enterprises		
Group's share of net assets	2,282,505	1,812,493
Amounts due by jointly controlled entities		
Interest bearing (<i>note ii</i>)	—	49,029
Non-interest bearing (<i>note i</i>)	140,470	154,844
	2,422,975	2,016,366
Co-operative jointly ventures		
Cost of investments	3,979,039	3,978,951
Goodwill	12,704	12,704
Share of undistributed post-acquisition results and reserves	1,709,672	1,130,499
	5,701,415	5,122,154
Amounts due by jointly controlled entities, net of provision		
Interest bearing (<i>note iii</i>)	1,885,782	2,536,942
Non-interest bearing (<i>note i</i>)	536,288	539,556
	8,123,485	8,198,652
Companies limited by shares		
Group's share of net assets	282,903	317,214
Amounts due by jointly controlled entities, net of provision		
Interest bearing (<i>note ii</i>)	88,818	88,818
Non-interest bearing (<i>note i</i>)	405,688	368,428
	777,409	774,460
	12,486,369	11,072,950

Notes:

- (i) The amounts receivable are unsecured, interest free and have repayment terms as specified in the joint venture contracts.
- (ii) The amounts receivable are unsecured, carry interest at rates ranging from PRC bank rate to 10% (2012: PRC bank rate to 10%) per annum and have repayment terms as specified in the joint venture contracts.

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- (iii) The amounts receivable are unsecured, carry interest at rates ranging from Hong Kong prime rate to 10% (2012: Hong Kong prime rate to 10%) per annum and have repayment terms as specified in the joint venture contracts.
- (iv) The Group's share of revenues, results, assets and liabilities of its jointly controlled entities, all of which are unlisted, are as follows:

	2013 HK\$'000	2012 HK\$'000
Revenues	<u>3,290,975</u>	<u>1,082,283</u>
Profit for the year	<u>918,372</u>	<u>356,327</u>
Non-current assets	13,560,891	11,791,977
Current assets	<u>8,552,395</u>	<u>7,507,870</u>
Total assets	<u>22,113,286</u>	<u>19,299,847</u>
Non-current liabilities	(7,818,359)	(7,300,513)
Current liabilities	<u>(6,031,860)</u>	<u>(4,735,517)</u>
Total liabilities	<u>(13,850,219)</u>	<u>(12,036,030)</u>

- (v) Details of principal jointly controlled entities are given in note 42.

24. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2013 HK\$'000	2012 HK\$'000
Unlisted investments, at fair value	<u>108,457</u>	<u>108,457</u>

The available-for-sale financial assets are denominated in the following currencies:

	2013 HK\$'000	2012 HK\$'000
United States dollar	23,310	23,310
Renminbi	<u>85,147</u>	<u>85,147</u>
	<u>108,457</u>	<u>108,457</u>

25. CASH AND BANK BALANCES

	Group		Company	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Unrestricted balances	<u>19,337,202</u>	<u>13,257,612</u>	<u>8,317,940</u>	<u>6,724,281</u>

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The effective interest rate on short term bank deposits ranges from 0.001% to 5.5% (2012: 0.005% to 2.8%). These deposits have maturity date ranging from 4 to 91 days (2012: 4 to 91 days).

The carrying amounts of the cash and bank balances of the Group are denominated in the following currencies:

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong dollar	2,821,666	2,142,616	2,541,688	1,813,564
Renminbi	13,330,746	5,810,835	3,670,380	396,093
United States dollar	3,179,301	5,297,729	2,105,872	4,514,624
Others	<u>5,489</u>	<u>6,432</u>	—	—
	<u>19,337,202</u>	<u>13,257,612</u>	<u>8,317,940</u>	<u>6,724,281</u>

The conversion of Renminbi denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

26. PROPERTIES UNDER DEVELOPMENT

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Land use rights	4,264,057	4,121,011
Development and incidental costs	15,178,502	12,932,820
Interest capitalised	<u>1,006,454</u>	<u>897,673</u>
	<u>20,449,013</u>	<u>17,951,504</u>

The analysis of the carrying value of land use rights held in the PRC included in the properties under development is as follows:

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Leases of over 50 years	2,923,427	3,461,332
Leases of between 10 to 50 years	<u>1,340,630</u>	<u>659,679</u>
	<u>4,264,057</u>	<u>4,121,011</u>

Properties under development with an aggregate carrying value of HK\$4,315,781,000 (2012: HK\$4,807,135,000) were pledged as securities for the Group's long term borrowings.

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	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Properties under development for sale:		
Expected to be completed and available for sale after more than 12 months	10,595,002	12,743,400
Expected to be completed and available for sale within 12 months	<u>9,854,011</u>	<u>5,208,104</u>
	<u><u>20,449,013</u></u>	<u><u>17,951,504</u></u>

27. COMPLETED PROPERTIES HELD FOR SALE

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Land use rights	848,425	637,377
Development costs	5,905,207	4,109,091
Interest capitalised	<u>339,642</u>	<u>314,450</u>
	<u><u>7,093,274</u></u>	<u><u>5,060,918</u></u>

The analysis of the carrying value of land use rights held in the PRC included in the completed properties held for sale is as follows:

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Leases of over 50 years	805,745	627,072
Leases of between 10 to 50 years	<u>42,680</u>	<u>10,305</u>
	<u><u>848,425</u></u>	<u><u>637,377</u></u>

28. PREPAYMENTS, DEBTORS AND OTHER RECEIVABLES

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade debtors (<i>note a</i>)	1,951,395	1,614,575	—	—
Prepaid land preparatory cost (<i>note b</i>)	3,173,740	2,852,963	—	—
Deposits for purchase of land (<i>note b</i>)	5,476,893	4,264,279	—	—
Prepayment for proposed development projects (<i>note b</i>)	188,481	185,244	—	—
Prepaid taxes (<i>note b</i>)	1,623,684	1,048,519	—	—
Other prepayments, deposits and receivables (<i>note b</i>)	<u>1,402,897</u>	<u>1,373,555</u>	<u>16,820</u>	<u>34,189</u>
	<u><u>13,817,090</u></u>	<u><u>11,339,135</u></u>	<u><u>16,820</u></u>	<u><u>34,189</u></u>

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Notes:

- (a) Trade debtors mainly include sales proceed receivables, rental receivables and property management fee receivables. Sales proceed receivables in respect of sale of properties are settled in accordance with the instalment schedules as stipulated in the sales and purchase agreements. Monthly rental in respect of rental properties are payable in advance by tenants in accordance with the lease agreements. Monthly property management fees are payable in advance in accordance with the agreements. The ageing analysis of trade debtors based on invoice date is as follows:

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 30 days	553,584	851,533
31 to 60 days	195,830	120,811
61 to 90 days	106,625	56,752
Over 90 days	1,095,356	585,479
	1,951,395	1,614,575

The carrying amounts of the trade debtors of the Group are mainly denominated in Renminbi.

- (b) The carrying amounts of the Group and the Company are mainly denominated in Renminbi and Hong Kong dollar respectively.
- (c) At 30 June 2013, trade debtors of HK\$1,456,548,000 (2012: HK\$1,065,923,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 30 days	594,819	343,807
31 to 60 days	110,016	119,864
61 to 90 days	92,602	84,296
Over 90 days	659,111	517,956
	1,456,548	1,065,923

- (d) During the year, impairment loss on trade debtors of HK\$13,960,000 (2012: HK\$8,751,000) was recognised in the consolidated income statement.
- (e) The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

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29. AMOUNTS DUE FROM/(TO) RELATED COMPANIES

Related companies include group companies, jointly controlled entities of the Group and companies owned by a director.

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Amounts due from group companies <i>(note a)</i>	801,238	604,929	694,825	585,231
Amounts due from jointly controlled entities <i>(note b)</i>	<u>49,987</u>	<u>—</u>	<u>39</u>	<u>—</u>
	<u>851,225</u>	<u>604,929</u>	<u>694,864</u>	<u>585,231</u>
Amounts due to group companies <i>(note c)</i>	(63,111)	(34,525)	(3,000)	(3,000)
Amounts due to jointly controlled entities <i>(note d)</i>	(771,577)	(1,301,396)	—	—
Amounts due to companies owned by a director <i>(note e)</i>	<u>(4,022)</u>	<u>(9,846)</u>	<u>—</u>	<u>—</u>
	<u>(838,710)</u>	<u>(1,345,767)</u>	<u>(3,000)</u>	<u>(3,000)</u>
	<u>12,515</u>	<u>(740,838)</u>	<u>691,864</u>	<u>582,231</u>

Notes:

- (a) The amounts due from group companies are unsecured, interest free and repayable on demand.

The carrying amounts of amounts due from group companies are denominated in the following currencies:

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong dollar	708,910	596,801	694,825	585,231
Renminbi	<u>92,328</u>	<u>8,128</u>	<u>—</u>	<u>—</u>
	<u>801,238</u>	<u>604,929</u>	<u>694,825</u>	<u>585,231</u>

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- (b) The following amounts due from jointly controlled entities are unsecured, interest free and repayable on demand.

The carrying amounts of amounts due from jointly controlled entities are denominated in the following currencies:

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong dollar	—	—	39	—
United States dollar	<u>19,677</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u><u>19,677</u></u>	<u><u>—</u></u>	<u><u>39</u></u>	<u><u>—</u></u>

The following amount due from a jointly controlled entity is unsecured, carry interest at 10% (2012: Nil) per annum and repayable on demand.

The carrying amount of amount due from a jointly controlled entity is denominated in the following currency:

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
United States dollar	<u>30,310</u>	<u>—</u>	<u>—</u>	<u>—</u>

- (c) The amounts due to group companies are unsecured, interest free and repayable on demand.

The carrying amounts of amounts due to group companies are denominated in the following currencies:

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong dollar	—	—	(3,000)	(3,000)
Renminbi	<u>(63,111)</u>	<u>(34,525)</u>	<u>—</u>	<u>—</u>
	<u><u>(63,111)</u></u>	<u><u>(34,525)</u></u>	<u><u>(3,000)</u></u>	<u><u>(3,000)</u></u>

- (d) The amounts payable are unsecured, interest free and have repayment terms as specified in the joint venture contracts. The amounts payable are mainly denominated in Renminbi.

- (e) The amounts due to companies owned by a director are unsecured, interest free and repayable on demand. The carrying amounts of amounts due to companies owned by a director are mainly denominated in Renminbi.

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30. SHARE CAPITAL

	Company	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Authorised:		
Shares of HK\$0.1 each		
At beginning of the year	3,000,000	800,000
Increase in authorised share capital (<i>note i</i>)	—	2,200,000
At end of the year	3,000,000	3,000,000
Issued and fully paid:		
8,663,596,817 (2012: 8,649,792,519) shares of HK\$0.1 each	866,360	864,979

Details of the movement in the issued and fully paid share capital of the Company are summarised as follows:

	Number of shares of HK\$0.1 each	<i>HK\$'000</i>
At 1 July 2011	5,762,392,911	576,239
Exercise of share options (<i>note iii</i>)	6,093,153	609
Rights issue (<i>note ii</i>)	2,881,306,455	288,131
At 30 June 2012	8,649,792,519	864,979
Exercise of share options (<i>note iii</i>)	13,804,298	1,381
At 30 June 2013	8,663,596,817	866,360

Notes:

- (i) Pursuant to an ordinary resolution passed on 22 November 2011, the authorised share capital of the Company was increased from HK\$800,000,000 to HK\$3,000,000,000 by the creation of additional 22,000,000,000 shares of HK\$0.1 each.
- (ii) During the year ended 30 June 2012, 2,881,306,455 shares of HK\$0.10 each were issued at HK\$1.49 per share by way of rights issue on the basis of one rights share for every two existing shares.

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(iii) Pursuant to the share option scheme adopted on 26 November 2002 (“2002 Share Option Scheme”) and the share option scheme adopted on 22 November 2011 (“2011 Share Option Scheme”), the Company may grant options to directors and employees of the Company or its subsidiaries to subscribe for shares in the Company. The movements in the number of share options granted during the year and the balance outstanding at 30 June 2013 are as follows:

(a) Movement of share options under the 2002 Share Option Scheme

Date of offer to grant	Exercise price per share HK\$	Number of share options			Number of share options exercisable	
		At 1 July 2012	Exercised during the year	Lapsed during the year	At 30 June 2013	At 30 June 2013
14 June 2007	5.769 ¹	1,156,968	—	(1,156,968)	—	—
17 October 2007	6.939 ¹	976,002	—	(976,002)	—	—
28 December 2007	5.994 ¹	858,305	—	(858,305)	—	—
22 April 2008	4.523 ¹	480,557	—	(480,557)	—	—
31 July 2008	3.148 ¹	222,369	(154,000)	—	68,369	68,369
12 November 2008	1.447 ¹	452,933	(312,000)	—	140,933	140,933
2 December 2008	1.290 ²	8,274,414	(8,269,922)	(4,492)	—	—
2 December 2008	1.290 ¹	1,318,937	(463,155)	(11,443)	844,339	844,339
3 February 2009	1.703 ¹	335,532	(169,682)	—	165,850	165,850
26 June 2009	3.913 ¹	3,130,605	—	—	3,130,605	2,504,483
19 November 2009	2.953 ¹	2,306,493	(310,000)	—	1,996,493	1,535,193
12 January 2010	2.878 ¹	3,840,914	(838,000)	(253,589)	2,749,325	2,051,060
18 May 2010	2.262 ¹	487,750	(160,000)	—	327,750	204,404
31 May 2010	2.349 ¹	820,597	(344,000)	—	476,597	61,013
10 November 2010	3.013 ¹	3,768,103	(773,693)	(665,605)	2,328,805	1,262,083
18 January 2011	3.036 ¹	13,994,597	(663,376)	—	13,331,221	7,733,384
3 May 2011	2.753 ¹	1,400,935	(380,550)	(151,855)	868,530	409,393
26 July 2011	2.705 ¹	1,633,662	(186,000)	—	1,447,662	467,466
		<u>45,459,673</u>	<u>(13,024,378)</u>	<u>(4,558,816)</u>	<u>27,876,479</u>	<u>17,447,970</u>
Weighted average exercise price of each category (HK\$)		<u>2.867</u>	<u>1.757</u>	<u>5.251</u>	<u>2.996</u>	<u>2.998</u>

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(b) Movement of share options under the 2011 Share Option Scheme

Date of offer to grant	Exercise price per share HK\$	Number of share options				Number of share options exercisable	
		At 1 July 2012	Granted during the year	Exercised during the year	Lapsed during the year	At 30 June 2013	At 30 June 2013
3 May 2012	2.450 ¹	8,098,600	—	(735,920)	(116,000)	7,246,680	2,438,520
22 October 2012	3.370 ¹	—	722,000	—	—	722,000	144,400
7 January 2013	3.880 ¹	—	5,446,700	—	(68,000)	5,378,700	1,075,740
2 April 2013	3.350 ¹	—	2,200,000	(44,000)	—	2,156,000	396,000
24 June 2013	2.762 ¹	—	1,390,000	—	—	1,390,000	—
		<u>8,098,600</u>	<u>9,758,700</u>	<u>(779,920)</u>	<u>(184,000)</u>	<u>16,893,380</u>	<u>4,054,660</u>
Weighted average exercise price of each category (HK\$)		<u>2.450</u>	<u>3.564</u>	<u>2.501</u>	<u>2.979</u>	<u>3.085</u>	<u>2.950</u>

Notes:

- (1) On dates of grant, the share options are divided into five tranches and exercisable within a period of five years commencing on the expiry of one month after the dates on which the options were accepted.
- (2) On dates of grant, the share options are divided into four tranches and exercisable within a period of four years commencing on the expiry of one month after the dates on which the options were accepted.
- (3) Fair value of options and assumptions

The fair value of options granted during the year determined using the Binomial Model was HK\$13,199,800 (2012: HK\$9,201,000). The significant inputs to the model was share price ranging from HK\$2.7 to HK\$3.88 (2012: HK\$2.45 to HK\$2.81) at the grant dates, exercise prices ranging from HK\$2.762 to HK\$3.88 (2012: HK\$2.45 to HK\$2.81), volatility of the share ranging from 52.93% to 54.70% (2012: 52.49% to 54.97%), expected life of options of 5 years (2012: 5 years), expected dividend yield ranging from 2.03% to 2.63% (2012: 1.91% to 2.57%), risk-free interest rate ranging from 0.34% to 1.27% (2012: 0.49% to 1.23%) and suboptimal exercise factor ranging from 1.88 to 1.93 times (2012: 1.87 to 1.89 times) of the exercise prices (which accounts for the early exercise behaviour of the option holders). The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices of the Company over the past 5 years.

- (4) For the year ended 30 June 2013, the weighted average share price at the time of exercise was HK\$3.642 per share (2012: HK\$2.417 per share) and HK\$3.656 per share (2012: HK\$3.011) under the 2002 Share Option Scheme and 2011 Share Option Scheme respectively.

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31. RESERVES**Group**

	Contributed surplus <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Other reserve (note) <i>HK\$'000</i>	Share option reserve <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 July 2012	12,507,855	16,193,520	202,237	47,499	4,239,787	14,696,096	47,886,994
Profit for the year	—	—	—	—	—	4,616,314	4,616,314
Premium on issue of shares	—	23,454	—	—	—	—	23,454
Share-based payments	—	—	—	14,206	—	—	14,206
Transfer of reserve upon exercise and lapse of share options	—	7,673	—	(12,075)	—	4,402	—
Acquisition of additional interest in a subsidiary	—	—	—	—	—	3,233	3,233
Dividends paid	(606,289)	—	—	—	—	—	(606,289)
Translation differences							
Company and subsidiaries	—	—	—	—	1,418,487	—	1,418,487
Jointly controlled entities	—	—	—	—	127,271	—	127,271
Associated companies	—	—	—	—	(1,284)	—	(1,284)
As at 30 June 2013 before proposed final dividend	<u>11,901,566</u>	<u>16,224,647</u>	<u>202,237</u>	<u>49,630</u>	<u>5,784,261</u>	<u>19,320,045</u>	<u>53,482,386</u>
Representing:							
As at 30 June 2013 after proposed final dividend	11,554,880	16,224,647	202,237	49,630	5,784,261	19,320,045	53,135,700
2013 proposed final dividend	346,686	—	—	—	—	—	346,686
	<u>11,901,566</u>	<u>16,224,647</u>	<u>202,237</u>	<u>49,630</u>	<u>5,784,261</u>	<u>19,320,045</u>	<u>53,482,386</u>

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	Contributed surplus <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Other reserve (note) <i>HK\$'000</i>	Share option reserve <i>HK\$'000</i>	Convertible bonds — equity component <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 July 2011	12,997,734	12,214,773	202,237	39,789	50,493	4,014,443	11,598,456	41,117,925
Profit for the year	—	—	—	—	—	—	3,080,929	3,080,929
Premium on issue of shares	—	3,976,603	—	—	—	—	—	3,976,603
Disposal of a subsidiary	—	—	—	—	—	(12,291)	—	(12,291)
Share-based payments	—	—	—	14,610	—	—	—	14,610
Transfer of reserve upon exercise and lapse of share options	—	2,144	—	(6,900)	—	—	4,756	—
Acquisition of additional interest in a subsidiary	—	—	—	—	—	—	(3,888)	(3,888)
Share of reserve of a jointly controlled entity	—	—	—	—	—	—	(35,266)	(35,266)
Redemption of convertible bonds	—	—	—	—	(51,109)	—	51,109	—
Dividends paid	(489,879)	—	—	—	—	—	—	(489,879)
Translation differences	—	—	—	—	616	203,049	—	203,665
Company and subsidiaries	—	—	—	—	—	35,180	—	35,180
Jointly controlled entities	—	—	—	—	—	(594)	—	(594)
Associated companies	—	—	—	—	—	—	—	—
As at 30 June 2012 before proposed final dividend	<u>12,507,855</u>	<u>16,193,520</u>	<u>202,237</u>	<u>47,499</u>	<u>—</u>	<u>4,239,787</u>	<u>14,696,096</u>	<u>47,886,994</u>
Representing:								
As at 30 June 2012 after proposed final dividend	12,161,821	16,193,520	202,237	47,499	—	4,239,787	14,696,096	47,540,960
2012 proposed final dividend	<u>346,034</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>346,034</u>
	<u>12,507,855</u>	<u>16,193,520</u>	<u>202,237</u>	<u>47,499</u>	<u>—</u>	<u>4,239,787</u>	<u>14,696,096</u>	<u>47,886,994</u>

Note: Other reserve relates to fair value changes arising from business combinations.

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	Contributed surplus	Share premium	Exchange reserve	Share option reserve	Accumulated losses	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
As at 1 July 2012	12,528,016	16,193,520	5,841,193	47,499	(6,812,366)	27,797,862
Premium on issue of shares	—	23,454	—	—	—	23,454
Loss for the year	—	—	—	—	(744,082)	(744,082)
Share-based payments	—	—	—	14,206	—	14,206
Transfer of reserve upon exercise and lapse of share options	—	7,673	—	(12,075)	4,402	—
Translation difference	—	—	1,236,481	—	—	1,236,481
Dividend paid	(606,289)	—	—	—	—	(606,289)
As at 30 June 2013 before proposed final dividend	<u>11,921,727</u>	<u>16,224,647</u>	<u>7,077,674</u>	<u>49,630</u>	<u>(7,552,046)</u>	<u>27,721,632</u>
Representing:						
As at 30 June 2013 after proposed final dividend	11,575,041	16,224,647	7,077,674	49,630	(7,552,046)	27,374,946
2013 proposed final dividend	346,686	—	—	—	—	346,686
	<u>11,921,727</u>	<u>16,224,647</u>	<u>7,077,674</u>	<u>49,630</u>	<u>(7,552,046)</u>	<u>27,721,632</u>
As at 1 July 2011	13,017,895	12,214,773	5,521,170	39,789	(7,000,030)	23,793,597
Premium on issue of shares	—	3,976,603	—	—	—	3,976,603
Profit for the year	—	—	—	—	182,908	182,908
Share-based payments	—	—	—	14,610	—	14,610
Transfer of reserve upon exercise and lapse of share options	—	2,144	—	(6,900)	4,756	—
Translation difference	—	—	320,023	—	—	320,023
Dividend paid	(489,879)	—	—	—	—	(489,879)
As at 30 June 2012 before proposed final dividend	<u>12,528,016</u>	<u>16,193,520</u>	<u>5,841,193</u>	<u>47,499</u>	<u>(6,812,366)</u>	<u>27,797,862</u>
Representing:						
As at 30 June 2012 after proposed final dividend	12,181,982	16,193,520	5,841,193	47,499	(6,812,366)	27,451,828
2012 proposed final dividend	346,034	—	—	—	—	346,034
	<u>12,528,016</u>	<u>16,193,520</u>	<u>5,841,193</u>	<u>47,499</u>	<u>(6,812,366)</u>	<u>27,797,862</u>

The contributed surplus of the Company represents the excess of the consolidated net asset value of the subsidiaries acquired over the nominal value of the share capital of the Company issued in exchange thereof as a result of a reorganisation that took place in 1999, less distributions in subsequent years.

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of the loss of HK\$744,082,000 (2012: profit of HK\$182,908,000).

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32. LONG TERM BORROWINGS

	Group		Company	
	2013	2012	2013	2012
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Bank loans (<i>note i</i>)				
Secured	6,139,885	5,458,414	—	—
Unsecured	15,996,968	12,689,521	3,634,941	2,533,450
Loans from fellow subsidiaries (<i>note ii</i>)	2,629,273	2,620,473	—	—
Loans from non-controlling interests (<i>note iii</i>)	49,580	47,772	—	—
Advances from participating interest (<i>note iv</i>)	2,487,874	2,155,069	5,705,471	4,996,966
Fixed rate bonds (<i>note v</i>)	8,958,244	5,215,475	8,958,244	5,215,475
Other loans				
Secured	70,886	—	—	—
Unsecured	<u>126,582</u>	<u>—</u>	<u>—</u>	<u>—</u>
	36,459,292	28,186,724	18,298,656	12,745,891
Current portion included in current liabilities	<u>(5,501,711)</u>	<u>(5,267,457)</u>	<u>(496,227)</u>	<u>(250,000)</u>
	<u><u>30,957,581</u></u>	<u><u>22,919,267</u></u>	<u><u>17,802,429</u></u>	<u><u>12,495,891</u></u>

Notes:

- (i) The bank loans are repayable as follows:

	Secured		Group Unsecured		Total		Company Unsecured	
	2013	2012	2013	2012	2013	2012	2013	2012
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within one year	1,075,295	656,077	4,376,836	4,611,380	5,452,131	5,267,457	496,227	250,000
Between one and two years	1,932,329	1,275,556	5,107,167	2,358,486	7,039,496	3,634,042	1,490,780	493,579
Between two and five years	1,642,719	1,831,659	6,208,535	5,438,557	7,851,254	7,270,216	1,647,934	1,789,871
After five years	<u>1,489,542</u>	<u>1,695,122</u>	<u>304,430</u>	<u>281,098</u>	<u>1,793,972</u>	<u>1,976,220</u>	<u>—</u>	<u>—</u>
	<u><u>6,139,885</u></u>	<u><u>5,458,414</u></u>	<u><u>15,996,968</u></u>	<u><u>12,689,521</u></u>	<u><u>22,136,853</u></u>	<u><u>18,147,935</u></u>	<u><u>3,634,941</u></u>	<u><u>2,533,450</u></u>

- (ii) The loans from fellow subsidiaries are repayable between two and five years, unsecured and bear interest at three months Hong Kong Interbank Offered Rate ("HIBOR") (2012: three months HIBOR) per annum.
- (iii) The loans from non-controlling interests as at 30 June 2013 are unsecured, bear interest at 5% (2012: 5%) per annum and have repayment terms as specified in the loan agreement.
- (iv) The advances from participating interest of certain property projects are unsecured, interest free and repayable in accordance with the terms as specified in the agreements entered into between the Company and the participating interest.
- (v) On 29 March 2012 and 12 April 2012, the Company issued 8.5% bonds in the aggregate amounts of RMB2,800 million and RMB1,500 million (equivalent to approximately HK\$3,544 million and HK\$1,899 million) respectively.

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RMB2,800 million of the bonds were issued at a price of 100 per cent of the principal amount. RMB1,500 million of the bonds were issued at a price of 100.972% of the principal amount, resulting in a premium on issue of RMB14.6 million (equivalent to approximately HK\$18.5 million).

These bonds bear interest with a coupon rate of 8.5% per annum, payable semi-annually in arrears on 11 April and 11 October each year. These bonds are listed on The Stock Exchange of Hong Kong Limited. The bonds will be redeemed on the maturity date on 11 April 2015 at the principal amount.

On 6 February 2013, the Company issued 5.5% bonds in the aggregate amounts of RMB3,000 million (equivalent to approximately HK\$3,797 million). The bonds were issued at a price of 100 per cent of the principal amount, bear interest at a coupon rate of 5.5% per annum, payable semi-annually in arrears on 6 February and 6 August each year. The bonds are listed on The Stock Exchange of Hong Kong Limited. The bonds will be redeemed on the maturity date on 6 February 2018 at the principal amount.

As at 30 June 2013, the fair value of the bonds amounted to RMB7,470.0 million (equivalent to approximately HK\$9,455.8 million) (2012: RMB4,443.1 million (equivalent to approximately HK\$5,418.4 million)).

- (vi) The effective interest rates of borrowings are as follows:

	2013			2012		
	Hong Kong dollar	Renminbi	United States dollar	Hong Kong dollar	Renminbi	United States dollar
Bank loans	2.80%	6.72%	2.92%	2.10%	6.86%	—
Loans from fellow subsidiaries	0.38%	—	0.38%	0.40%	—	0.40%
Loans from non-controlling interests	5.00%	—	—	5.00%	—	—
Advances from participating interest	5.08%	—	—	4.78%	—	—
Fixed rate bonds	—	7.19%	—	—	8.37%	—
Other loans	—	6.47%	—	—	—	—
	<u>—</u>	<u>6.47%</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

- (vii) The carrying amounts of bank loans, loans from fellow subsidiaries, loans from non-controlling interests and advances from participating interest approximate their fair values. The fair value of fixed rate bonds is calculated using cash flows discounted at the borrowings rates.

- (viii) The carrying amounts of the borrowings are denominated in the following currencies:

	Group		Company	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Hong Kong dollar	15,432,325	13,315,692	3,138,715	2,039,871
Renminbi	20,547,945	14,660,432	15,159,941	10,706,020
United States dollar	<u>479,022</u>	<u>210,600</u>	<u>—</u>	<u>—</u>
	<u>36,459,292</u>	<u>28,186,724</u>	<u>18,298,656</u>	<u>12,745,891</u>

- (ix) For the interest-bearing borrowings, except for the loans from non-controlling interests of HK\$49,580,000 (2012: HK\$47,772,000) which reprice in more than five years, the rest of the borrowings reprice or mature (whichever is earlier) in one year or less.

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33. DEFERRED TAX LIABILITIES

Deferred taxation is provided in full, using the liability method, on temporary differences using the prevailing rate of taxation in which the Group operates.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income tax levied by the same taxation authority on the taxable entity.

The movement in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

Group*Deferred tax assets/(liabilities)*

	Accelerated tax depreciation <i>HK\$'000</i>	Revaluation of properties <i>HK\$'000</i>	Recognition of income from sale of properties <i>HK\$'000</i>	Fair value adjustment of properties arising from acquisition <i>HK\$'000</i>	Tax losses <i>HK\$'000</i>	Undistributed profits of subsidiaries, associated companies and jointly controlled entities <i>HK\$'000</i>	Provisions <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 July 2011	(288,013)	(586,201)	(8,152)	(1,163,728)	123,485	(285,742)	23,251	(2,185,100)
Exchange differences (Charged)/credited to consolidated income statement	(3,513)	(7,124)	(99)	(14,692)	1,506	2,371	284	(21,267)
Disposal of a subsidiary	(85,118)	(257,581)	292	64,704	27,858	(5,052)	(175)	(255,072)
	1,995	361	—	—	(1,294)	—	—	1,062
At 30 June 2012	(374,649)	(850,545)	(7,959)	(1,113,716)	151,555	(288,423)	23,360	(2,460,377)
Exchange differences (Charged)/credited to consolidated income statement	(14,281)	(35,202)	(315)	(40,759)	5,499	(12,871)	887	(97,042)
	(26,065)	(177,464)	(172)	72,253	(949)	(151,561)	1,672	(282,286)
At 30 June 2013	(414,995)	(1,063,211)	(8,446)	(1,082,222)	156,105	(452,855)	25,919	(2,839,705)

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred tax assets of HK\$333,890,000 (2012: HK\$210,955,000) in respect of losses amounting to HK\$1,335,561,000 (2012: HK\$843,818,000) to carry forward against future taxable income. These tax losses will expire at various dates up to and including 2018 (2012: 2017).

As at 30 June 2013, the aggregate amount of temporary differences associated with investments in subsidiaries and jointly controlled entities for which deferred tax liabilities have not been recognised amounted to approximately HK\$4,845,874,000 (2012: HK\$3,496,486,000), as the directors consider that the timing of reversal of the related temporary differences can be controlled and the temporary differences will not reverse in the foreseeable future.

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34. CREDITORS AND ACCRUALS

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade creditors (<i>note i</i>)	5,459,634	4,743,957	—	—
Other creditors and accruals (<i>note ii</i>)	<u>1,360,218</u>	<u>1,139,264</u>	<u>191,684</u>	<u>108,601</u>
	<u>6,819,852</u>	<u>5,883,221</u>	<u>191,684</u>	<u>108,601</u>

Notes:

- (i) The ageing analysis of trade creditors is as follows:

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 30 days	4,899,955	4,350,401
31 to 60 days	126,292	24,877
61 to 90 days	61,910	38,421
Over 90 days	<u>371,477</u>	<u>330,258</u>
	<u>5,459,634</u>	<u>4,743,957</u>

The carrying amounts of the trade creditors of the Group are mainly denominated in Renminbi as at 30 June 2013 and 2012.

- (ii) Other creditors and accruals included retention payables of construction costs, other payables and various accruals. The carrying amounts of other creditors and accruals of the Group and the Company are mainly denominated in Renminbi and Hong Kong dollar respectively.

35. SHORT TERM LOANS

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Secured bank loans	151,899	170,733
Unsecured bank loans	<u>391,139</u>	<u>99,966</u>
	<u>543,038</u>	<u>270,699</u>

The effective interest rates of the short term loans range from 3.13% to 7.04% (2012: 3.15% to 7.35%). Their carrying amounts approximate their fair values.

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The carrying amounts of short term loans are denominated in the following currencies:

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong dollar	100,000	99,966
Renminbi	443,038	170,733
	543,038	270,699

36. AMOUNTS DUE TO NON-CONTROLLING INTERESTS

The amounts due to non-controlling interests are unsecured, interest free and repayable on demand. The carrying amounts of the balances are mainly denominated in Hong Kong dollar as at 30 June 2013 and 2012 and approximate their fair values.

37. TAXES PAYABLE

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Corporate income tax payable	478,937	181,579	—	—
Withholding tax payable	144,370	138,514	46,656	29,179
Land appreciation tax payable	2,684,528	2,494,017	—	—
Other PRC taxes payable	189,193	174,012	—	—
	3,497,028	2,988,122	46,656	29,179

38. GUARANTEES

(i) Corporate guarantees for banking facilities

Group

The Group has corporate guarantees of approximately HK\$1,640,794,000 (2012: HK\$1,851,736,000) given in respect of bank loan facilities extended to certain jointly controlled entities. As at 30 June 2013, the Group's attributable portion of the outstanding amount under these bank loan facilities granted to the jointly controlled entities was approximately HK\$1,135,368,000 (2012: HK\$1,260,419,000).

Company

The Company has corporate guarantees given in respect of bank loan facilities extended to certain subsidiaries and jointly controlled entities of approximately HK\$13,819,598,000 (2012: HK\$10,674,891,000) and HK\$1,640,794,000 (2012: HK\$1,851,736,000) respectively.

(ii) Guarantees in respect of mortgage facilities

As at 30 June 2013, the Group had provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of properties developed by certain subsidiaries of the Group and the Group's attributable portion of outstanding mortgage loans under these guarantees amounted to HK\$1,595,251,000 (2012: HK\$1,557,714,000). Pursuant to the terms of the

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guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties.

39. COMMITMENTS**(i) Capital expenditure commitments**

(a) The capital expenditure commitments of the Group are as follows:

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Authorised but not contracted for		
Purchase consideration for proposed		
development projects	108,000	108,000
Property, plant and equipment	<u>225,079</u>	<u>283,347</u>
	<u>333,079</u>	<u>391,347</u>
Contracted but not provided for		
Property, plant and equipment	1,540,295	522,494
Investment properties	<u>1,360,214</u>	<u>3,958,391</u>
	<u>2,900,509</u>	<u>4,480,885</u>
	<u>3,233,588</u>	<u>4,872,232</u>

(b) The Group's share of capital expenditure commitment of jointly controlled entities not included above is as follows:

	Group	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Authorised but not contracted for investment properties	—	62,043
Contracted but not provided for investment properties	<u>—</u>	<u>94,784</u>
	<u>—</u>	<u>156,827</u>

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(ii) Lease commitments

	Group		Company	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
As at 30 June 2013, future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings are as follows:				
Within one year	34,545	33,988	16,204	16,237
Between two and five years	55,461	77,494	13,578	29,402
Beyond five years	<u>7,039</u>	<u>15,946</u>	<u>—</u>	<u>—</u>
	<u>97,045</u>	<u>127,428</u>	<u>29,782</u>	<u>45,639</u>

40. NOTES TO CONSOLIDATED CASH FLOW STATEMENT**(a) Reconciliation of operating profit before finance costs to net cash generated from/(used in) operations**

	Note	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Operating profit before finance costs		7,356,517	6,011,536
Interest income		(392,908)	(187,288)
Depreciation and amortisation		258,260	263,136
Share-based payments		14,206	14,610
Dividend income from an available-for-sale financial asset		—	(1,854)
Gain on disposal/write off of property, plant and equipment, land use rights and investment properties		(305,189)	(39,421)
Tax indemnity from the ultimate holding company		(617,208)	(503,477)
Gain on disposal of a subsidiary	40(c)	—	(37,592)
Changes in fair value of investment properties		(623,795)	(1,025,791)
Net foreign exchange gains		<u>(535,766)</u>	<u>(157,954)</u>
Operating profit before working capital changes		5,154,117	4,335,905
Increase in properties held for/under development and completed properties held for sale		(4,251,423)	(9,372,485)
Increase in prepayments, debtors and other receivables		(1,402,287)	(12,512)
Changes in balances with related companies		656,383	660,724
Increase in deposits received on sale of properties		3,684,184	283,196
(Decrease)/increase in creditors and accruals		<u>(330,522)</u>	<u>1,772,243</u>
Net cash generated from/(used in) operations		<u>3,510,452</u>	<u>(2,332,929)</u>

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(b) Analysis of net outflow of cash and cash equivalents in respect of acquisition of subsidiaries

In December 2012, the Group acquired a subsidiary and the identified assets acquired and liabilities assumed as at the date of acquisition are as follows:

	<i>HK\$'000</i>	
Property, plant and equipment	5,770	
Intangible assets	67,636	
Prepayments, debtors and other receivables	220,517	
Cash and bank balances, unrestricted	86,348	
Creditors and accruals	(271,238)	
Taxes payable	(15,725)	
	93,308	
Net assets acquired	93,308	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Cash consideration	93,308	2,049,329
Cash and bank balances acquired	(86,348)	(99,095)
	6,960	1,950,234

(c) Disposal of a subsidiary

In February 2012, the Group disposed interest of a wholly owned subsidiary to a jointly controlled entity of the Group.

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net assets disposed		
Investment properties	—	29,253
Balances with group companies	—	69,789
Cash and bank balances	—	6,610
Taxes payable	—	(1)
Deferred tax liabilities	—	(1,062)
	—	104,589
Interest retained by the Group as a jointly controlled entity	—	(77,934)
	—	26,655
Consideration satisfied by cash	—	51,956
	—	25,301
Realisation of exchange reserve upon disposal	—	12,291
Gain on disposal of a subsidiary	—	37,592

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(d) Analysis of net inflow of cash and cash equivalents in respect of disposal of a subsidiary

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Cash consideration	—	51,956
Cash and bank balances disposed	—	(6,610)
	—	45,346
	—	45,346

41. RELATED PARTY TRANSACTIONS**(i) Transactions with related parties**

The following is a summary of significant related party transactions carried out by the Group during the year in the normal course of its business:

	<i>Note</i>	2013	2012
		<i>HK\$'000</i>	<i>HK\$'000</i>
Interest expenses on loans from fellow subsidiaries	<i>(a)</i>	8,799	7,815
Rental expense for leased premises to fellow subsidiaries	<i>(b)</i>	23,515	16,864
Property agency fee paid to fellow subsidiaries	<i>(c)</i>	11,979	4,897
Purchase of goods from fellow subsidiaries and a related company	<i>(d)</i>	21,685	9,228
Underwriting commission to the ultimate holding company	<i>(e)</i>	—	33,267
Interest income from jointly controlled entities	<i>(f)</i>	149,438	95,019
Property management services fee income from fellow subsidiaries, jointly controlled entities and related companies	<i>(g)</i>	43,247	38,621
Rental income from fellow subsidiaries, a jointly controlled entity and a related company	<i>(h)</i>	119,519	117,403
Trademark fee income from jointly controlled entities	<i>(i)</i>	21,177	79,669
Hotel management services fee income from fellow subsidiaries, jointly controlled entities, an associated company and related companies	<i>(j)</i>	86,704	69,775
Project management fee income from jointly controlled entities, an associated company and related companies	<i>(k)</i>	9,090	73,646
Contracting service income from related companies	<i>(l)</i>	152,377	—
		152,377	—

Notes:

- (a) Interest is charged at rates as specified in note 32(ii) on the outstanding balances due to certain fellow subsidiaries.
- (b) The rental is charged at fixed monthly fees in accordance with the terms of the tenancy agreements.
- (c) The property agency fee is charged by the fellow subsidiaries in accordance with the terms of the property agency agreements.

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- (d) This represents purchases of goods by means of presenting various cash equivalent gift coupons, gift cards and stored value shopping cards to the stores operated by the fellow subsidiaries. Such fee is charged in accordance with the terms of the agreements.
- (e) The underwriting commission was charged at 2.5% of the total issue price of shares issued from rights issue underwritten by the ultimate holding company.
- (f) This represents interest income in respect of loan financing provided to jointly controlled entities. These loans are unsecured and carry interest at rates as specified in note 23.
- (g) The property management services fees are charged at fixed amounts to fellow subsidiaries, certain jointly controlled entities and related companies as specified in the management contracts.
- (h) The rental income is charged at fixed monthly fees in accordance with the terms of the tenancy agreements.
- (i) Trademark fee income is charged in accordance with the terms of trademark fee agreement.
- (j) The hotel management services fee income is charged in accordance with the terms of the management service agreement.
- (k) The project management fee income is charged in accordance with the terms of the agreement.
- (l) The contracting services income is charged in accordance with the terms of the agreement.
- (m) Total fees for the provision of project management, construction and engineering consultancy services in respect of certain of the Group's property projects and payable to certain fellow subsidiaries and related companies for the year amounted to HK\$192,900,000 (2012: HK\$178,189,000). Such fees are charged at fixed amounts in accordance with the terms of the respective contracts.
- (n) A deed of tax indemnity was entered into between the ultimate holding company and the Company whereby the ultimate holding company undertakes to indemnify the Group in respect of CIT and LAT payable in consequence of the disposal of certain properties held by the Group as at 31 March 1999. During the year, tax indemnity amounting to HK\$617,208,000 (2012: HK\$503,477,000) was effected (note 7).
- (o) During the year ended 30 June 2012, the Group disposed of the interest in a subsidiary to a jointly controlled entity for a consideration of HK\$51,956,000 (note 40(c)).
- (p) During the year ended 30 June 2011, the Group entered into an agreement with Shenyang New World Department Store Ltd. ("Shenyang DS"), a fellow subsidiary whereby the Group agreed to sell to Shenyang DS certain properties to be developed by the Group, for a consideration of RMB456,534,000, subject to adjustment. During the year, the transaction was completed at RMB415,046,000 (equivalent to HK\$518,808,000).
- (q) During the year ended 30 June 2013, the Group entered into a cooperation agreement with Shenyang Trendy Company Limited ("Shenyang Trendy"), a fellow subsidiary, whereby Shenyang Trendy agreed to make contribution of approximately RMB527,060,000 (equivalent to HK\$658,825,000) for the consideration of the redeveloped property. As at 30 June 2013, payment of RMB105,412,000 (equivalent to HK\$133,433,000) was received from Shenyang Trendy.

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(ii) Key management compensation

	2013 HK\$'000	2012 HK\$'000
Salaries and other short-term employee benefits	110,978	109,670
Pension costs	5,150	4,234
Share option benefits	<u>4,956</u>	<u>6,272</u>
	<u>121,084</u>	<u>120,176</u>

Key management includes executive directors, financial controller, company secretary, regional executives and senior executives of hotel management team.

(iii) Balances with related parties

Balances with associated companies, jointly controlled entities, group companies and companies owned by a director are disclosed in notes 22, 23 and 29.

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINTLY CONTROLLED ENTITIES

Details of the principal subsidiaries, associated companies and jointly controlled entities which materially affect the results for the year and/or assets of the Group as at 30 June 2013 are set out below:

Company name	Issued and fully paid up share capital/ paid up registered capital	Attributable interest held (note 1)				Principal activities
		By the Company 2013	2012	By the Group 2013	2012	
Subsidiaries						
<i>Incorporated and operating in Hong Kong</i>						
Billion Huge (International) Limited	HK\$950,001 950,001 ordinary shares of HK\$1 each	—	—	100%	100%	Investment holding
Billion Park Investment Limited	HK\$1,000,000 1,000,000 ordinary shares of HK\$1 each	—	—	78.6%	78.6%	Investment holding
China Joy International Limited	HK\$2 2 ordinary shares of HK\$1 each	—	—	100%	100%	Investment holding
Dragon Joy (China) Limited	HK\$1 1 ordinary share of HK\$1	—	—	100%	100%	Investment holding
Global Hero Holdings Limited	HK\$1 1 ordinary share of HK\$1	—	—	100%	100%	Investment holding
Lingal Limited	HK\$2,000 1,800 ordinary shares of HK\$1 each 200 non-voting deferred shares of HK\$1 each	—	—	100%	100%	Investment holding
Max Charm Investment Limited	HK\$2 2 ordinary shares of HK\$1 each	—	—	100%	100%	Investment holding

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Company name	Issued and fully paid up share capital/ paid up registered capital	Attributable interest held (note 1)				Principal activities
		By the Company		By the Group		
		2013	2012	2013	2012	
New World China Property Limited	HK\$2 2 ordinary shares of HK\$1 each	100%	100%	100%	100%	Investment holding
New World Development (China) Limited	HK\$4 2 ordinary shares of HK\$1 each 2 non-voting deferred shares of HK\$1 each	100%	100%	100%	100%	Investment holding
New World Hotel Management Limited	HK\$1 1 ordinary share of HK\$1	—	—	100%	100%	Hotel management
Pacific Great Investment Limited	HK\$50,000,000 50,000,000 ordinary shares of HK\$1 each	—	—	100%	100%	Investment holding
Rosewood Hotels and Resorts (Asia Pacific) Limited	HK\$1 1 ordinary share of HK\$1	—	—	100%	—	Hotel management
Silver World H.K. Development Limited	HK\$1 1 ordinary share of HK\$1	—	—	100%	100%	Investment holding
Spread Glory Investments Limited	HK\$1 1 ordinary share of HK\$1	—	—	100%	100%	Investment holding
Starluxe Enterprises Limited	HK\$1 1 ordinary share of HK\$1	—	—	100%	100%	Investment holding
Sunny Trend Development Limited	HK\$2 2 ordinary shares of HK\$1 each	—	—	100%	100%	Investment holding
Wing Shan International Country Club Co. Limited	HK\$1,000,000 1,000,000 ordinary shares of HK\$1 each	—	—	89.2%	89.2%	Investment holding
<i>Incorporated in the British Virgin Islands</i>						
Art Shadow Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Art Bridge Development Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Banyan Developments Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Brilliant Alpha Investment Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Conful Enterprises Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Esteemed Sino Limited	US\$1 1 share of US\$1	—	—	100%	—	Investment holding
Ever Brisk Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Fortune Star Worldwide Limited	US\$100 100 shares of US\$1 each	—	—	100%	100%	Investment holding
Fu Hong Investments Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding

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Company name	Issued and fully paid up share capital/ paid up registered capital	Attributable interest held (note 1)				Principal activities
		By the Company		By the Group		
		2013	2012	2013	2012	
Goodtrade Enterprises Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Hinto Developments Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
K Fai Investments Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Keep Bright Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Lucky Win Development Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Magic Chance Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
New World Anderson Development Company Limited	US\$100 100 shares of US\$1 each	—	—	100%	100%	Investment holding
New World China Finance (BVI) Limited	US\$1 1 share of US\$1	—	—	100%	100%	Financing
New World Hotel Management (BVI) Limited	US\$1,000 1,000 shares of US\$1 each	—	—	100%	100%	Investment holding
Radiant Glow Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Ramada Property Ltd.	US\$1,000 1,000 shares of US\$1 each	—	—	100%	100%	Investment holding
Rosewood Hotels and Resorts Holdings Limited	US\$1 1 share of US\$1	—	—	100%	—	Investment holding
Rise Eagle Worldwide Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Sparkling Rainbow Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Stand Fame Enterprises Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Superb Wealthy Group Limited	US\$1 1 share of US\$1	—	—	100%	100%	Financing
Sweet Prospects Enterprises Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Triumph Hero International Limited	US\$10,000 10,000 shares of US\$1 each	—	—	100%	100%	Investment holding
True Blue Developments Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
Twin Glory Investments Limited	US\$1 1 share of US\$1	—	—	100%	100%	Investment holding
<i>Incorporated and operating in the Philippines</i>						
NWH Management Philippines, Incorporated	Peso 9,492,000 94,920 shares of Peso 100 each	—	—	100%	100%	Hotel management

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Company name	Issued and fully paid up share capital/ paid up registered capital	Attributable interest held (note 1)		Principal activities
		By the Company 2013	By the Group 2012	
<i>Incorporated and operating in the US</i>				
Rosewood Hotels and Resorts, L.L.C.	US\$260,623,748	—	100%	Hotel management
<i>Incorporated and operating in the PRC</i>				
Beijing Dongfang Huamei Real Estate Development Co., Ltd.	RMB200,000,000	—	75% (note 2)	Land development
Beijing Lingal Real Estates Development Co., Ltd.	US\$13,000,000	—	100%	Property sales
Beijing New World Huamei Real Estate Development Co., Ltd.	RMB748,000,000	—	75%	Property development
Chengdu Xinyi Real Estate Development Co., Ltd.	US\$99,500,000	—	60% (note 2)	Property development
Dalian New World Plaza International Co., Ltd.	RMB58,000,000	—	88%	Property investment and development
Dalian New World Tower Co., Ltd.	US\$162,150,000	—	100%	Property investment, development and hotel operation
Foshan Country Club Co., Ltd.	US\$52,923,600	—	84.8%	Golf club operation
Foshan Country Real Estate Development Co., Ltd.	RMB638,030,000	—	84.8%	Property development
Foshan Da Hao Hu Real Estate Development Co., Ltd.	RMB1,278,558,000	—	84.8%	Property development
Guangzhou Fong Chuen — New World Property Development Ltd.	RMB330,000,000	—	100%	Property development
Guangzhou Jixian Zhuang New World City Garden Development Limited	US\$24,000,000	—	100%	Property development
Guangzhou Xin Hua Chen Real Estate Co., Ltd.	RMB200,000,000	—	100%	Property development
Guangzhou Xin Hua Jian Real Estate Co., Ltd.	RMB244,000,000	—	100%	Property development
Guangzhou Xin Sui Tourism Centre Ltd.	HK\$100,000,000	—	100%	Property development
Guangzhou Xin Yi Development Limited	HK\$286,000,000	—	90.5%	Property investment and development
Guiyang New World Real Estate Co., Ltd.	US\$206,350,000	—	100% (note 2)	Property development
Haikou New World Housing Development Ltd.	US\$8,000,000	—	100%	Property development
Huamei Wealth (Beijing) Technology Co., Ltd.	RMB640,000,000	—	100%	Property investment
Hunan Fortune Lake Property Development Co., Ltd.	RMB55,800,000	—	100%	Property development
Hunan Success New Century Investment Company Limited	RMB646,000,000	—	95% (note 2)	Property development
Jinan New World Sunshine Development Limited	US\$69,980,000	—	100%	Property development

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Company name	Issued and fully paid up share capital/ paid up registered capital	Attributable interest held (note 1)				Principal activities
		By the Company		By the Group		
		2013	2012	2013	2012	
Langfang New World Properties Development Co., Ltd.	US\$52,700,000	—	—	100%	100%	Property development
Langfang Xin Zhong Properties Development Co., Ltd.	US\$38,200,000	—	—	100%	100%	Property development
Nanjing New World Real Estate Co., Ltd.	US\$45,339,518	—	—	100%	100%	Property investment
New World Anderson (Tianjin) Development Co., Ltd.	US\$5,500,000	—	—	100%	100%	Property investment
New World (Anshan) Property Development Co., Ltd.	RMB1,420,000,000	—	—	100%	100%	Property development
New World China Land Investments Company Limited	US\$80,000,000	100%	100%	100%	100%	Investment holding
New World China Land (Haikou) Limited	US\$440,000,000	—	—	100%	100%	Property investment and development
New World Development (Wuhan) Co., Ltd.	US\$112,000,000	—	—	100%	100%	Property investment and development
New World Development (Wuhan) Landscape Engineering Limited	US\$1,500,000	—	—	100%	100%	Landscape engineering
New World Enterprises (Wuhan) Co., Ltd.	US\$16,000,000	—	—	100%	100%	Property development
New World Goodtrade (Wuhan) Limited	US\$188,000,000	—	—	100%	100%	Property investment and development
New World Hotel Management (Shanghai) Ltd.	RMB500,000	—	—	100%	100%	Hotel management consultancy services
New World (Shenyang) Property Development Limited	RMB3,608,103,081	—	—	90%	90%	Property investment and development
New World Zhonghong Property Co., Ltd.	RMB30,000,000	—	—	80%	80%	Property development
Shanghai Ramada Plaza Ltd.	US\$42,000,000	—	—	100%	100%	Property investment and hotel operation
Shanghai Trio Property Development Co., Ltd.	US\$81,000,000	—	—	100%	100%	Property development and investment
Shenyang New World Xin Hui Properties Co., Ltd. (formerly: Shenyang New World Hotel Co., Ltd.)	RMB501,520,000	—	—	100%	100%	Property development
Shenzhen Topping Real Estate Development Co., Ltd.	HK\$294,000,000	—	—	100%	100%	Property development
Shenzhen Top One Real Estate Development Co., Ltd.	HK\$150,000,000	—	—	100%	100%	Property development
Tang Shan New World Property Development Co., Ltd.	US\$45,000,000	—	—	100%	100%	Property development
Tianjin New World Housing Development Co., Ltd.	RMB80,000,000	—	—	100%	100%	Property development
Tianjin New World Properties Development Co., Ltd.	US\$91,000,000	—	—	100%	100%	Property development

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Company name	Issued and fully paid up share capital/ paid up registered capital	Attributable interest held (note 1)				Principal activities
		By the Company		By the Group		
		2013	2012	2013	2012	
Tianjin Xin Guang Development Co., Ltd.	US\$4,500,000	—	—	100%	100%	Property investment
Wuhan New Eagle Enterprises Co., Limited	US\$2,830,000	—	—	100%	100%	Property investment
Wuhan Xinhan Development Co., Ltd.	US\$16,000,000	—	—	100%	100%	Property development (note 3)
Zhaoqing New World Property Development Limited	US\$13,750,000	—	—	100%	100%	Property development
Zhuhai New World Housing Development Limited	US\$8,000,000	—	—	100%	100%	Property development
Associated companies						
<i>Incorporated and operating in Hong Kong</i>						
Global Perfect Development Limited	HK\$1,000,000 1,000,000 ordinary shares of HK\$1 each	—	—	50%	50%	Investment holding
Sun City Holdings Limited	HK\$8,000,000 8,000,000 ordinary shares of HK\$1 each	—	—	30.6%	30.6%	Investment holding
Jointly controlled entities						
<i>Incorporated and operating in Hong Kong</i>						
Eminent Elite Limited	HK\$1 1 ordinary share of HK\$1	—	—	49%	—	Investment holding
<i>Incorporated in the British Virgin Islands</i>						
Concord Properties Holding (Guangzhou) Limited	US\$10 10 ordinary shares of US\$1 each	—	—	40%	40%	Investment holding
Silvery Yield Development Limited	US\$100 100 ordinary shares of US\$1 each	—	—	49%	—	Investment holding
<i>Incorporated and operating in the PRC</i>						
<i>(i) Co-operative joint ventures</i>						
Beijing Chong Wen — New World Properties Development Co., Ltd.	US\$225,400,000	—	—	70%	70%	Property investment and development
Beijing Chong Yu Real Estate Development Co., Ltd	US\$171,840,000	—	—	70%	70%	Property investment and development
Beijing Xin Kang Real Estate Development Co., Ltd	US\$12,000,000	—	—	70%	70%	Property investment and development
Beijing Xin Lian Hotel Co., Ltd.	US\$12,000,000	—	—	55%	55%	Hotel operation
China New World Electronics Ltd.	US\$57,200,000	—	—	70%	70%	Property Investment and development
Huizhou New World Housing Development Limited	RMB80,000,000	—	—	62.5%	62.5%	Property development
Wuhan New World Housing Development Limited	RMB96,000,000	—	—	60%	60%	Property development
Wuhan Wuxin Hotel Co. Ltd.	US\$49,750,000	—	—	60%	60%	Hotel operation

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Company name	Issued and fully paid up share capital/ paid up registered capital	Attributable interest held (note 1)				Principal activities
		By the Company		By the Group		
		2013	2012	2013	2012	
<i>(ii) Equity joint venture</i>						
Fortune Leader Overseas Chinese (Daiyawan) Investment Co. Ltd.	US\$16,950,000	—	—	48.8%	48.8%	Golf club and resort operation
<i>(iii) Wholly foreign owned enterprises</i>						
Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co. Ltd.	US\$20,820,000	—	—	59%	59%	Property development
Guangzhou Bosson Real Estate Co., Ltd.	RMB50,003,000	—	—	62.5%	62.5%	Property development
Guangzhou Hemsell Real Estate Development Co., Ltd.	RMB79,597,000	—	—	62.5%	62.5%	Property development
Shanghai New World Huai Hai Property Development Co., Ltd.	US\$108,500,000	—	—	50%	50%	Property investment
Wuhan New World Hotel Properties Co., Ltd.	RMB83,507,110	—	—	60%	60%	Property investment

Notes:

1. Represent equity interest in case of companies incorporated outside the PRC or the percentage of equity interest in case of equity joint ventures or profit sharing ratio in accordance with the joint venture contracts in case of co-operative joint ventures in the PRC.
2. Represent equity interest of the Group in these companies. Pursuant to the participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD, Solar Leader has a participating interest, representing 50% of the total interest of the Group in certain property projects undertaken by these companies.
3. Represent profit sharing ratio of the Group in accordance with the contractual arrangement between the shareholders.

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II. (B) UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Set out below is the financial information of the NWCL Group as extracted from the published interim report of the NWCL Group for the six months ended 31 December 2013.

Condensed Consolidated Income Statement

For the six months ended 31 December 2013

		Unaudited	
		6 months ended 31 December	
		2013	2012
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenues	2	11,884,427	6,548,195
Cost of sales		(6,301,012)	(3,336,216)
Gross profit		5,583,415	3,211,979
Other income	3	901,023	432,827
Other gains, net	4	268,456	401,130
Changes in fair value of investment properties		310,306	378,407
Selling expenses		(419,771)	(281,635)
Administrative and other operating expenses		(726,704)	(628,969)
Operating profit before finance costs	5	5,916,725	3,513,739
Finance costs		(188,041)	(188,068)
Share of results of associated companies and joint ventures		331,408	302,392
Profit before taxation		6,060,092	3,628,063
Taxation charge	6	(2,530,558)	(1,217,259)
Profit for the period		3,529,534	2,410,804
Attributable to:			
Equity holders of the Company		3,394,594	2,321,074
Non-controlling interests		134,940	89,730
		3,529,534	2,410,804
Earnings per share	7		
Basic		39.16 cents	26.82 cents
Diluted		39.14 cents	26.81 cents
Interim dividend	8	346,972	259,903

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Condensed Consolidated Statement of Comprehensive Income*For the six months ended 31 December 2013*

	Unaudited	
	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the period	3,529,534	2,410,804
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Translation differences	504,629	833,902
Share of other comprehensive income of associated companies and joint ventures	34,935	82,144
Other comprehensive income for the period	539,564	916,046
Total comprehensive income for the period	4,069,098	3,326,850
Total comprehensive income attributable to:		
Equity holders of the Company	3,926,640	3,224,603
Non-controlling interests	142,458	102,247
	4,069,098	3,326,850

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Condensed Consolidated Statement of Financial Position*As at 31 December 2013*

		Unaudited	Audited
		As at	As at
		31 December	30 June
		2013	2013
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment	9	4,471,199	3,430,117
Investment properties	9	21,230,834	19,928,241
Land use rights	9	619,918	621,096
Intangible assets		2,014,307	1,940,241
Properties held for development		19,015,573	17,350,847
Associated companies and joint ventures		14,423,495	12,914,943
Available-for-sale financial assets		85,147	108,457
		<u>61,860,473</u>	<u>56,293,942</u>
Current assets			
Properties under development		21,651,463	20,449,013
Completed properties held for sale		9,024,331	7,093,274
Hotel inventories, at cost		4,608	4,551
Prepayments, debtors and other receivables	10	10,667,700	13,817,090
Amounts due from related companies		925,369	851,225
Cash and bank balances, unrestricted		<u>19,945,079</u>	<u>19,337,202</u>
		<u>62,218,550</u>	<u>61,552,355</u>
Total assets		<u>124,079,023</u>	<u>117,846,297</u>

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		Unaudited As at 31 December 2013 HK\$'000	Audited As at 30 June 2013 HK\$'000
	<i>Note</i>		
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	11	867,186	866,360
Reserves		56,768,180	53,135,700
Interim dividend		346,972	—
Proposed final dividend		<u>—</u>	<u>346,686</u>
		57,982,338	54,348,746
Non-controlling interests		<u>3,359,703</u>	<u>3,354,883</u>
Total equity		<u>61,342,041</u>	<u>57,703,629</u>
LIABILITIES			
Non-current liabilities			
Long term borrowings	12	32,973,109	30,957,581
Deferred tax liabilities		<u>3,004,253</u>	<u>2,839,705</u>
		<u>35,977,362</u>	<u>33,797,286</u>
Current liabilities			
Creditors and accruals	13	7,866,124	6,819,852
Deposits received on sale of properties		7,705,589	9,041,851
Amounts due to related companies		950,200	838,710
Short term loans		256,410	543,038
Current portion of long term borrowings	12	4,991,585	5,501,711
Amounts due to non-controlling interests	14	103,639	103,192
Taxes payable		<u>4,886,073</u>	<u>3,497,028</u>
		<u>26,759,620</u>	<u>26,345,382</u>
Total liabilities		<u>62,736,982</u>	<u>60,142,668</u>
Total equity and liabilities		<u>124,079,023</u>	<u>117,846,297</u>
Net current assets		<u>35,458,930</u>	<u>35,206,973</u>
Total assets less current liabilities		<u>97,319,403</u>	<u>91,500,915</u>

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Condensed Consolidated Cash Flow Statement*For the six months ended 31 December 2013*

	Unaudited	
	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash from/(used in) operating activities	2,628,868	(719,699)
Net cash used in investing activities	(2,804,782)	(1,702,080)
Net cash from financing activities	<u>546,303</u>	<u>1,158,520</u>
Net increase/(decrease) in cash and cash equivalents	370,389	(1,263,259)
Cash and cash equivalents at beginning of the period	19,337,202	13,257,612
Exchange differences on cash and cash equivalents	<u>237,488</u>	<u>151,526</u>
Cash and cash equivalents at end of the period	<u><u>19,945,079</u></u>	<u><u>12,145,879</u></u>

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Condensed Consolidated Statement of Changes in Equity*For the six months ended 31 December 2013*

	Attributable to equity holders of the Company			Non-	Total equity
	Share capital	Reserves	Shareholders' funds	controlling interests	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Balance at 1 July 2013	866,360	53,482,386	54,348,746	3,354,883	57,703,629
Translation differences	—	497,111	497,111	7,518	504,629
Share of other comprehensive income of associated companies and joint ventures	—	34,935	34,935	—	34,935
Other comprehensive income for the period	—	532,046	532,046	7,518	539,564
Profit for the period	—	3,394,594	3,394,594	134,940	3,529,534
Total comprehensive income for the period	—	3,926,640	3,926,640	142,458	4,069,098
Transactions with owners					
Contribution by and distribution to owners					
Issue of shares	826	22,269	23,095	—	23,095
Capital contribution from non-controlling interests	—	—	—	2,150	2,150
Share-based payments	—	4,994	4,994	—	4,994
Dividend paid	—	(346,859)	(346,859)	(23,560)	(370,419)
	826	(319,596)	(318,770)	(21,410)	(340,180)
Change in ownership interests in a subsidiary					
Acquisition of additional interest in a subsidiary	—	25,722	25,722	(116,228)	(90,506)
Total transactions with owners	826	(293,874)	(293,048)	(137,638)	(430,686)
Balance at 31 December 2013	867,186	57,115,152	57,982,338	3,359,703	61,342,041
Balance at 1 July 2012	864,979	47,886,994	48,751,973	2,973,143	51,725,116
Translation differences	—	821,385	821,385	12,517	833,902
Share of other comprehensive income of associated companies and joint ventures	—	82,144	82,144	—	82,144
Other comprehensive income for the period	—	903,529	903,529	12,517	916,046
Profit for the period	—	2,321,074	2,321,074	89,730	2,410,804
Total comprehensive income for the period	—	3,224,603	3,224,603	102,247	3,326,850
Transactions with owners					
Contribution by and distribution to owners					
Issue of shares	1,042	17,270	18,312	—	18,312
Capital contribution from non-controlling interests	—	—	—	82,995	82,995
Capital distribution	—	—	—	(80,000)	(80,000)
Share-based payments	—	5,191	5,191	—	5,191
Dividend paid	—	(346,387)	(346,387)	—	(346,387)
Total transactions with owners	1,042	(323,926)	(322,884)	2,995	(319,889)
Balance at 31 December 2012	866,021	50,787,671	51,653,692	3,078,385	54,732,077

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Notes to the Interim Financial Statements**1. BASIS OF PREPARATION**

These unaudited condensed consolidated interim financial statements (the “interim financial statements”) for the six months ended 31 December 2013 have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The interim financial statements should be read in conjunction with the annual financial statements for the year ended 30 June 2013, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

- (a) Except as describe below, the accounting policies applied in the preparation of these interim financial statements are consistent with those set out in the annual financial statements for the year ended 30 June 2013.

The Group has adopted the following new or revised standards and amendments to standards which are relevant to the Group’s operations and are mandatory for the financial year ending 30 June 2014:

HKAS 27 (Revised 2011)	Separate Financial Statements
HKAS 28 (Revised 2011)	Associates and Joint Ventures
HKFRS 7 (Amendment)	Financial Instruments: Disclosures — Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurements
Amendments to HKFRS10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
Annual Improvements Project	Annual Improvements to 2009–2011 Cycle

HKFRS 10, “Consolidated financial statements”. Under HKFRS 10, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over an entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

HKFRS 11, “Joint arrangements”. Under HKFRS 11, investments in joint arrangements are classified either as joint operations or joint ventures, depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group’s share of the post-acquisition profits or losses and movements in other comprehensive income based on the relevant profit sharing ratios which vary according to the nature of the joint ventures set out as follows:

- (i) Equity joint ventures/joint ventures in wholly foreign owned enterprises

Equity joint ventures/joint ventures in wholly foreign owned enterprises are joint ventures in respect of which the capital contribution ratios of the venturers are defined in the joint venture contracts and the profit sharing ratios and share of net assets of the ventures are in proportion to the capital contribution ratios.

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(ii) Co-operative joint ventures

Co-operative joint ventures are joint ventures in respect of which the profit sharing ratios of the venturers and share of net assets upon the expiration of the joint venture periods are not in proportion to their capital contribution ratios but are as defined in the joint venture contracts.

(iii) Companies limited by shares

Companies limited by shares are limited liability companies in respect of which each shareholder's beneficial interests therein is in accordance with the amount of the voting share capital held thereby.

When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

The adoption of the new and revised standards and amendments to the existing standards does not have a significant impact on the results and financial position of the Group.

- (b) The following new or revised standards, amendments to standards and interpretation are mandatory for accounting periods beginning on or after 1 January 2014 or later periods but which the Group has not early adopted:

Effective for the year ending 30 June 2015 or after

HKFRS 9	Financial Instruments
HKFRS 14	Regulatory Deferral Accounts
HKFRS 7 and HKFRS 9 (Amendments)	Financial Instruments: Disclosures — Mandatory Effective Date of HKFRS 9 and Transition Disclosures
Amendments to HKAS 19 (Amendments)	Employee Benefits: Defined Benefit Plans — Employee Contributions
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (Revised 2011)	Investment Entities
HKAS 32 (Amendment)	Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendment)	Recoverable Amount Disclosures for Non-Financial Assets
HKAS 39 (Amendment)	Novation of Derivatives and Continuation of Hedge Accounting
HK (IFRIC)-Int 21	Levies
Annual Improvements Project	Annual Improvements to HKFRSs 2010–2012 Cycle
Annual Improvements Project	Annual Improvements to HKFRSs 2011–2013 Cycle

The Group has already commenced an assessment of the impact of these new or revised standards, amendments to standards and interpretation, certain of which may be relevant to the Group's operation and may give rise to changes in accounting policies, changes in disclosures and remeasurement of certain items in the financial statements.

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2. REVENUES AND SEGMENT INFORMATION

- (a) The Group is principally engaged in investment in and development of property projects in the People's Republic of China (the "PRC"). Revenues comprise turnover which include gross proceeds from sale of properties, revenue from rental and hotel operation, property management services fee income, project management fee income, hotel management services fee income and contracting services income.

	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Sale of properties	10,480,118	5,585,747
Rental income	366,608	357,508
Income from hotel operation	187,804	186,445
Property management services fee income	214,278	167,642
Project management fee income	59,004	22,504
Hotel management services fee income	239,701	228,349
Contracting services income	<u>336,914</u>	<u>—</u>
	<u><u>11,884,427</u></u>	<u><u>6,548,195</u></u>

- (b) The chief operating decision-maker has been identified as the executive committee. This committee reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The committee considers the business from the perspective of the services and products. The management assesses the performance of property sales, rental operation, hotel operation, property management services operations and hotel management services operations. Other operations include contracting services and ancillary services in property projects. In the current period, previously reported operating segments have been aggregated and the corresponding segment information has been restated to conform with current period presentation.

The executive committee assesses the performance of the operating segments based on a measure of attributable operating profit ("AOP") before finance costs and after taxation charge. This measurement basis excludes the effects of changes in fair value of investment properties, gains and losses from changes in group structure, net foreign exchange gains, amortisation and impairment of intangible assets acquired from business combinations, income and expenses at corporate office and deferred tax charge on undistributed profits. Interest income is included in the result of each operating segment that is reviewed by the executive committee.

Sales between segments are carried out in accordance with terms agreed by the parties involved. The revenue from external parties reported to the executive committee is measured in a manner consistent with that in the condensed consolidated income statement.

Segment assets consist primarily of property, plant and equipment, investment properties, land use rights, properties held for/under development, intangible assets, prepayments, debtors and other receivables, amounts due from related companies and completed properties held for sale. They exclude cash and bank balances, available-for-sale financial assets and prepayment for proposed development projects held and managed at corporate office. These are part of the reconciliation to total assets on the condensed consolidated statement of financial position.

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Segment liabilities comprise mainly creditors and accruals, deposits received on sale of properties and amounts due to related companies. They exclude bank and other borrowings, deferred tax liabilities, taxes payable, other creditors and accruals at corporate office. These are part of the reconciliation to total liabilities on the condensed consolidated statement of financial position.

The majority of the assets and operations of the Group are located in the PRC. Revenues are mainly derived from the PRC. Non-current assets other than financial instruments are mainly located in the PRC.

6 months ended 31 December 2013	Property sales <i>HK\$'000</i>	Rental operation <i>HK\$'000</i>	Hotel operation <i>HK\$'000</i>	Property management services <i>HK\$'000</i>	Hotel management services <i>HK\$'000</i>	Other operations <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenues							
Company and subsidiaries							
Total revenues	10,539,122	378,482	187,804	265,730	252,872	339,424	11,963,434
Inter-segment revenues	—	(11,874)	—	(51,452)	(13,171)	(2,510)	(79,007)
External revenues	10,539,122	366,608	187,804	214,278	239,701	336,914	11,884,427
Associated companies and joint ventures — attributable to the Group	1,094,147	244,019	64,758	51,346	—	—	1,454,270
	<u>11,633,269</u>	<u>610,627</u>	<u>252,562</u>	<u>265,624</u>	<u>239,701</u>	<u>336,914</u>	<u>13,338,697</u>
Segment bank and other interest income	47,254	25,090	422	1,034	3,064	739	77,603
AOP before finance costs and after taxation charge							
Company and subsidiaries	2,687,354	163,170	(28,348)	(48,869)	2,148	14,991	2,790,446
Associated companies and joint ventures	404,330	129,029	(56,596)	(3,995)	—	2,945	475,713
	<u>3,091,684</u>	<u>292,199</u>	<u>(84,944)</u>	<u>(52,864)</u>	<u>2,148</u>	<u>17,936</u>	<u>3,266,159</u>
Additions to non-current assets other than financial instruments							
Depreciation and amortisation	4,729,352	732,577	765,594	2,176	149,289	1,618	6,380,606
Impairment of intangible assets	33,979	2,359	68,422	1,338	28,310	488	134,896
Share of results of associated companies and joint ventures	—	—	—	—	35,892	—	35,892
	<u>164,250</u>	<u>232,288</u>	<u>(61,240)</u>	<u>(4,001)</u>	<u>—</u>	<u>111</u>	<u>331,408</u>
As at 31 December 2013							
Segment assets	73,116,482	22,918,390	2,783,867	278,317	2,210,400	271,625	101,579,081
Associated companies and joint ventures	5,474,202	8,627,995	330,326	(12,953)	2,217	1,708	14,423,495
Available-for-sale financial assets							85,147
Property, plant and equipment at corporate office							4,727
Prepayments, debtors, and other receivables at corporate office							125,891
Amounts due from related companies at corporate office							751,188
Cash and bank balances at corporate office							<u>7,109,494</u>
Total assets							<u>124,079,023</u>
Segment liabilities	15,750,282	421,497	102,536	214,273	103,567	122,483	16,714,638
Creditors and accruals at corporate office							224,431
Amounts due to related companies at corporate office							165,085
Taxes payable							4,407,471
Borrowings							38,221,104
Deferred tax liabilities							<u>3,004,253</u>
Total liabilities							<u>62,736,982</u>

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6 months ended 31 December 2012	Property sales <i>HK\$'000</i>	Rental operation <i>HK\$'000</i>	Hotel operation <i>HK\$'000</i>	Property management services <i>HK\$'000</i>	Hotel management services <i>HK\$'000</i>	Other operations <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenues							
Company and subsidiaries							
Total revenues	5,608,251	368,319	186,445	226,920	237,841	—	6,627,776
Inter-segment revenues	—	(10,811)	—	(59,278)	(9,492)	—	(79,581)
External revenues	5,608,251	357,508	186,445	167,642	228,349	—	6,548,195
Associated companies and joint ventures — attributable to the Group	167,980	196,293	56,573	43,439	—	—	464,285
	<u>5,776,231</u>	<u>553,801</u>	<u>243,018</u>	<u>211,081</u>	<u>228,349</u>	<u>—</u>	<u>7,012,480</u>
Segment bank and other interest income	30,896	6,162	317	2,437	997	82	40,891
AOP before finance costs and after taxation charge							
Company and subsidiaries	1,554,509	176,474	(44,053)	(42,435)	2,926	102	1,647,523
Associated companies and joint ventures	42,340	102,289	(24,338)	(338)	—	4,466	124,419
	<u>1,596,849</u>	<u>278,763</u>	<u>(68,391)</u>	<u>(42,773)</u>	<u>2,926</u>	<u>4,568</u>	<u>1,771,942</u>
Additions to non-current assets other than financial instruments	2,228,577	612,958	293,529	1,763	1,133	64	3,138,024
Depreciation and amortisation	26,738	3,004	70,304	987	28,169	467	129,669
Share of results of associated companies and joint ventures	(82,146)	414,901	(30,681)	(350)	—	668	302,392
As at 30 June 2013							
Segment assets	69,198,523	21,029,447	2,554,871	228,738	2,084,426	324,353	95,420,358
Associated companies and joint ventures	3,985,291	8,551,425	380,389	(11,219)	3,642	5,415	12,914,943
Available-for-sale financial assets							108,457
Property, plant and equipment at corporate office							3,597
Prepayments, debtors and other receivables at corporate office							134,131
Amounts due from related companies at corporate office							694,404
Cash and bank balances at corporate office							<u>8,570,407</u>
Total assets							<u>117,846,297</u>
Segment liabilities	16,032,376	388,326	53,843	183,283	74,455	133,031	16,865,314
Creditors and accruals at corporate office							225,197
Taxes payable							3,210,122
Borrowings							37,002,330
Deferred tax liabilities							<u>2,839,705</u>
Total liabilities							<u>60,142,668</u>

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Reconciliations of reportable segment revenues to revenues of the Group and reportable AOP before finance costs and after taxation charge to profit before taxation:

	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
(i) Revenues		
Total segment revenues	13,338,697	7,012,480
Less:		
Revenues of associated companies and joint ventures, attributable to the Group	<u>(1,454,270)</u>	<u>(464,285)</u>
Revenues as presented in condensed consolidated income statement	<u><u>11,884,427</u></u>	<u><u>6,548,195</u></u>
(ii) Profit before taxation		
AOP before finance costs and after taxation charge	3,266,159	1,771,942
Bank and other interest income — corporate	67,315	26,128
Deferred tax charge on undistributed profits	(77,588)	(78,068)
Corporate administrative expenses	(135,136)	(117,398)
Finance costs	<u>(206,217)</u>	<u>(169,153)</u>
AOP after corporate items	<u>2,914,533</u>	<u>1,433,451</u>
Changes in fair value of investment properties, net of deferred taxation	318,385	523,866
Net foreign exchange gains	223,836	390,025
Amortisation of intangible assets	(26,268)	(26,268)
Impairment of intangible assets	<u>(35,892)</u>	<u>—</u>
	<u><u>480,061</u></u>	<u><u>887,623</u></u>
Profit attributable to equity holders of the Company	3,394,594	2,321,074
Taxation charge	2,530,558	1,217,259
Profit attributable to non-controlling interests	<u>134,940</u>	<u>89,730</u>
Profit before taxation	<u><u>6,060,092</u></u>	<u><u>3,628,063</u></u>

3. OTHER INCOME

	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Tax indemnity from the ultimate holding company (note 6)	751,284	307,683
Bank and other interest income	122,020	62,555
Interest income from joint ventures, net of withholding tax (note)	27,719	40,281
Trademark fee income from joint ventures	<u>—</u>	<u>22,308</u>
	<u><u>901,023</u></u>	<u><u>432,827</u></u>

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Note: The property projects of the Group's joint ventures have been partly financed by the Group in the form of equity capital and unsecured shareholder's advances, majority of which are interest bearing. The Group's attributable share of shareholders' loan interest expenses of joint ventures is included in the share of results of associated companies and joint ventures as follows:

	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Share of shareholders' loan interest expenses of joint ventures	<u>(24,432)</u>	<u>(32,154)</u>
4. OTHER GAINS, NET		
	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net foreign exchange gains	226,410	406,920
Gain/(loss) on disposal of investment properties	77,938	(5,790)
Impairment of intangible assets	<u>(35,892)</u>	<u>—</u>
	<u>268,456</u>	<u>401,130</u>
5. OPERATING PROFIT BEFORE FINANCE COSTS		
	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating profit before finance costs is arrived at after crediting:		
Gross rental income from investment properties	346,412	338,886
Gain on disposal of property, plant and equipment	<u>12,512</u>	<u>—</u>
and after charging:		
Cost of properties sold	5,275,384	2,694,450
Staff costs	306,070	251,306
Outgoings in respect of investment properties	145,216	130,560
Depreciation of property, plant and equipment	98,644	92,677
Rental for leased premises	21,948	21,786
Amortisation of land use rights	9,984	10,724
Amortisation of intangible assets	26,268	26,268
Loss on disposal of property, plant and equipment	<u>—</u>	<u>645</u>

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6. TAXATION CHARGE

	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current taxation		
PRC corporate income tax	886,759	640,633
PRC land appreciation tax	1,489,694	378,026
Deferred taxation	<u>154,105</u>	<u>198,600</u>
	<u><u>2,530,558</u></u>	<u><u>1,217,259</u></u>

Share of taxation of associated companies and joint ventures for the six months ended 31 December 2013 of HK\$402,863,000 (2012: HK\$135,891,000) is included in the condensed consolidated income statement as share of results of associated companies and joint ventures.

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits in Hong Kong for the period (2012: Nil). PRC corporate income tax ("CIT") has been provided on the estimated assessable profits of subsidiaries, associated companies and joint ventures operating in the PRC at 25% (2012: 25%). PRC land appreciation tax ("LAT") is provided at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sale of properties less deductible expenditures including costs of land use rights and property development expenditures.

In July 1999, a deed of tax indemnity was entered into between NWD, the ultimate holding company, and the Company whereby the ultimate holding company undertakes to indemnify the Group in respect of, inter alia, certain PRC CIT and LAT payable in consequence of the disposal of certain properties held by the Group as at 31 March 1999. During the period, tax indemnity amounting to HK\$751,284,000 (2012: HK\$307,683,000) was effected (note 3).

7. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share for the period is based on the following:

	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit attributable to equity holders of the Company	<u>3,394,594</u>	<u>2,321,074</u>
	Number of shares	
	6 months ended 31 December	
	2013	2012
Weighted average number of shares for calculating basic earnings per share	8,667,659,582	8,653,393,830
Effect of dilutive potential shares:		
Share options	<u>5,124,138</u>	<u>3,456,379</u>
Weighted average number of shares for calculating diluted earnings per share	<u><u>8,672,783,720</u></u>	<u><u>8,656,850,209</u></u>

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8. INTERIM DIVIDEND

	6 months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interim dividend of HK\$0.04 (2012: HK\$ 0.03) per share	346,972	259,903

The directors have declared an interim dividend of HK\$0.04 per share. It will be payable on or about Thursday, 15 May 2014 to shareholders whose names appear on the Register of Members of the Company on Wednesday, 16 April 2014.

9. CAPITAL EXPENDITURE

For the six months ended 31 December 2013, the Group's additions to property, plant and equipment, investment properties and land use rights amounted to HK\$1,746,279,000 (2012: HK\$1,082,404,000).

10. PREPAYMENTS, DEBTORS AND OTHER RECEIVABLES

	As at	As at
	31 December	30 June
	2013	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade debtors (<i>note</i>)	2,957,167	1,951,395
Prepaid land preparatory cost	1,936,566	3,173,740
Deposits for purchase of land	2,914,610	5,476,893
Prepayment for proposed development projects	189,615	188,481
Prepaid taxes	1,121,651	1,623,684
Other prepayments, deposits and receivables	1,548,091	1,402,897
	<u>10,667,700</u>	<u>13,817,090</u>

Note: Trade debtors mainly include sales proceed receivables, rental receivables and property management fee receivables. Sales proceed receivables in respect of sale of properties are settled in accordance with the instalment schedules as stipulated in the sale and purchase agreements. Monthly rental in respect of rental properties are payable in advance by tenants in accordance with the lease agreements. Monthly property management fees are payable in advance in accordance with the agreements. The ageing analysis of trade debtors based on invoice date is as follows:

	As at	As at
	31 December	30 June
	2013	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 30 days	1,139,614	553,584
31 to 60 days	276,420	195,830
61 to 90 days	361,653	106,625
Over 90 days	1,179,480	1,095,356
	<u>2,957,167</u>	<u>1,951,395</u>

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11. SHARE CAPITAL

	As at 31 December 2013	As at 30 June 2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Authorised:		
Shares of HK\$0.10 each	<u>3,000,000</u>	<u>3,000,000</u>
Issued and fully paid:		
8,671,857,755 (30 June 2013: 8,663,596,817) shares of HK\$0.10 each	<u>867,186</u>	<u>866,360</u>

Details of the movement in the issued and fully paid share capital of the Company are summarised as follows:

	Number of shares of HK\$0.10 each	HK\$'000
At 1 July 2012	8,649,792,519	864,979
Exercise of share options (<i>note</i>)	<u>13,804,298</u>	<u>1,381</u>
At 30 June 2013	8,663,596,817	866,360
Exercise of share options (<i>note</i>)	<u>8,260,938</u>	<u>826</u>
At 31 December 2013	<u><u>8,671,857,755</u></u>	<u><u>867,186</u></u>

Note: Pursuant to the share option scheme adopted on 26 November 2002 ("2002 Share Option Scheme") and the share option scheme adopted on 22 November 2011 ("2011 Share Option Scheme"), the Company may grant options to directors and employees of the Company or its subsidiaries to subscribe for shares in the Company. The movements in the number of share options granted during the period and the balance outstanding at 31 December 2013 are as follows:

(a) Movement of share options under the 2002 Share Option Scheme

Date of offer to grant	Exercise price per share <i>HK\$</i>	Number of share options			At 31 December 2013	Number of share options exercisable At 31 December 2013
		At 1 July 2013	Exercised during the period	Lapsed during the period		
31 July 2008	3.148 ¹	68,369	(26,052)	(42,317)	—	—
12 November 2008	1.447 ¹	140,933	(140,933)	—	—	—
2 December 2008	1.290 ¹	844,339	(59,070)	—	785,269	785,269
3 February 2009	1.703 ¹	165,850	(162,568)	—	3,282	3,282
26 June 2009	3.913 ¹	3,130,605	(306,000)	(116,301)	2,708,304	2,708,304
19 November 2009	2.953 ¹	1,996,493	(1,309,584)	(103,896)	583,013	225,609
12 January 2010	2.878 ¹	2,749,325	(1,668,244)	(77,381)	1,003,700	382,816
18 May 2010	2.262 ¹	327,750	(124,681)	—	203,069	79,723
31 May 2010	2.349 ¹	476,597	(248,000)	—	228,597	20,805
10 November 2010	3.013 ¹	2,328,805	(303,049)	—	2,025,756	1,492,396
18 January 2011	3.036 ¹	13,331,221	(1,609,404)	(332,467)	11,389,350	6,123,980
3 May 2011	2.753 ¹	868,530	(409,393)	(259,823)	199,314	—
26 July 2011	2.705 ¹	1,447,662	(224,000)	—	1,223,662	570,199
		<u>27,876,479</u>	<u>(6,590,978)</u>	<u>(932,185)</u>	<u>20,353,316</u>	<u>12,392,383</u>

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(b) Movement of share options under the 2011 Share Option Scheme

Date of offer to grant	Exercise price per share HK\$	Number of share options				Number of share options exercisable	
		At 1 July 2013	Granted during the period	Exercised during the period	Lapsed during the period	At 31 December 2013	At 31 December 2013
3 May 2012	2.450 ¹	7,246,680	—	(1,523,960)	(241,800)	5,480,920	914,560
22 October 2012	3.370 ¹	722,000	—	(54,000)	—	668,000	234,800
7 January 2013	3.880 ¹	5,378,700	—	—	(310,000)	5,068,700	1,013,740
2 April 2013	3.350 ¹	2,156,000	—	(40,000)	—	2,116,000	356,000
24 June 2013	2.762 ¹	1,390,000	—	(52,000)	—	1,338,000	226,000
15 October 2013	4.010 ¹	—	1,900,000	—	—	1,900,000	380,000
		<u>16,893,380</u>	<u>1,900,000</u>	<u>(1,669,960)</u>	<u>(551,800)</u>	<u>16,571,620</u>	<u>3,125,100</u>

Notes:

1. On dates of grant, the share options are divided into five tranches and exercisable within a period of five years commencing on the expiry of one month after the dates on which the options were accepted.
2. The weighted average share price under the 2002 Share Option Scheme and the 2011 Share Option Scheme at the time of exercise during the six months ended 31 December 2013 was HK\$3.925 per share (year ended 30 June 2013: HK\$3.642 per share) and HK\$3.905 per share (year ended 30 June 2013: HK\$3.656 per share), respectively.

12. LONG TERM BORROWINGS

	As at 31 December 2013 HK\$'000	As at 30 June 2013 HK\$'000
Bank loans (<i>note i</i>)		
Secured	7,622,996	6,139,885
Unsecured	16,085,827	15,996,968
Loans from fellow subsidiaries (<i>note ii</i>)	2,633,616	2,629,273
Loans from non-controlling interests (<i>note iii</i>)	50,505	49,580
Advances from participating interest (<i>note iv</i>)	2,388,154	2,487,874
Fixed rate bonds (<i>note v</i>)	8,983,596	8,958,244
Other loans		
Secured	71,795	70,886
Unsecured	<u>128,205</u>	<u>126,582</u>
	37,964,694	36,459,292
Current portion included in current liabilities	<u>(4,991,585)</u>	<u>(5,501,711)</u>
	<u><u>32,973,109</u></u>	<u><u>30,957,581</u></u>

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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Notes:

- (i) The bank loans are repayable as follows:

	Secured		Unsecured		Total	
	As at 31 December 2013 <i>HK\$'000</i>	As at 30 June 2013 <i>HK\$'000</i>	As at 31 December 2013 <i>HK\$'000</i>	As at 30 June 2013 <i>HK\$'000</i>	As at 31 December 2013 <i>HK\$'000</i>	As at 30 June 2013 <i>HK\$'000</i>
Within one year	922,597	1,075,295	4,068,988	4,376,836	4,991,585	5,452,131
Between one and two years	3,249,289	1,932,329	7,586,547	5,107,167	10,835,836	7,039,496
Between two and five years	1,945,677	1,642,719	4,250,164	6,208,535	6,195,841	7,851,254
After five years	<u>1,505,433</u>	<u>1,489,542</u>	<u>180,128</u>	<u>304,430</u>	<u>1,685,561</u>	<u>1,793,972</u>
	<u>7,622,996</u>	<u>6,139,885</u>	<u>16,085,827</u>	<u>15,996,968</u>	<u>23,708,823</u>	<u>22,136,853</u>

- (ii) The loans from fellow subsidiaries are repayable between two and five years. The loans from fellow subsidiaries are unsecured and bear interest at three months Hong Kong Interbank Offered Rate ("HIBOR") (30 June 2013: three months HIBOR) per annum.
- (iii) The loans from non-controlling interests are unsecured, bear interest at 5% (30 June 2013: 5%) per annum and have repayment terms as specified in the loan agreement.
- (iv) The advances from participating interest of certain property projects are unsecured, interest free and repayable in accordance with the terms as specified in the agreements entered into between the Group and the participating interest.
- (v) On 29 March 2012 and 12th April 2012, the Company issued 8.5% bonds in the aggregate amounts of RMB2,800 million and RMB1,500 million (equivalent to approximately HK\$3,590 million and HK\$1,923 million) respectively.

RMB2,800 million of the bonds were issued at a price of 100 per cent of the principal amount. RMB1,500 million of the bonds were issued at a price of 100.972% of the principal amount, resulting in a premium on issue of RMB14.6 million (equivalent to approximately HK\$18.7 million).

These bonds bear interest with a coupon rate of 8.5% per annum, payable semi-annually in arrears on 11 April and 11 October each year. These bonds are listed on The Stock Exchange of Hong Kong Limited. The bonds will be redeemed on the maturity date on 11 April 2015 at the principal amount.

On 6 February 2013, the Company issued 5.5% bonds in the aggregate amounts of RMB3,000 million (equivalent to approximately HK\$3,846 million). The bonds were issued at a price of 100 per cent of the principal amount, bear interest at a coupon rate of 5.5% per annum, payable semi-annually in arrears on 6 February and 6 August each year. The bonds are listed on The Stock Exchange of Hong Kong Limited. The bonds will be redeemed on the maturity date on 6 February 2018 at the principal amount.

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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13. CREDITORS AND ACCRUALS

	As at 31 December 2013 <i>HK\$'000</i>	As at 30 June 2013 <i>HK\$'000</i>
Trade creditors (<i>note i</i>)	6,189,880	5,459,634
Other creditors and accruals (<i>note ii</i>)	1,676,244	1,360,218
	7,866,124	6,819,852

Notes:

- (i) The ageing analysis of trade creditors is as follows:

	As at 31 December 2013 <i>HK\$'000</i>	As at 30 June 2013 <i>HK\$'000</i>
0 to 30 days	5,534,734	4,899,955
31 to 60 days	71,980	126,292
61 to 90 days	49,491	61,910
Over 90 days	533,675	371,477
	6,189,880	5,459,634

- (ii) Other creditors and accruals include retention payables of construction costs, other payables and various accruals.

14. AMOUNTS DUE TO NON-CONTROLLING INTERESTS

The amounts due to non-controlling interests are unsecured, interest free and repayable on demand.

15. GUARANTEES**(i) Corporate guarantees for banking facilities**

The Group has corporate guarantees of approximately HK\$2,879,414,000 (30 June 2013: HK\$1,640,794,000) given in respect of bank loan facilities extended to certain joint ventures. As at 31 December 2013, the Group's attributable portion of the outstanding amount under these bank loan facilities granted to the joint ventures was approximately HK\$2,478,388,000 (30 June 2013: HK\$1,135,368,000).

(ii) Guarantees in respect of mortgage facilities

As at 31 December 2013, the Group had provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of properties developed by certain subsidiaries of the Group and the Group's attributable portion of outstanding mortgage loans under these guarantees amounted to HK\$1,883,736,000 (30 June 2013: HK\$1,595,251,000). Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties.

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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16. COMMITMENTS**Capital expenditure commitments**

The capital expenditure commitments of the Group are as follows:

	As at 31 December 2013 HK\$'000	As at 30 June 2013 HK\$'000
Authorised but not contracted for		
Purchase consideration for proposed development projects	108,000	108,000
Property, plant and equipment	106,121	225,079
	214,121	333,079
Contracted but not provided for		
Property, plant and equipment	1,710,361	1,540,295
Investment properties	1,031,184	1,360,214
	2,741,545	2,900,509
	2,955,666	3,233,588

17. RELATED PARTY TRANSACTIONS**(i) Transactions with related parties**

The following is a summary of significant related party transactions carried out by the Group during the period in the normal course of its business:

	6 months ended 31 December	
	2013 HK\$'000	2012 HK\$'000
Interest expense on loans from fellow subsidiaries	4,690	4,510
Rental expense for leased premises to fellow subsidiaries	9,876	10,004
Property agency fee paid to fellow subsidiaries	10,352	4,245
Purchase of goods from fellow subsidiaries and a related company	52,626	3,965
Interest income from joint ventures	35,885	46,720
Property management services fee income from fellow subsidiaries, joint ventures and related companies	26,402	20,603
Rental income from fellow subsidiaries, a joint venture and a related company	41,327	60,358
Hotel management services fee income from fellow subsidiaries, joint ventures, an associated company and related companies	60,819	42,900
Project management fee income from joint ventures and related companies	27,049	6,980
Contracting service income from related companies	280,364	—
Trademark fee income from joint ventures	—	22,308

These related party transactions were in accordance with the terms as disclosed in the 2013 annual financial statements.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP

- (ii) Total fees for the provision of project management, construction and engineering consultancy services in respect of certain of the Group's property projects and payable to certain fellow subsidiaries and related companies for the period amounted to HK\$68,749,000 (2012: HK\$77,778,000). Such fees are charged at fixed amounts in accordance with the terms of the respective contracts.
- (iii) A deed of tax indemnity was entered into between the ultimate holding company and the Company whereby the ultimate holding company undertakes to indemnify the Group in respect of CIT and LAT payable in consequence of the disposal of certain properties held by the Group as at 31 March 1999. During the period, tax indemnity amounting to HK\$751,284,000 (2012: HK\$307,683,000) was effected (note 6).
- (iv) During the period, the Group sold certain properties to Aerospace New World (China) Technology Limited and Shenzhen Sunlong Communication Co., Ltd., fellow subsidiaries of the Group, for a consideration of RMB17,088,000 (equivalent to HK\$21,630,000) and RMB19,608,000 (equivalent to HK\$24,820,000) respectively.
- (v) During the period, the Group acquired a hotel management company from CTF Holdings Limited, a related company of the Group at the consideration of €13,536,000 (equivalent to approximately HK\$144,835,000).

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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III. INDEBTEDNESS**Borrowings**

As at the close of business on 28 February 2014, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Scheme Document, the Group had outstanding borrowings of approximately HK\$38,387,300,000, details of which are set out as follows:

	<i>HK\$'000</i>
Bank loans	
Secured	7,891,656
Unsecured	16,204,257
Loans from fellow subsidiaries, unsecured	2,634,995
Loans from non-controlling shareholders, unsecured	252,143
Advances from participating interest	2,222,006
Fixed rate bonds	8,982,243
Other loans	
Secured	71,795
Unsecured	<u>128,205</u>
	<u><u>38,387,300</u></u>

Bank loans and other loans of approximately HK\$7,891,656,000 and HK\$71,795,000 respectively were secured by the Group's certain property, plant and equipment, investment properties, land use rights, properties held for development and properties under development.

Contingent liabilities

As at the close of business on 28 February 2014, the Group had contingent liabilities of approximately HK\$2,846,869,000 relating to corporate guarantee given in respect of bank loan facilities extended to certain joint ventures.

As at the close of business on 28 February 2014, the Group had provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of properties developed by certain subsidiaries of the Group and the Group's attributable portion of outstanding mortgage loans under these guarantees amounted to HK\$2,028,130,000.

Save as aforesaid and apart from intra-group liabilities, as at the close of business on 28 February 2014, the Group did not have any outstanding loan capital, bank overdrafts, loan, mortgage, charges or other similar indebtedness, or hire purchase of finance lease commitments, liabilities under acceptances or acceptance credits, guarantees or other material contingent liabilities.

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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IV. MATERIAL CHANGES

Save as disclosed in the interim report of the Group for the six months ended 31 December 2013 that the Group had completed 9 property development projects with a total gross floor area (“GFA”) of 955,166 sq m, representing an increase of 150% in volume when comparing to the last corresponding interim period and secured contracted sales of RMB9,320 million with GFA of 648,918 sq m, representing a year-on-year increase of 10% and 4% in gross sales value and sales volume respectively, the Directors confirm that there has been no material change to the financial and trading position or outlook of the Group since 30 June 2013, the date to which the latest published audited consolidated financial statements of the Group were made up.

V. PROPERTY INTERESTS AND ADJUSTED NET ASSET VALUE

The valuation of property interests of the Group as at 28 February 2014 have been conducted by Knight Frank Petty Limited, the independent professional valuer jointly appointed by the Company and NWD. The market value of the aforesaid property interests attributable to the Group as at 28 February 2014 was approximately HK\$128,945,235,000 (RMB101,866,735,000) in respect of the following categories of property interests:

	<i>HK\$'000</i>	<i>RMB'000</i>
Completed investment properties	24,766,957	19,565,896
Investment properties under development	3,284,557	2,594,800
Hotel properties	4,243,070	3,352,025
Completed properties for sale/properties under and held for development	82,289,103	65,008,391
Land and buildings	851,295	672,523
Assets under construction	2,156,329	1,703,500
Contracted properties held	<u>11,353,924</u>	<u>8,969,600</u>
	<u>128,945,235</u>	<u>101,866,735</u>

Further details of the aforementioned property interests and their corresponding valuation report prepared by Knight Frank Petty Limited are set out in Appendix II to this Scheme Document.

APPENDIX I	FINANCIAL INFORMATION OF THE NWCL GROUP
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By taking into account the effect of revaluation surplus arising from the valuation of all the above properties interests, set out below is the calculation of the adjusted net asset value (“NAV”) of the Group as at 31 December 2013:

	<i>HK\$'000</i>	NAV per Share <i>(Note 1)</i> <i>HK\$</i>
Unaudited consolidated NAV of NWCL Group as at 31 December 2013 <i>(Note 2)</i>	57,982,338	6.68
<i>Adjustments:</i>		
— Revaluation surplus arising from valuation of the property interests attributable to NWCL Group as at 28 February 2014 <i>(Note 3)</i>	42,392,971	4.89
— Deferred taxes on attributable revaluation surplus, net of tax indemnity <i>(Note 4)</i>	(12,839,008)	(1.48)
— Interim dividend payable <i>(Note 5)</i>	(346,972)	(0.04)
— Revaluation surplus arising from the acquisition of an interest in the Palm Island Resort project <i>(Note 6)</i>	191,052	0.02
Adjusted NAV	87,380,381	10.07

Notes:

1. The NAV per Share is arrived at on the basis of 8,680,631,746 Shares in issue as at the Latest Practicable date.
2. The amount is extracted from the unaudited condensed consolidated statement of financial position as at 31 December 2013 of Section II of this Appendix.
3. The revaluation surplus represents the excess of market value of the property interests as at 28 February 2014 over their corresponding book values as at 28 February 2014 (after adjusting for the relevant interest not attributable to NWCL Group).
4. Relevant PRC taxes on property interests included corporate income tax and land appreciation tax. Deferred taxes on revaluation surplus are estimated on the basis that surplus on all categories of property interests shall be subject to corporate income tax (“CIT”) and estimation of land appreciation taxes (“LAT”) was only determined for the surplus of completed properties for sales and property held for and under development upon disposal of these properties at the valuation price (as set out in the valuation report contained in Appendix II to the Scheme Document). In July 1999, a deed of tax indemnity was entered into between NWD and the Company whereby NWD undertakes to indemnify NWCL Group in respect of relevant CIT and LAT payable in consequence of sales of certain properties held by NWCL Group as at 31 March 1999. The outstanding tax indemnity payable by NWD as at 28th February 2014 was approximately HK\$5,461.3 million which is included to deduct from the deferred tax on attributable revaluation surplus as at that date amounting to HK\$18,300.3 million to arrive at the net deferred tax on revaluation surplus of property interests of HK\$12,839.0 million.
5. Interim dividend of HK\$0.04 per share paid on 15 May 2014 to shareholders of the Company.

APPENDIX I FINANCIAL INFORMATION OF THE NWCL GROUP

6. As disclosed in the joint announcement dated 7 April 2014 issued by NWD and NWCL, NWCL Group will acquire a 57.46% interests in a company principally engaged in the operation of the Palm Island Resort project in Guangdong Province comprising golf club operation and real estate development. Based on the valuation of relevant properties (as set out in item 146 of the valuation report contained in Appendix II to the Scheme Document) and their underlying book values, this acquisition will result in an additional revaluation surplus (net of tax) of approximately HK\$191.1 million.

APPENDIX II

PROPERTY VALUATION REPORT

The following is a text of letter, summary of values and valuation report prepared for the purpose of incorporation in this circular received from Knight Frank Petty Limited, an independent valuer, in connection with the valuation as at 28 February 2014 of the market values of the property interests of the Group.



Knight Frank Petty Ltd
4/F Shui On Centre
6-8 Harbour Road
Wanchai
Hong Kong
Tel: 2840 1177
Fax: 2840 0600

Board of Directors of New World China Land Limited (新世界中國地產有限公司)
9th Floor
New World Tower I
18 Queen's Road Central
Hong Kong

Board of Directors of New World Development Company Limited (新世界發展有限公司)
30th Floor
New World Tower I
18 Queen's Road Central
Hong Kong

17 May 2014

Dear Sirs

Valuation of Various Properties in the People's Republic of China

In accordance with your instructions for us to value various property interests held by New World China Land Limited (新世界中國地產有限公司) (the "Company"), its subsidiaries, its associated companies and its jointly controlled entities (hereinafter together referred to as the "Group") for investment purposes in the People's Republic of China (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 you with our opinion of the market values of these property interests as at 28 February 2014 for the purpose of incorporation into the circular issued by the Group.

APPENDIX II**PROPERTY VALUATION REPORT****BASIS OF VALUATION**

Our valuation is our opinion of the market value of the property which we would define as intended to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of a property is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

VALUATION METHODOLOGY

In valuing property nos. 1–2, 4–15, 18, 20–42, retail portion of no. 45, nos. 46, 50–54, retail portion of no. 55 and nos. 56–99 of Group I, property no. 117 of Group IV and properties nos. 166 and 168 in Group V, we have valued the properties with reference to sales evidence as available in the market and where appropriate, on the basis of capitalization of the net income shown on the documents handed to us. We have allowed for outgoings and, in appropriate cases, made provisions for reversionary income potential.

In valuing property nos. 3, 16–17, 19, 43, 44, 47, 48, 49 and the car park portion of nos. 45, 55 of Group I and no.172 of Group V we have valued these properties with reference to its lease term interest and its rights in sub-letting and/or transferring the lease term interests of the properties.

In valuing properties of Group II, property nos. 111–116 and 118–162 of Group IV, VI and VII, we have valued each of these property interests on the basis that these properties will be developed and completed in accordance with the Group’s latest development proposals provided to us. We have assumed that approvals for the proposals will be granted without onerous conditions. In arriving at our opinion of value, we have adopted the Direct Comparison Approach by making reference to comparable transactions in the locality and have also taken into account the construction costs that will be expended to complete the development to reflect the quality of the completed development.

In valuing properties of Group III and no. 164 of Group V, we have valued each of these property interests under the basis of on-going concern, and we have adopted income approach by making reference to its historical performance of the past years. During the course of the valuation, we have relied on the gross operating profit generated from the hotel operation during corresponding periods and made reference to the require rate of return of similar form of investment.

APPENDIX II**PROPERTY VALUATION REPORT**

In valuing property no. 163 of Group V, due to the specific purpose for which the buildings have been constructed, market transactions of comparable property cannot be readily identified in the market. We have therefore adopted Depreciated Replacement Cost approach in valuing the property. The Depreciated Replacement Cost is the current cost of replacement (reproduction) of a property less deduction for physical deterioration and all relevant forms of obsolescence and optimization. It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement (reproduction) of the improvements less deductions for physical deterioration and all relevant forms of obsolescence and optimization.

In valuing properties nos. 165, 167, 169 to 171, 173 and non-car park portion of no.172 of Group V, we have adopted the Direct Comparison Approach with reference to market comparable sales evidence available in the market.

TITLE DOCUMENTS AND ENCUMBRANCES

We have been provided with extracts of documents in relation to the titles to the property interests. However, we have not inspected the original documents to ascertain any amendments which may not appear on the copies handed to us. We have relied on the information provided by the Group and its PRC legal advisor, Jun He Law Office regarding the title to the properties.

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

SOURCE OF INFORMATION

We have relied to a very considerable extent on the information given by the Group. We have no reason to doubt the truth and the accuracy of the information provided by the Group which is material to the valuation. We have accepted advice given by the Group on such matters as planning approvals or statutory notices, easements, tenure, completion date of the buildings, particulars of occupancy, joint-venture agreements/contracts, development schemes, construction costs and development costs expended, estimated development costs and site and floor areas. Dimension, measurements and areas included in the valuation report attached are based on information provided to us and are therefore only approximations. We have not been able to carry out detailed on-site measurements to verify the site and floor areas of the properties and we have assumed that the areas shown on the documents handed to us are correct. We were also advised by the Group that no material facts have been omitted from the information provided.

We have inspected the exteriors and, where possible, the interiors of the propertised valued and the inspection was carried out by our Clement Leung, Forest Xu, Gary Lau, Ocean Ruan and Ben Lee from July 2013 to February 2014. However, we have not carried out site investigations to determine the suitability of ground conditions and services, etc. Our valuation is prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in

APPENDIX II

PROPERTY VALUATION REPORT

the course 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.

REMARKS

In preparing our valuation report, we have complied with the requirements contained within relevant provisions of Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards 2012 Edition published by the Hong Kong Institute of Surveyors.

CURRENCY

All sums stated in our valuation are in Renminbi.

Our summary of values and valuation report are attached.

Yours faithfully
For and on behalf of
Knight Frank Petty Limited
Clement W M Leung
MHKIS MRICS RPS (GP)
Executive Director
Head of China Valuation

Remarks: Clement W M Leung, MRICS, MHKIS, RPS (GP), has been a qualified valuer and has about 21 years' experience in the valuation of properties in Hong Kong, Macau and Asia Pacific Region and has 19 years' experience in the valuation of properties in the People's Republic of China.

APPENDIX II

PROPERTY VALUATION REPORT

SUMMARY OF VALUES

Group I — Investment properties held by Group in the PRC

		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
1	Commercial Podium and Car Parking Portions of Shunde New World Centre 148 Qinghui Road Daliang Shunde Guangdong Province The PRC	RMB530,000,000	42.2%	RMB223,660,000
2	Various Portions of Tianjin New World Plaza 138 Dongma Road Nankai District, Tianjin The PRC	RMB1,034,000,000	100%	RMB1,034,000,000
3	Basement Car Park of Tianjin New World Garden Rong Ye Da Jie He Ping District, Tianjin The PRC	RMB16,300,000	100%	RMB16,300,000
4	Office Portion of Wuhan New World International Trade Tower II 566 Jianshe Road Jianghan District, Wuhan Hubei Province The PRC	RMB123,900,000	100%	RMB123,900,000
5	Office Portion of Wuhan New World International Trade Tower I 568 Jianshe Road Jianghan District, Wuhan Hubei Province The PRC	RMB1,401,500,000	100%	RMB1,401,500,000
6	Car Parking Portion of Wuhan New World International Trade Tower I 562 Jianshe Road Jianghan District, Wuhan Hubei Province The PRC	RMB65,400,000	100%	RMB65,400,000

APPENDIX II

PROPERTY VALUATION REPORT

		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
Property				
7	Retail Portion of Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	RMB462,000,000	100%	RMB462,000,000
8	Retail Portion — Pedestrian Street Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	RMB110,000,000	100%	RMB110,000,000
9	Car Parking Portion of Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	RMB78,400,000	100%	RMB78,400,000
10	Office Portion of Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	RMB896,000,000	100%	RMB896,000,000
11	Office Unit C on Level 6 and Car Parking Portions of Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	RMB25,600,000	60%	RMB15,360,000
12	Ancillary Portion of Wuhan New World Centre — Regal Heights 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	RMB13,300,000	100%	RMB13,300,000

APPENDIX II

PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
13 Retail and Car Parking Portions of Wuhan K11 Gourmet Tower 628 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	RMB198,000,000	100%	RMB198,000,000
14 Commercial Podium and Car Parking Portions of Wuhan Xin Hua Garden Zone A of Phase I Jiangnan District, Wuhan Hubei Province The PRC	RMB176,000,000	60%	RMB105,600,000
15 Car Parking Portion of Wuhan Xin Hua Garden Phase II Jiangnan District, Wuhan Hubei Province The PRC	RMB35,620,000	60%	RMB21,372,000
16 Car Parking Portion of Wuhan Xin Hua Garden Zone B of Phase I Jiangnan District, Wuhan Hubei Province The PRC	RMB13,260,000	60%	RMB7,956,000
17 Car Parking Portion of Wuhan Xin Hua Garden Zone C of Phase I Jiangnan District, Wuhan Hubei Province The PRC	RMB18,460,000	60%	RMB11,076,000
18 Retail portion of Phase II Wuhan Changqing Garden Dongxihu Hankou District, Wuhan Hubei Province The PRC	RMB3,900,000	60%	RMB2,340,000
19 Car Parking Portion of Block 240 Wuhan Changqing Garden Dongxihu Hankou District, Wuhan Hubei Province The PRC	RMB6,300,000	60%	RMB3,780,000

APPENDIX II

PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
20 Commercial and Car Parking Portions of District 8 — West North Portion Wuhan Changqing Garden Dongxihu Hankou District, Wuhan Hubei Province The PRC	RMB266,000,000	60%	RMB159,600,000
21 Various Portions of Beijing New World Centre Phase I 3 Chongwenmenwai Street Dongcheng District, Beijing The PRC	RMB2,490,000,000	70%	RMB1,743,000,000
22 Various Portions of Beijing New World Centre Phase II 3 Chongwenmenwai Street Dongcheng District, Beijing The PRC	RMB1,187,000,000	70%	RMB830,900,000
23 Car Parking Portion of Beijing New World Garden Phase I 3 Chongwenmenwai Street Dongcheng District, Beijing The PRC	RMB40,500,000	70%	RMB28,350,000
24 Car Parking Portion of Beijing New World Garden Phase II Block Nos. 5 and 6 3 Chongwenmenwai Street Dongcheng District, Beijing The PRC	RMB103,000,000	70%	RMB72,100,000
25 Car Parking Portion of Xin Yang Commercial Building 1 Zhushikou Dongdajie Dongcheng District, Beijing The PRC	RMB19,100,000	70%	RMB13,370,000
26 Residential Car Parking Portion of Beijing Xin Kang Garden Phase III District 3, Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	RMB117,300,000	70%	RMB82,110,000

APPENDIX II

PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
27 Commercial Car Parking Portion of Beijing Xin Kang Garden Phase III District 3, Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	RMB22,300,000	70%	RMB15,610,000
28 The Ancillary Commercial Podium of Beijing Xin Kang Garden Phase III District 3, Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	RMB56,600,000	70%	RMB39,620,000
29 Portion of Commercial Annex Building of Beijing Xin Kang Garden Phase II District 3, Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	RMB9,500,000	70%	RMB6,650,000
30 Portion of Annex Building of Beijing Xin Kang Garden Phase III District 3, Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	RMB9,500,000	70%	RMB6,650,000
31 Car Parking Portion of Beijing New View Garden Phase I Block 10-12, Xihuashi Nanli Xiqu Dongcheng District, Beijing The PRC	RMB41,600,000	70%	RMB29,120,000
32 Car Parking Portion of Beijing New View Garden Phase III #7 Block 16, Xihuashi Nanli Dongqu Dongcheng District, Beijing The PRC	RMB26,500,000	70%	RMB18,550,000
33 Ancillary Commercial Portion of Beijing New View Garden Phase I Xihuashi Nanli Dongqu Dongcheng District, Beijing The PRC	RMB5,300,000	70%	RMB3,710,000

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PROPERTY VALUATION REPORT

		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
34	Car Parking Portion of Beijing Lianguang Road Block 2 Guangqumennei Dajie Dongcheng District, Beijing The PRC	RMB70,800,000	70%	RMB49,560,000
35	Car Parking Portion of Beijing Lianguang Road Block 3 and Block 4 Guangqumennei Dajie Dongcheng District, Beijing The PRC	RMB55,900,000	70%	RMB39,130,000
36	Commercial Portion of Beijing Lianguang Road Block 2 Guangqumennei Dajie Dongcheng District, Beijing The PRC	RMB31,100,000	70%	RMB21,770,000
37	Car Parking Portion of Beijing Xin Cheng Cultural Building 11 Chongwenmenwai Street Dongcheng District, Beijing The PRC	RMB47,800,000	70%	RMB33,460,000
38	Car Parking Portion of Zhengren Commercial Building 7 & 9 Chongwenmenwai Street Dongcheng District, Beijing The PRC	RMB88,300,000	70%	RMB61,810,000
39	Car Parking Portion of Beijing Xin Yi Garden Phase I and II Dongcheng District, Beijing The PRC	RMB120,000,000	70%	RMB84,000,000
40	Car Parking Portion of Beijing Xin Yi Garden Phase III and IV Dongcheng District, Beijing The PRC	RMB52,200,000	70%	RMB36,540,000
41	Car Parking Portion of Beijing Xin Yi Garden (Area A and B) Dongcheng District, Beijing The PRC	RMB41,000,000	70%	RMB28,700,000

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PROPERTY VALUATION REPORT

		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
42	Retail Portion of Langfang New World Centre located at the junction of Aimin East Road and Jianshe Road Langfang Hebei Province The PRC	RMB136,000,000	100%	RMB136,000,000
43	Car Parking Portion of Shenyang New World Garden Phases 1A and 1B Heping District, Shenyang Liaoning Province The PRC	RMB18,700,000	100%	RMB18,700,000
44	Car Parking Portion of Shenyang New World Garden Phase 1D Heping District, Shenyang Liaoning Province The PRC	RMB48,800,000	100%	RMB48,800,000
45	Retail, Kindergarten and Car Parking Portions of Shenyang New World Garden Phase 1E Heping District, Shenyang Liaoning Province The PRC	RMB102,000,000	100%	RMB102,000,000
46	Retail Portion and Kindergarten of Shenyang New World Garden Phase 2A Heping District, Shenyang Liaoning Province The PRC	RMB24,000,000	100%	RMB24,000,000
47	Car Parking Portion of Shenyang New World Garden Phase 2A Heping District, Shenyang Liaoning Province The PRC	RMB630,000,000	100%	RMB630,000,000
48	Car Parking Portion of Phase 2B of Shenyang New World Garden Heping District, Shenyang Liaoning Province The PRC	RMB568,000,000	100%	RMB568,000,000

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PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
49 Car Parking Portion of Shenyang New World Commercial Centre Phase I (previously known as Shenyang New World Hotel Extension Project) No. 2 Nanjing South Street Heping District, Shenyang Liaoning Province The PRC	RMB13,490,000	100%	RMB13,490,000
50 Shanghai Belvedere Service Apartment 833 Changning Road Changning District, Shanghai The PRC	RMB1,065,000,000	100%	RMB1,065,000,000
51 Commercial and Car Parking Portions of Shanghai Ramada Plaza 823 Changning Road Changning District, Shanghai The PRC	RMB672,000,000	100%	RMB672,000,000
52 Shanghai Hong Kong New World Tower 300 Huaihaizhong Road Huangpu District, Shanghai The PRC	RMB5,211,000,000	50%	RMB2,605,500,000
53 Ancillary Building No. 4 and Block Nos. 21, 22 and 33 of Jinan Sunshine Garden Daode Street Huaiyin District, Jinan Shandong Province The PRC	RMB50,300,000	100%	RMB50,300,000
54 Retail and Car Parking Portions of Dalian New World Plaza Phase II 200 Tianjin Street Zhongshan District, Dalian Liaoning Province The PRC	RMB606,000,000	88%	RMB533,280,000
55 Commercial and Car Parking Portions of Dalian New World Tower 41 Renmin Road Zhongshan District, Dalian Liaoning Province The PRC	RMB446,000,000	100%	RMB446,000,000

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PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
56 Retail Portion of Guangzhou Central Park-view Pearl River New Town, Guangzhou Guangdong Province The PRC	RMB419,000,000	90.5%	RMB379,195,000
57 Residential Portion of Guangzhou Central Park-view Pearl River New Town, Guangzhou Guangdong Province The PRC	RMB994,000,000	90.5%	RMB899,570,000
58 Car Parking Portion of Guangzhou Central Park-view L4 District Pearl River New Town, Guangzhou Guangdong Province The PRC	RMB174,000,000	90.5%	RMB157,470,000
59 Car Parking Portion of Guangzhou Central Park-view L8 District Pearl River New Town, Guangzhou Guangdong Province The PRC	RMB125,400,000	90.5%	RMB113,487,000
60 Car Parking Portion of Guangzhou Central Park-view L13 District Pearl River New Town, Guangzhou Guangdong Province The PRC	RMB184,200,000	90.5%	RMB166,701,000
61 Retail Portion of Guangzhou New World Oriental Garden Phase I Zhongshan Avenue Tianhe District, Guangzhou Guangdong Province The PRC	RMB247,000,000	100%	RMB247,000,000
62 Sales Centre of Guangzhou New World Oriental Garden Zhongshan Avenue Tianhe District, Guangzhou Guangdong Province The PRC	RMB35,100,000	100%	RMB35,100,000

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PROPERTY VALUATION REPORT

		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
63	Car Parking Portion of Guangzhou New World Oriental Garden Phases I, II and III Zhongshan Avenue Tianhe District, Guangzhou Guangdong Province The PRC	RMB278,900,000	100%	RMB278,900,000
64	Retail Portion and Ancillary Portions of Guangzhou New World Oriental Garden Phase II Zhongshan Avenue Tianhe District, Guangzhou Guangdong Province The PRC	RMB8,300,000	100%	RMB8,300,000
65	Kindergarten Portion of Guangzhou Xintang New World Garden Phase III 6 Huayuan East Road Xintang Town Zengcheng District, Guangzhou Guangdong Province The PRC	RMB8,500,000	62.5%	RMB5,312,500
66	Retail Portion of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District, Guangzhou Guangdong Province The PRC	RMB42,700,000	62.5%	RMB26,687,500
67	Car Park Portion of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District, Guangzhou Guangdong Province The PRC	RMB150,200,000	62.5%	RMB93,875,000

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PROPERTY VALUATION REPORT

	Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
68	Agricultural Market of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District, Guangzhou Guangdong Province The PRC	RMB10,400,000	62.5%	RMB6,500,000
69	Commercial Podium of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District, Guangzhou Guangdong Province The PRC	RMB33,700,000	62.5%	RMB21,062,500
70	Car Parking Portion of Guangzhou Dong Yi Garden Phase I Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	RMB4,000,000	100%	RMB4,000,000
71	Car Parking Portion of Guangzhou Dong Yi Garden Phase II Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	RMB9,800,000	100%	RMB9,800,000
72	Car Parking Portion of Guangzhou Dong Yi Garden Phase III Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	RMB45,800,000	100%	RMB45,800,000
73	Car Parking Portion of Guangzhou Dong Yi Garden Phase IV Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	RMB57,000,000	100%	RMB57,000,000

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		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
74	Commercial Podium of Guangzhou Dong Yi Garden Phase II Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	RMB75,300,000	100%	RMB75,300,000
75	Commercial Podium of Guangzhou Dong Yi Garden Phase IV Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	RMB10,700,000	100%	RMB10,700,000
76	Commercial Podium and Ancillary Facilities Portion of Phase 2A Guangzhou Park Paradise Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB15,900,000	100%	RMB15,900,000
77	Car Parking Portion of Phases 2B1/2/3 Guangzhou Park Paradise Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB23,700,000	100%	RMB23,700,000
78	Car Parking Portion of Phase 4 Zone B, C and D Guangzhou Park Paradise Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB197,600,000	100%	RMB197,600,000
79	Commercial Podium and Car Parking Portion of Phase 2C1-4 Guangzhou Park Paradise Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB86,400,000	100%	RMB86,400,000

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PROPERTY VALUATION REPORT

		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
80	Commercial and Car Parking Portions of Phase 2D1-3 and 2D2 Block Nos. 5 to 15 Guangzhou Park Paradise Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB75,600,000	100%	RMB75,600,000
81	Car Parking Portion of Phase 2D3 Guangzhou Park Paradise Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB78,500,000	100%	RMB78,500,000
82	Commercial and Car Parking Portions of Phase 2E1 and Block Nos. 18 to 29 of Phase 2E2 Guangzhou Park Paradise Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB152,400,000	100%	RMB152,400,000
83	Student Hostel Lingnan Middle School Guangzhou Park Paradise Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB44,000,000	100%	RMB44,000,000
84	Commercial, Ancillary Facilities and Car Parking Portions of Guangzhou Covent Garden Fangcun Avenue Liwan District, Guangzhou Guangdong Province The PRC	RMB181,900,000	100%	RMB181,900,000
85	Commercial and Car Parking Portions of Huizhou Changhuyuan Changhuling Dongping, Huizhou Guangdong Province The PRC	RMB89,400,000	62.5%	RMB55,875,000

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PROPERTY VALUATION REPORT

		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
86	Commercial Portion of District D & E Zhaoqing New World Garden Zhongtiaohong Lake West, Zhaoqing Guangdong Province The PRC	RMB56,300,000	100%	RMB56,300,000
87	Retail Portion of Nanjing New World Centre 88 Zhujiang Road Xuanwu District, Nanjing Jiangsu Province The PRC	RMB369,000,000	100%	RMB369,000,000
88	Car Parking Portion of Nanjing New World Centre 88 Zhujiang Road Xuanwu District, Nanjing Jiangsu Province The PRC	RMB18,600,000	100%	RMB18,600,000
89	Retail and Car Parking Portions of Changsha La Ville New World 139 Laodong East Road Yuhua District, Changsha Hunan Province The PRC	RMB97,760,000	47.5%	RMB46,436,000
90	Block A, B and C of West Commercial Buildings, Car Park, Retail and Kindergarten Portions of Guiyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	RMB332,000,000	50%	RMB166,000,000
91	Car Parking Portion of Chengdu New World Riverside Guang Fu Village Hua Yang Town Shuangliu County, Chengdu Sichuan Province The PRC	RMB145,000,000	30%	RMB43,500,000

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PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
92 Retail and Car Parking Portions of Anshan New World Garden Phases IA1 and IA2 Keji Road Gaoxin District, Anshan Liaoning Province The PRC	RMB171,000,000	100%	RMB171,000,000
93 Car Parking Portion of Phase III of Haikou New World Garden Xinbu Island Haikou Hainan Province The PRC	RMB34,100,000	100%	RMB34,100,000
Sub-total:	<u>RMB24,783,690,000</u>		<u>RMB19,565,895,500</u>

Group II — Investment properties held by the Group under development in the PRC

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
94 Portion of Block D of West Commercial Building Guiyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	RMB36,000,000	50%	RMB18,000,000
95 Commercial portion of Tianjin Xin Hui Hua Ting East of Rong Ye Da Street and South of Guan Gou Da Street Heping District, Tianjin The PRC	RMB241,000,000	100%	RMB241,000,000

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		Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
96	Dinning Building of Guangzhou Park Paradise Phase 5 Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB43,900,000	100%	RMB43,900,000
97	Car Parking Portion of Guangzhou Park Paradise Phase 5 Yongtai Cun Baiyun District, Guangzhou Guangdong Province The PRC	RMB16,200,000	100%	RMB16,200,000
98	Car Parking Portion of Guangzhou Park Paradise Phase 4A Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	RMB70,900,000	100%	RMB70,900,000
99	Car Parking Portion of Guangzhou Covent Garden Zone 1 Fangcun Avenue Liwan District, Guangzhou Guangdong Province The PRC	RMB151,500,000	100%	RMB151,500,000
100	Car Parking Portion of Shenzhen New World Yi Shan Garden Phase III Haishan Road Shatoujiao Yantian District, Shenzhen Guangdong Province The PRC	RMB134,700,000	100%	RMB134,700,000
101	Car Parking Portion of Shenzhen New World Signature Hill located at the east of Road No. 3 of Xi Cheng Xin An Jie Dao Baoan District, Shenzhen Guangdong Province The PRC	RMB20,600,000	100%	RMB20,600,000

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PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
102 Car Parking Portion of Shenyang New World Centre Heping District, Shenyang Liaoning Province The PRC	RMB295,000,000	100%	RMB295,000,000
103 K11 of Shenyang New World Centre Heping District, Shenyang Liaoning Province The PRC	RMB1,603,000,000	100%	RMB1,603,000,000
Sub-total:	<u>RMB2,612,800,000</u>		<u>RMB2,594,800,000</u>

Group III — Hotels held by Group in the PRC

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
104 New World Wuhan Hotel Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	RMB675,000,000	60%	RMB405,000,000
105 New World Dalian Hotel Dalian New World Tower 41 Renmin Road Zhongshan District, Dalian Liaoning Province The PRC	RMB881,000,000	100%	RMB881,000,000
106 New World Shanghai Hotel Shanghai Ramada Plaza 1555 Dingxi Road Changning District, Shanghai The PRC	RMB769,000,000	100%	RMB769,000,000
107 pentahotel Shanghai of Shanghai Ramada Plaza and Portion of Level 1 of Shanghai Jiuzhou Shopping Arcade 1525 Dingxi Road Changning District, Shanghai The PRC	RMB232,000,000	100%	RMB232,000,000

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Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
108 pentahotel Beijing 3-18 Chongwenmenwai Street Dongcheng District Beijing The PRC	RMB299,000,000	55%	RMB164,450,000
109 New World Beijing Hotel No. 8 Qinian Street Dongcheng District Beijing The PRC	RMB1,196,000,000	70%	RMB837,200,000
110 New World Shunde Hotel 150 Qinghui Road Dalian, Shunde Guangdong Province The PRC	RMB195,000,000	32.5%	RMB63,375,000
	Sub-total: RMB4,247,000,000		RMB3,352,025,000

Group IV — Completed properties held for sale, Properties held for/under development by the Group in the PRC

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
111 Chateau Regalia Beijing Hua Yuan San Jie Capital Airport Road Shunyi District Beijing The PRC	RMB32,000,000	100%	RMB32,000,000

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Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
112 Beijing Xin Yi Garden Dongcheng District Beijing The PRC	RMB109,000,000	70%	RMB76,300,000
113 Beijing New View Garden Xihuashi Nanli Xiqu & Dongqu Dongcheng District Beijing The PRC	RMB307,000,000	70%	RMB214,900,000
114 Beijing New View Commercial Centre No. 5 Chongwenmenwai Street Xinan Jiao Dongcheng District Beijing The PRC	RMB337,000,000	70%	RMB235,900,000
115 Beijing Xin Yu Commercial Centre Guangqumennei Dajie Dongcheng District Beijing The PRC	RMB1,930,000,000	70%	RMB1,351,000,000
116 Beijing Xin Yu Garden Guangqumennei Dajie Dongcheng District Beijing The PRC	RMB262,000,000	70%	RMB183,400,000
117 Beijing Zhengren Commercial Building 7-9 Chongwenmenwai Street Dongcheng District Beijing The PRC	RMB108,000,000	70%	RMB75,600,000
118 Various Portions of Beijing New World Centre Phase I 3 Chongwenmenwai Street Dongcheng District Beijing The PRC	RMB24,500,000	70%	RMB17,150,000
119 Beijing Taihua Apartment Beijing New World Centre Phase II 5 Chongwenmenwai Street Dongcheng District Beijing The PRC	RMB59,100,000	70%	RMB41,370,000

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	Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
120	Beijing Hua Mei Project Yuzhuang Village Gaoliying Town Shunyi District Beijing The PRC	RMB2,642,000,000	75%	RMB1,981,500,000
121	Tangshan New World Centre located at the east of Jianshe South Road and the south of Fenghuang Building Lunan District Tangshan Hebei Province The PRC	RMB1,064,000,000	100%	RMB1,064,000,000
122	Langfang New World Centre located at the junction of Aimin East Road and Jianshe Road Langfang Hebei Province The PRC	RMB1,517,000,000	100%	RMB1,517,000,000
123	Langfang New World Garden located at the south of Xinao Yishuda Road and the west of Yinhe Road Langfang Hebei Province The PRC	RMB742,000,000	100%	RMB742,000,000
124	Tianjin Xin Hui Hua Ting (previously known as Tianjin Nanshi Development) located at the east of Rong Ye Da Street and the south of Guan Gou Da Street Heping District Tianjin The PRC	RMB3,135,000,000	100%	RMB3,135,000,000
125	Tianjin Jin Mao Plaza located at the junction of Qingshanda Street and Fuanda Street Heping District Tianjin The PRC	RMB44,700,000	100%	RMB44,700,000

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	Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
126	Wuhan Tazi Lake Menghu Garden Jiangan District Wuhan Hubei Province The PRC	RMB549,000,000	100%	RMB549,000,000
127	Wuhan Changqing Garden and Wuhan Changqing Nanyuan Dongxihu Hankou District Wuhan Hubei Province The PRC	RMB4,345,000,000	60%	RMB2,607,000,000
128	Wuhan Guanggu New World located at the east of Guan Shan Da Dao and the south of Xiong Chu Da Dao Dong Hu Development Zone Wuhan Hubei Province The PRC	RMB1,296,000,000	100%	RMB1,296,000,000
129	The unsold portion of Wuhan New World Centre 332 Jiefang Avenue Hankou District Wuhan Hubei Province The PRC	RMB9,000,000	100%	RMB9,000,000
130	Wuhan New World Centre Phase III 308 Jiefang Avenue Hankou District Wuhan Hubei Province The PRC	RMB708,000,000	100%	RMB708,000,000
131	Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	RMB4,757,000,000	50%	RMB2,378,500,000

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Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
132 Changsha La Ville New World 139 Laodong East Road Yuhua District Changsha Hunan Province The PRC	RMB1,935,000,000	47.5%	RMB919,125,000
133 Guangzhou Dong Yi Garden Tianfu Road Tianhe District Guangzhou Guangdong Province The PRC	RMB296,000,000	100%	RMB296,000,000
134 Guangzhou New World Oriental Garden Zhongshan Avenue Tianhe District Guangzhou Guangdong Province The PRC	RMB251,000,000	100%	RMB251,000,000
135 Guangzhou Central Park-view Pearl River New Town Guangzhou Guangdong Province The PRC	RMB2,591,000,000	90.5%	RMB2,344,855,000
136 Guangzhou Covent Garden Fangcun Road West Liwan District Guangzhou Guangdong Province The PRC	RMB5,823,000,000	100%	RMB5,823,000,000
137 Guangzhou Concord New World Garden Tianhebei Road Tianhe District Guangzhou Guangdong Province The PRC	RMB5,000,000	40%	RMB2,000,000
138 Guangzhou Park Paradise Phase 2, 4 and remaining phases Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	RMB4,422,000,000	100%	RMB4,422,000,000

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Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
139 Guangzhou Xintang New World Garden Huayuan East Road Xintang Town Zengcheng District Guangzhou Guangdong Province The PRC	RMB485,000,000	62.5%	RMB303,125,000
140 Guangzhou Park Paradise Area 6 Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	RMB1,932,000,000	100%	RMB1,932,000,000
141 Shenzhen New World Signature Hill located at the east of Road No. 3 of Xi Cheng Xin An Jie Dao Baoan District Shenzhen Guangdong Province The PRC	RMB3,488,000,000	100%	RMB3,488,000,000
142 Shenzhen New World Yi Shan Garden Haishan Road Shatoujiao Yantian District Shenzhen Guangdong Province The PRC	RMB2,030,000,000	100%	RMB2,030,000,000
143 Zhaoqing New World Garden Zhongtiaohong Lake West Zhaoqing Guangdong Province The PRC	RMB708,000,000	100%	RMB708,000,000
144 Real Estate Portion of Canton First Estate No. 333 Golf Road Nanhai Gaoxin District, Foshan Guangdong Province The PRC	RMB4,393,000,000	84.8%	RMB3,725,264,000

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Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
145 Huizhou Changhuyuan Changhuling Dongping Huizhou Guangdong Province The PRC	RMB153,000,000	62.5%	RMB95,625,000
146 Huiyang Palm Island Resort (Real Estate Portion) No. 1 Tuhu Golf Road Danshui Town Huiyang, Huizhou Guangdong Province The PRC	RMB823,000,000	59%	RMB485,570,000
147 Huiyang Hu Xia Liao Development Hu Xia Liao Section Dan Shui Tuhu Huiyang, Huizhou Guangdong Province The PRC	RMB337,000,000	87.7%	RMB295,549,000
148 Car Park Portion of Shanghai Zhongshan Square 977 Hongqiao Road Changning District, Shanghai The PRC	RMB103,250,000	100%	RMB103,250,000
149 Units 204 and 301 at Hong Qiao Fu Di (previously known as Shanghai Zhongshan Square — Residential Units with Sunlight Issue) Changning District, Shanghai The PRC	RMB11,980,000	100%	RMB11,980,000
150 The remaining portion of Shenyang New World Garden Heping District Shenyang Liaoning Province The PRC	RMB5,813,000,000	100%	RMB5,813,000,000

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PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
151 Shenyang New World Commercial Centre (previously known as “Shenyang New World Hotel Extension Project”) No. 2 Nanjing Nan Street Heping District Shenyang Liaoning Province The PRC	RMB1,288,000,000	100%	RMB1,288,000,000
152 Shenyang New World Centre Heping District Shenyang Liaoning Province The PRC	RMB2,355,000,000	100%	RMB2,355,000,000
153 Dalian New World Plaza 200 Tianjin Street Zhongshan District Dalian Liaoning Province The PRC	RMB5,700,000	88%	RMB5,016,000
154 Dalian New World Tower 41 Renmin Road Zhongshan District Dalian Liaoning Province The PRC	RMB1,273,000,000	100%	RMB1,273,000,000
155 Unsold portion of Haikou New World Garden Xinbu Island Haikou Hainan Province The PRC	RMB4,200,000	100%	RMB4,200,000
156 Phases IA and IB of Haikou Meilisha Project Haidiandao Haikou Hainan Province The PRC	RMB3,406,000,000	100%	RMB3,406,000,000
157 Shunde New World Centre 148 Qinghui Road Daliang Shunde Guangdong Province The PRC	RMB246,000,000	42.2%	RMB103,812,000

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PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
158 Zhuhai Jin Hai New World Jinhaian Airport Road Sanzao Administration Zone Zhuhai Guangdong Province The PRC	RMB201,500,000	100%	RMB201,500,000
159 Chengdu New World Riverside Guang Fu Village Hua Yang Town Shuangliu County, Chengdu Sichuan Province The PRC	RMB3,037,000,000	30%	RMB911,100,000
160 Anshan New World Garden Keji Road and Qianhua Street Gaoxin District Anshan The PRC	RMB1,710,000,000	100%	RMB1,710,000,000
161 Jinan Sunshine Garden Daode Street, Huaiyin District Jinan Shandong Province The PRC	RMB2,006,000,000	100%	RMB2,006,000,000
162 Commercial and Car Parking Portions of Beijing Yanjing Building 3 Chongwenmenwai Street Dongcheng District, Beijing The PRC	RMB623,000,000	70%	RMB436,100,000
	Sub-total: RMB75,732,930,000		RMB65,008,391,000

APPENDIX II

PROPERTY VALUATION REPORT

Group V — Land and Buildings held by Group in the PRC

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
163 Canton First Estate (Golf Course Portion) No. 333 Golf Road Nanhai Gaoxin District, Foshan Guangdong Province The PRC	RMB201,000,000	84.8%	RMB170,448,000
164 Huiyang Palm Island Resort (Golf Course Portion) No. 1 Tuhu Golf Road Danshui Town Huiyang, Huizhou Guangdong Province The PRC	RMB175,000,000	48.8%	RMB85,400,000
165 Office Portion of Guangzhou Central Park-view Pearl River New Town, Guangzhou Guangdong Province The PRC	RMB85,000,000	90.5%	RMB76,925,000
166 Various Portions of Tianjin New World Plaza 138 Dongma Road Nankai District, Tianjin The PRC	RMB12,100,000	100%	RMB12,100,000
167 Office Portion of Wuhan New World International Trade Tower I 568 Jianshe Road Jianghan District, Wuhan Hubei Province The PRC	RMB56,800,000	100%	RMB56,800,000
168 Office Portion of Shanghai Hong Kong New World Tower 300 Huaihaizhong Road Huangpu District, Shanghai The PRC	RMB170,000,000	50%	RMB85,000,000

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PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
169 Portion of Block B of West Commercial Buildings Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	RMB14,000,000	50%	RMB7,000,000
170 Office Portion of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District, Guangzhou Guangdong Province The PRC	RMB10,000,000	62.5%	RMB6,250,000
171 Office Portion of Jinan Sunshine Garden Daode Street, Huaiyin District Jinan Shandong Province The PRC	RMB19,600,000	100%	RMB19,600,000
172 Portion of the Office and Car Park of Shenyang New World Garden Heping District Shenyang Liaoning Province The PRC	RMB137,000,000	100%	RMB137,000,000
173 Portion of the Retail Anshan New World Garden Keji Road and Qianhua Street Gaoxin District Anshan The PRC	RMB16,000,000	100%	RMB16,000,000
Sub-total:	<u>RMB896,500,000</u>		<u>RMB672,523,000</u>

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PROPERTY VALUATION REPORT

Group VI — Asset Under Construction held by Group in the PRC

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
174 Portion of Block D of West Commercial Buildings Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	RMB72,000,000	50%	RMB36,000,000
175 New World Guiyang Hotel Block G of West Commercial Buildings Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	RMB396,000,000	50%	RMB198,000,000
176 pentahotel Guiyang Block F of West Commercial Buildings Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	RMB89,000,000	50%	RMB44,500,000
177 Convention Centre Shenyang New World Centre Heping District Shenyang Liaoning Province The PRC	RMB646,000,000	100%	RMB646,000,000
178 New World Shenyang Hotel Shenyang New World Centre Heping District Shenyang Liaoning Province The PRC	RMB570,000,000	100%	RMB570,000,000

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PROPERTY VALUATION REPORT

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
179 pentahotel Shenyang Shenyang New World Centre Heping District Shenyang Liaoning Province The PRC	RMB209,000,000	100%	RMB209,000,000
	Sub-total: <u>RMB1,982,000,000</u>		<u>RMB1,703,500,000</u>

Group VII — Contracted properties held by the Group in the PRC

Property	Market value in existing state as at 28 February 2014	Interest attributable to the Group	Market value in existing state attributable to the Group as at 28 February 2014
180 Beijing Xin Yu Garden Guangqumennei Dajie Dongcheng District Beijing The PRC	RMB9,388,000,000	70%	RMB6,571,600,000
181 Remaining portion of Haikou Meilisha Project Haidiandao Haikou Hainan Province The PRC	RMB2,398,000,000	100%	RMB2,398,000,000
	Sub-total: <u>RMB11,786,000,000</u>		<u>RMB8,969,600,000</u>
	Grand-total: <u>RMB122,040,920,000</u>		<u>RMB101,866,734,500</u>

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PROPERTY VALUATION REPORT

VALUATION REPORT

Group I — Investment properties held by Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
1 Commercial Podium and Car Parking Portion of Shunde New World Centre 148 Qinghui Road Daliang Shunde Guangdong Province The PRC	<p>Shunde New World Centre (the “Development”) comprises a parcel of land with a site area of approximately 14,171.00 sq m. It has been developed into a commercial/residential composite complex in phases comprising five 32-storey residential/office composite blocks surmounting a five-level (including two basement levels) commercial/car parking podium.</p> <p>Phase I of the Development comprises a residential block and a commercial podium completed in 1998.</p> <p>The property comprises the commercial podium of Phase I with a total lettable area of approximately 24,831.62 sq m and 263 car parking spaces in the basement.</p> <p>The land use rights of the property have been granted for a term expiring in August 2066 for commercial use.</p>	<p>Portion of the retail portion with a total lettable area of approximately 18,038.65 sq m is subject to various tenancies and the majority of which is leased for a term of 2 years with the last tenancy expiring in December 2025, yielding a total monthly rental of about RMB3,201,796, exclusive of management fee.</p> <p>The remaining portion of the property is vacant.</p>	<p>RMB530,000,000 (42.2% interest attributable to the Group: RMB223,660,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 440681400015514 dated 16 May 2012, Foshan Shunde Shunxing Real Estate Company Limited, an associated company of the Company, was incorporated with a registered capital of US\$12,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Shun Fu Guo Yong (94) Zi Di 002580100117 dated 7 September 1994 issued by The People’s Government of Guangdong, the land use rights of the Development with a site area 14,171.00 sq m were granted to Foshan Shunde Shunxing Real Estate Company Limited for residential and commercial uses.

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- (3) Pursuant to 6 Realty Title Certificates issued by Foshan Real Estate Administration Bureau, the title to portion of the Development with a total gross floor area 48,516.82 sq m was vested in Foshan Shunde Shunxing Real Estate Company Limited for residential and commercial uses. Detail of the Realty Title Certificates are as follows:

Certificate No.	Site	Gross	Use	Address	Expiry Date
	Area	Floor			
	(sq m)	Area			
		(sq m)			
Yu Fang De Quan Zheng Fo Zi Di 0300008945	572.03	9,900.81	Residential, Commercial	Level 2, 148 Qinghui Road	1 September 2066
Yu Fang De Quan Zheng Fo Zi Di 0300008949	722.85	12,511.20	Residential, Commercial	Level 3, 148 Qinghui Road	1 September 2066
Yu Fang De Quan Zheng Fo Zi Di 0300008946	563.07	9,745.71	Residential, Commercial	Level 1, 148 Qinghui Road	1 September 2066
Yu Fang De Quan Zheng Fo Zi Di 0300008951	82.01	1,419.38	Residential, Commercial	Level 4, 148 Qinghui Road	31 August 2066
Yu Fang De Quan Zheng Fo Zi Di 0300008947	331.59	5,758.72	Residential, Commercial	Basement Level 2, 148 Qinghui Road	1 September 2066
Yu Fang De Quan Zheng Fo Zi Di 0300008948	528.65	9,181.00	Residential, Commercial	Basement Level 1, 148 Qinghui Road	1 September 2066

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Foshan Shunde Shunxing Real Estate Company Limited has legally obtained the land use rights and building ownership of the property. Foshan Shunde Shunxing Real Estate Company Limited is the sole owner of the property;
 - (ii) Foshan Shunde Shunxing Real Estate Company Limited is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014												
2 Various Portions of Tianjin New World Plaza 138 Dongma Road Nankai District, Tianjin The PRC	<p>Tianjin New World Plaza is a commercial development comprising a 6-level retail podium with a 2-storey storage house erected thereon, a 1-level retail basement, and an 8-level office tower with a 4-storey car park completed in 1997.</p> <p>The property comprises a portion of the shopping mall, the office tower and the car park in Tianjin New World Plaza. Approximate gross floor areas of the property are as follows:</p> <table border="0"> <tr> <td></td> <td style="text-align: right;">Gross Floor Area</td> <td></td> </tr> <tr> <td>Retail</td> <td style="text-align: right;">92,584.55</td> <td></td> </tr> <tr> <td>Office</td> <td style="text-align: right;"><u>10,427.64</u></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>103,012.19</u></td> <td></td> </tr> </table> <p>The property also comprises 192 car parking spaces.</p> <p>The land use rights of the property have been granted for a term expiring on 20 July 2045 for non-residential use.</p>		Gross Floor Area		Retail	92,584.55		Office	<u>10,427.64</u>			<u>103,012.19</u>		<p>Portion of the retail portion with a total lettable area of approximately 70,696.54 sq m is subject to various tenancies with the last tenancy expiring in December 2028, yielding a total monthly rental of approximately RMB3,053,703, exclusive of management fees.</p> <p>Portion of the office portion with a total lettable area of approximately 6,778.64 sq m is subject to various tenancies and the majority of which is leased for a term of 2 years with the last tenancy expiring in June 2017, yielding a total monthly rental of approximately RMB507,945, exclusive of management fees.</p> <p>The remaining portion of the property is vacant.</p>	<p>RMB1,034,000,000 (100% interest attributable to the Group: RMB1,034,000,000)</p>
	Gross Floor Area														
Retail	92,584.55														
Office	<u>10,427.64</u>														
	<u>103,012.19</u>														

Notes:

- (1) Pursuant to the Business Licence No. 120000400082184 dated 11 August 2010, New World Anderson Development Company Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$5,500,000.
- (2) Pursuant to the Business Licence No. 120000400022973 dated 19 September 2008, Tianjin Xin Guang Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$4,500,000.

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- (3) Pursuant to 19 Realty Title Certificates issued by Tianjin Land Resources and Housing Administration Bureau, the title to portion of the development with a total gross floor area of 58,933.68 sq m was vested in New World Anderson Development Company Limited. Details of the Realty Title Certificates are as follows:

Certificate No.	Site	Gross	Use	Address	Date of	
	Area (sq m)	Floor Area (sq m)			Issuance	Expiry Date
Fang Di Zheng Jin Zi Di 104030759598	165.90	836.20	Non-residential	Office — 201 to 203	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759599	636.50	3,207.92	Non-residential	Car park — 301	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759597	281.30	1,418.03	Non-residential	Office — 601	N/A	—
Fang Di Zheng Jin Zi Di 104030759594	636.90	3,209.97	Non-residential	Bowling — 501	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759585	543.80	2,740.97	Non-residential	Level 5 — 09 to 12	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759586	685.70	3,455.90	Non-residential	Car park — 201	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759587	181.10	912.82	Non-residential	Mall — 7-01	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759588	1,686.10	8,498.50	Non-residential	Level 6 — 01 to 03	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759590	634.80	3,199.74	Non-residential	Mezzanine — 01	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759591	279.20	1,407.33	Non-residential	Office Mezzanine — 01	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759584	1,795.00	9,047.23	Non-residential	Basement 1 — 02 to 09	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759600	281.80	1,420.12	Non-residential	Car park — 402	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030760241	1,841.70	9,282.78	Non-residential	Level 5 — 01 to 08	N/A	—
Fang Di Zheng Jin Zi Di 104030759601	303.50	1,529.61	Non-residential	Office — 101 to 103	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759583	279.90	1,410.82	Non-residential	Office — 401	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759596	796.50	4,014.53	Non-residential	Basement 1 — 10 to 14	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759593	280.10	1,411.87	Non-residential	Office — 501	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759592	101.40	511.31	Non-residential	Level 8 — 01	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759595	281.30	1,418.03	Non-residential	Office — 701	N/A	20 July 2045

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- (4) Pursuant to 7 Realty Title Certificates issued by Tianjin Land Resources and Housing Administration Bureau, the title to portion of the development with a total gross floor area of 42,221.34 sq m was vested in Tianjin Xin Guang Development Co., Ltd.. Details of the Realty Title Certificates are as follows:

Certificate No.	Site Area (sq m)	Gross Floor Area (sq m)	Use	Address	Date of Issuance	Expiry Date
Fang Di Zheng Jin Zi Di 104030759602	308.20	1,553.46	Non-residential	Level 1 — 10, 53B	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759603	1,921.50	9,685.15	Non-residential	Level 2 — 02 to 08, 62	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759608	1,616.80	8,149.35	Non-residential	Level 1 — 02 to 09	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759605	1,250.00	6,300.18	Non-residential	Level 3 — 07 to 10	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759604	689.60	3,475.96	Non-residential	Level 3 — 02 to 06	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759606	2,235.90	11,269.68	Non-residential	Level 4 — 02 to 09	N/A	20 July 2045
Fang Di Zheng Jin Zi Di 104030759607	354.70	1,787.56	Non-residential	Food Court — 401	N/A	20 July 2045

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Anderson Development Company Limited and Tianjin Xin Guang Development Co., Ltd. have legally obtained the land use rights and building ownership of the respective portion the property and are the sole owner of the property;
 - (ii) New World Anderson Development Company Limited and Tianjin Xin Guang Development Co., Ltd. are entitled to transfer, lease, mortgage or in other ways dispose of the respective portion the property; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014	
3	Basement Car Park of Tianjin New World Garden Rong Ye Da Jie He Heping District, Tianjin The PRC	Tianjin New World Garden (the "Development") is a massive residential and commercial development with a total site area of 46,469.00 sq m. The property comprises the basement car park of the Development with a gross floor area of approximately 7,394.58 sq m completed in 2004. The land use rights of the property have been allocated for residential/commercial uses.	The property is subject to a tenancy leased for a term of 2 years commencing from 1 March 2012 to 28 February 2014 yielding a monthly rental of RMB10,000. The lease term has been extended to 31 May 2014 yielding a monthly rental of RMB12,000, exclusive of management fees.	RMB16,300,000 (100% interest attributable to the Group: RMB16,300,000)

Notes:

- (1) Pursuant to the Business Licence No. 120000400080259 dated 9 August 2010, Tianjin New World Housing Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB80,000,000.
- (2) Pursuant to the Building Ownership Certificates No. Fang Quan Zheng Jin Fang Zi Di 00013772 issued by Tianjin Land Resources and Housing Administration Bureau dated 14 September 2006, the building ownership of the property with a gross floor area of 7,394.58 sq m was vested in Tianjin New World Housing Development Co., Ltd..
- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Tianjin New World Housing Development Co., Ltd. has legally obtained the building ownership of the property;
 - (ii) after obtaining the permit from the government, Tianjin New World Housing Development Co., Ltd. is entitled to transfer or mortgage the property;
 - (iii) Tianjin New World Housing Development Co., Ltd. is entitled to lease the property. However, Tianjin New World Housing Development Co., Ltd. has to reimburse portion of the rental pertaining to the allocated land use rights to the government; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
4 Office Portion of Wuhan New World International Trade Tower II 566 Jianshe Road Jiangnan District, Wuhan Hubei Province The PRC	Wuhan New World International Trade Tower II is a 10-storey commercial building (excluding basement level) completed in 1994. The property comprises the office portion of Wuhan New World International Trade Tower II with a gross floor area of approximately 10,004.79 sq m. The land use rights of the property have been granted for a term expiring on 6 November 2042 for commercial services uses.	Portion of the property with a total gross floor area of approximately 7,291.24 sq m is subject to various tenancies and the majority of which is leased for a term of 2 years with the last tenancy expiring in December 2014, yielding a total monthly rental of RMB664,864, exclusive of management fees. The remaining portion of the property is currently vacant.	RMB123,900,000 (100% interest attributable to the Group: RMB123,900,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009874 dated 11 June 2008, Wuhan New Eagle Enterprises Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$2,830,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Wu Guo Yong (2006) Zi Di 804 issued by The People's Government of Wuhan dated 11 October 2006, the land use rights of the Development with a site area of 1,769.69 sq m were granted to Wuhan New Eagle Enterprises Co., Ltd. for a land use rights term expiring on 6 November 2042 for commercial services use.
- (3) Pursuant to 6 Building Ownership Certificates issued by Wuhan Housing Administration Bureau, the building ownership of the property with a gross floor area of 10,004.79 sq m was vested in Wuhan New Eagle Enterprises Co., Ltd.. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor		Use	Date of Issuance
	Area (sq m)	Portion		
Wu Fang Quan Zheng Shi Zi Di 2006014776	18.64	Unit 1, Basement 1	Other	8 November 2006
Wu Fang Quan Zheng Shi Zi Di 2006014771	1,997.23	Unit 601	Office	8 November 2006
Wu Fang Quan Zheng Shi Zi Di 2006014772	1,997.23	Unit 701	Office	8 November 2006
Wu Fang Quan Zheng Shi Zi Di 2006014773	1,997.23	Unit 801	Office	8 November 2006
Wu Fang Quan Zheng Shi Zi Di 2006014774	1,997.23	Unit 901	Office	8 November 2006
Wu Fang Quan Zheng Shi Zi Di 2006014775	1,997.23	Unit 1001	Office	8 November 2006

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Wuhan New Eagle Enterprises Co., Ltd. has legally obtained the land use rights and the building ownership of the property and is the sole owner of such portion of the property;
 - (ii) the land use rights and portion of the building with a total gross floor area of 9,986.15 sq m of the property are subject to mortgages;
 - (iii) Wuhan New Eagle Enterprises Co., Ltd. has to obtain the mortgagee's prior written consent before transferring the mortgaged portion of the property; and
 - (iv) Wuhan New Eagle Enterprises Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of portion of the property with a gross floor area of 18.64 sq m.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
5 Office Portion of Wuhan New World International Trade Tower I 568 Jianshe Road Jiangnan District, Wuhan Hubei Province The PRC	<p>Wuhan New World International Trade Tower I is a 57-storey office building (including 3 refuge floors on 27th, 51st, 53rd floors) surmounting a 6-level retail podium plus a 2-level basement for retail and car parking purposes. The whole development is constructed upon a roughly rectangular-shaped site with an area of approximately 31,403.00 sq m completed in 2006.</p> <p>The property comprises the office portion of Wuhan New World International Trade Tower I with a total gross floor area of approximately 100,313.57 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 6 November 2042 for other commercial services uses.</p>	<p>Portion of the property with a total gross floor area of approximately 81,667.10 sq m is subject to various tenancies and the majority of which is leased for a term of 2 years with the last tenancy expiring in July 2016, yielding a total monthly rental of about RMB7,702,350, exclusive of management fees.</p> <p>The remaining portion of the property is currently owner occupied or vacant.</p>	<p>RMB1,401,500,000 (100% interest attributable to the Group: RMB1,401,500,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to 45 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the title to the land use rights of the property with a total site area of 2,960.31 sq m were granted to New World Development (Wuhan) Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Address	Site Area (sq m)	Use	Date of	
				Issuance	Expiry Date
Jiang Guo Yong (Shang 2005) Di 103226	Level 52	74.31	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103227	Level 55	6.87	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103228	Level 54	5.74	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103229	Level 50	72.35	Other commercial services	6 September 2005	6 November 2042

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Certificate No.	Address	Site Area (sq m)	Use	Date of Issuance	Expiry Date
Jiang Guo Yong (Shang 2005) Di 103230	Level 49	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103231	Level 48	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103232	Level 47	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103233	Level 46	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103234	Level 45	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103235	Level 44	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103236	Level 43	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103237	Level 42	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103238	Level 41	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103239	Level 40	72.35	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103240	Level 39	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103241	Level 38	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103242	Level 37	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103243	Level 36	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103244	Level 35	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103245	Level 34	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103246	Level 33	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103247	Level 32	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103248	Level 31	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103249	Level 30	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103250	Level 29	69.14	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103251	Level 28	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103252	Level 26	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103253	Level 25	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103254	Level 24	65.85	Other commercial services	6 September 2005	6 November 2042

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Certificate No.	Address	Site Area (sq m)	Use	Date of Issuance	Expiry Date
Jiang Guo Yong (Shang 2005) Di 103255	Level 23	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103256	Level 22	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103257	Level 21	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103258	Level 20	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103259	Level 19	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103260	Level 18	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103261	Level 17	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103262	Level 16	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103263	Level 15	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103264	Level 14	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103265	Level 13	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103266	Level 12	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103267	Level 11	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103268	Level 10	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103269	Level 9	65.85	Other commercial services	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103270	Level 8	65.85	Other commercial services	6 September 2005	6 November 2042

- (3) Pursuant to 45 Building Ownership Certificates issued by Wuhan Housing Administration Bureau, the building ownership to portion of the development with a gross floor area of 104,555.89 sq m was vested in New World Development (Wuhan) Co., Ltd. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 200520479	2,325.78	Office	Level 8	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520480	2,325.78	Office	Level 9	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520481	2,325.78	Office	Level 10	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520482	2,325.78	Office	Level 11	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520483	2,325.78	Office	Level 12	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520484	2,325.78	Office	Level 13	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520485	2,325.78	Office	Level 14	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520486	2,325.78	Office	Level 15	9 August 2005

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 200520487	2,325.78	Office	Level 16	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520488	2,325.78	Office	Level 17	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520489	2,325.78	Office	Level 18	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520490	2,325.78	Office	Level 19	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520491	2,325.78	Office	Level 20	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520492	2,325.78	Office	Level 21	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520493	2,325.78	Office	Level 22	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520494	2,325.78	Office	Level 23	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520495	2,325.78	Office	Level 24	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520496	2,325.78	Office	Level 25	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520477	2,325.78	Office	Level 26	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520497	2,325.78	Office	Level 28	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520498	2,442.08	Office	Level 29	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520499	2,442.08	Office	Level 30	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520500	2,442.08	Office	Level 31	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520501	2,442.08	Office	Level 32	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520502	2,442.08	Office	Level 33	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520503	2,442.08	Office	Level 34	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520504	2,442.08	Office	Level 35	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520505	2,442.08	Office	Level 36	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520506	2,442.08	Office	Level 37	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520507	2,442.08	Office	Level 38	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520508	2,442.08	Office	Level 39	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520509	2,555.22	Office	Level 40	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520510	2,555.22	Office	Level 41	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520511	2,555.22	Office	Level 42	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520512	2,555.22	Office	Level 43	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520513	2,555.22	Office	Level 44	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520514	2,555.22	Office	Level 45	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520515	2,555.22	Office	Level 46	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520516	2,555.22	Office	Level 47	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520517	2,555.22	Office	Level 48	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520518	2,555.22	Office	Level 49	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520519	2,555.22	Office	Level 50	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520520	2,624.72	Office	Level 52	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520521	202.75	Office	Level 54	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520478	242.52	Office	Level 55	9 August 2005

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights and building ownership of the property and is the sole owner of the property;
 - (ii) the property is subject to mortgages; and
 - (iii) New World Development (Wuhan) Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
6 Car Parking Portion of Wuhan New World International Trade Tower I 562 Jianshe Road Jiangnan District, Wuhan Hubei Province The PRC	Wuhan New World International Trade Tower I is a 57-storey office building (including 3 refuge floors on 27th, 51st, 53rd floors) surmounting a 6-level retail podium plus a 2-level basement for retail and car parking purposes. The whole development is constructed upon a roughly rectangular-shaped site with an area of approximately 31,403.00 sq m completed in 2006. The property comprises 409 car parking spaces with a gross floor area of approximately 17,271.51 sq m of the development. The land use rights of the property have been granted for a term expiring on 9 January 2044 for residential or mixed residential uses.	The property is currently vacant.	RMB65,400,000 (100% interest attributable to the Group: RMB65,400,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to 9 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the title to the land use rights of the property with a total site area of 718.42 sq m was granted to New World Development (Wuhan) Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Address	Site Area (sq m)	Land Use	Date of Issuance	Expiry Date
Jiang Guo Yong (Jiao 2012) Di 06702	Unit 14, Level 5	1.60	Residential	30 August 2012	9 January 2044
Jiang Guo Yong (Shang 2004) Di 89176	Car Parking No. 53, Level 1	1.43	Mixed residential	23 December 2004	9 January 2044
Jiang Guo Yong (Shang 2004) Di 89177	Car Parking No. 47, Level 6	56.03	Mixed residential	23 December 2004	9 January 2044
Jiang Guo Yong (Shang 2004) Di 89178	Car Parking Nos. 1-52, Level 1	92.36	Mixed residential	23 December 2004	9 January 2044
Jiang Guo Yong (Shang 2004) Di 89180	Car Parking Nos. 1-46, Level 6	72.45	Mixed residential	23 December 2004	9 January 2044

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Certificate No.	Address	Site Area (sq m)	Land Use	Date of Issuance	Expiry Date
Jiang Guo Yong (Shang 2004) Di 89181	Car Parking Nos. 1-3, 5-13, 16-55, 57-74, Level 5	118.95	Mixed residential	23 December 2004	9 January 2044
Jiang Guo Yong (Shang 2004) Di 89182	Car Parking Nos. 1-74, Level 4	125.20	Mixed residential	23 December 2004	9 January 2044
Jiang Guo Yong (Shang 2004) Di 89183	Car Parking Nos. 1-74, Level 3	125.20	Mixed residential	23 December 2004	9 January 2044
Jiang Guo Yong (Shang 2004) Di 89184	Car Parking Nos. 1-74, Level 2	125.20	Mixed residential	23 December 2004	9 January 2044

- (3) Pursuant to 9 Building Ownership Certificates issued by Wuhan Housing Administration Bureau, the building ownership to portion of the development with a total gross floor area of 17,275.67 was vested in New World Development (Wuhan) Co., Ltd.. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 2012018821	38.48	Others	Unit 14, Level 5	28 August 2012
Wu Fang Quan Zheng Shi Zi Di 200423761	2,220.86	Others	Car Parking Nos. 1-52, Level 1	1 December 2004
Wu Fang Quan Zheng Shi Zi Di 200423770	34.32	Others	Car Parking No. 53, Level 1	1 December 2004
Wu Fang Quan Zheng Shi Zi Di 200423772	3,010.69	Others	Car Parking Nos. 1-74, Level 2	1 December 2004
Wu Fang Quan Zheng Shi Zi Di 200423731	3,010.69	Others	Car Parking Nos. 1-74, Level 3	1 December 2004
Wu Fang Quan Zheng Shi Zi Di 200423774	3,010.69	Others	Car Parking Nos. 1-74, Level 4	1 December 2004
Wu Fang Quan Zheng Shi Zi Di 200423776	2,860.30	Others	Car Parking Nos. 1-3, 5-13, 16-55, 57-74, Level 5	1 December 2004
Wu Fang Quan Zheng Shi Zi Di 200423789	1,742.33	Others	Car Parking Nos. 1-46, Level 6	1 December 2004
Wu Fang Quan Zheng Shi Zi Di 200423792	1,347.31	Others	Car Parking No. 47, Level 6	1 December 2004

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights and building ownership of the property and is the sole owner of the property;
- (ii) New World Development (Wuhan) Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
- (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
7 Retail Portion of Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan New World Centre is a composite development erected upon two irregular-shaped sites with a total site area of approximately 37,234.76 sq m completed in 2007.</p> <p>The property comprises retail portion of the development with a total gross floor area of approximately 39,599.69 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 18 July 2041 for commercial use.</p>	<p>The property is subject to a tenancy for a term of 20 years commencing from December 2006 at monthly rental of RMB2,120,003 for the period from lease commencement date to November 2011, RMB2,544,004 for December 2011 to November 2016, RMB3,052,804 for December 2016 to November 2021 and RMB3,663,365 for December 2021 to November 2026, exclusive of management fee.</p>	<p>RMB462,000,000 (100% interest attributable to the Group: RMB462,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to 5 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of portion of the Development with a total site area of 3,007.01 sq m was vested in New World Development (Wuhan) Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (Shi Shang 2009) Di 00315	16 January 2009	Commercial	537.77	18 July 2041
		Residential		18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00316	16 January 2009	Commercial	476.37	18 July 2041
		Residential		18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00317	16 January 2009	Commercial	638.52	18 July 2041
		Residential		18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00318	16 January 2009	Commercial	707.52	18 July 2041
		Residential		18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00319	16 January 2009	Commercial	646.83	18 July 2041
		Residential		18 July 2071

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- (3) Pursuant to 5 Building Ownership Certificates issued by Wuhan Housing Administration Bureau, the building ownership to portion of the development with a gross floor area of 39,599.69 sq m was vested in New World Development (Wuhan) Co., Ltd.. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor		Address	Date of Issuance
	Area (sq m)	Use		
Wu Fang Quan Zheng Shi Zi Di 2008025159	7,082.00	N/A	Unit 1, Level 1	26 December 2008
Wu Fang Quan Zheng Shi Zi Di 2008025160	6,273.43	N/A	Unit 1, Level 2	26 December 2008
Wu Fang Quan Zheng Shi Zi Di 2008025161	8,408.76	N/A	Unit 1, Level 3	26 December 2008
Wu Fang Quan Zheng Shi Zi Di 2008025162	9,317.37	N/A	Unit 1, Level 4	26 December 2008
Wu Fang Quan Zheng Shi Zi Di 2008025163	8,518.13	N/A	Unit 1, Level 5	26 December 2008

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights and building ownership of the property and is the sole owner of the property;
 - (ii) the property is subject to mortgages; and
 - (iii) New World Development (Wuhan) Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the property.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
8	Retail Portion — Pedestrian Street Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan New World Centre is a composite development erected upon two irregular-shaped sites with a total site area of approximately 37,234.76 sq m completed in 2007.</p> <p>The property comprises the retail portion located at the pedestrian street of the development with a total gross floor area of approximately 3,392.21 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 18 July 2041 for commercial use.</p>	<p>Portion of the property with a total gross floor area of approximately 3,204.42 sq m is subject to a tenancy for a term of 20 years at monthly rental of RMB389,860 for the period up to November 2012, RMB467,832 for December 2012 to November 2015, RMB561,398 for December 2015 to November 2018, RMB673,807 for December 2018 to November 2021, RMB808,309 for December 2021 to November 2024, RMB970,101 for December 2024 to November 2026, exclusive of management fee.</p> <p>The remaining portion of the property with a total gross floor area of approximately 187.79 sq m is subject to a tenancy for a term of 2 years commencing from 1 May 2013 to 30 April 2015, yielding for a monthly rental of RMB40,389, exclusive of management fees.</p>	<p>RMB110,000,000 (100% interest attributable to the Group: RMB110,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.

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- (2) Pursuant to 5 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of portion of the Development with a total site area of 160.00 sq m were granted to New World Development (Wuhan) Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (Shi Shang 2009) Di 6093	11 September 2009	Commercial	27.88	18 July 2041
		Residential		18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6095	11 September 2009	Commercial	50.62	18 July 2041
		Residential		18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6096	11 September 2009	Commercial	18.21	18 July 2041
		Residential		18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6097	11 September 2009	Commercial	21.25	18 July 2041
		Residential		18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6098	11 September 2009	Commercial	42.04	18 July 2041
		Residential		18 July 2071

- (3) Pursuant to 5 Building Ownership Certificates issued by Wuhan Housing Administration Bureau, the building ownership of portion of the development with a gross floor area of 2,609.30 sq m was vested in New World Development (Wuhan) Co., Ltd.. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor		Address	Date of Issuance
	Area (sq m)	Use		
Wu Fang Quan Zheng Shi Zi Di 200919048	454.71	N/A	Unit 1, Level 1	20 August 2009
Wu Fang Quan Zheng Shi Zi Di 200919049	825.53	N/A	Unit 2, Level 1	20 August 2009
Wu Fang Quan Zheng Shi Zi Di 200919050	296.90	N/A	Unit 3, Level 1	20 August 2009
Wu Fang Quan Zheng Shi Zi Di 200919051	346.58	N/A	Unit 4, Level 1	20 August 2009
Wu Fang Quan Zheng Shi Zi Di 200919052	685.58	N/A	Unit 5, Level 1	20 August 2009

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights and building ownership of the property and is the sole owner of the property;
 - (ii) New World Development (Wuhan) Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
9 Car Parking Portion of Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	Wuhan New World Centre is a composite development erected upon two irregular-shaped sites with a total site area of approximately 37,234.76 sq m completed in 2007. The property comprises 448 car parking spaces in the car park basement of the development. The land use rights of the property have been granted for a term expiring on 18 July 2041 for commercial use.	The property is currently vacant.	RMB78,400,000 (100% interest attributable to the Group: RMB78,400,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to 55 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of the Development with a total site area of 7,878.44 sq m were granted to New World Development (Wuhan) Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qiao Guo Yong (2010) Di 436	20 January 2010	Residential	42.49	18 July 2041
Wu Guo Yong (Shi Shang 2009) Di 00340	16 January 2009	Commercial Residential	9.60	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00341	16 January 2009	Commercial Residential	73.70	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00342	16 January 2009	Commercial Residential	88.92	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00343	16 January 2009	Commercial Residential	88.93	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00344	16 January 2009	Commercial Residential	88.92	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00345	16 January 2009	Commercial Residential	117.20	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00346	16 January 2009	Commercial Residential	154.82	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00347	16 January 2009	Commercial Residential	152.52	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00348	16 January 2009	Commercial Residential	152.79	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00349	16 January 2009	Commercial Residential	146.51	18 July 2041 18 July 2071

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (Shi Shang 2009) Di 00350	16 January 2009	Commercial Residential	152.52	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00351	16 January 2009	Commercial Residential	149.38	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00352	16 January 2009	Commercial Residential	149.37	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00353	16 January 2009	Commercial Residential	148.97	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00354	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00355	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00356	16 January 2009	Commercial Residential	148.96	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00357	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00358	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00359	16 January 2009	Commercial Residential	148.96	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00360	16 January 2009	Commercial Residential	148.59	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00361	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00362	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00363	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00364	16 January 2009	Commercial Residential	125.48	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00315	16 January 2009	Commercial Residential	537.77	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00316	16 January 2009	Commercial Residential	476.37	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00317	16 January 2009	Commercial Residential	638.52	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00318	16 January 2009	Commercial Residential	707.52	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00319	16 January 2009	Commercial Residential	646.83	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00321	16 January 2009	Commercial Residential	110.38	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00322	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00323	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00324	16 January 2009	Commercial Residential	87.13	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00325	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (Shi Shang 2009) Di 00326	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00327	16 January 2009	Commercial Residential	87.14	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00328	16 January 2009	Commercial Residential	87.14	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00329	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00330	16 January 2009	Commercial Residential	87.13	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00331	16 January 2009	Commercial Residential	87.14	19 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00332	16 January 2009	Commercial Residential	87.11	20 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00333	16 January 2009	Commercial Residential	85.73	21 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00334	16 January 2009	Commercial Residential	85.71	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00335	16 January 2009	Commercial Residential	15.60	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00336	16 January 2009	Commercial Residential	88.58	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00337	16 January 2009	Commercial Residential	15.73	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00338	16 January 2009	Commercial Residential	15.74	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00339	16 January 2009	Commercial Residential	4.32	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6093	11 September 2009	Commercial Residential	27.88	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6095	11 September 2009	Commercial Residential	50.62	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6096	11 September 2009	Commercial Residential	18.21	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6097	11 September 2009	Commercial Residential	21.25	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6098	11 September 2009	Commercial Residential	42.04	18 July 2041 18 July 2071

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- (3) Pursuant to two Construction Works Completion Certificates issued by Wuhan Urban-Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
23-07-0182	26 September 2007	Wuhan New World Centre (residential portion)	97,143
23-08-0015	4 March 2008	Wuhan New World Centre	182,402

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the property;
 - (ii) New World Development (Wuhan) Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) New World Development (Wuhan) Co., Ltd. has obtained the Construction Works Completion Certificates of the buildings of the property. There will be no legal obstacle for New World Development (Wuhan) Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
10 Office Portion of Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan New World Centre is a composite development erected upon two irregular-shaped sites with a total site area of approximately 37,234.76 sq m completed in 2007.</p> <p>The property comprises the 25-storey office portion (except office unit C on level 6 of Wuhan New World Centre) with a total gross floor area of approximately 62,151.36 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 18 July 2041 for commercial use.</p>	<p>Portion of the property with a total gross floor area of approximately 51,558.38 sq m is subject to various tenancies and the majority is leased for a term of 2 years with the last tenancy expiring in February 2017, yielding a total monthly rental of RMB5,037,649, exclusive of management fee.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB896,000,000 (100% interest attributable to the Group: RMB896,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to 45 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of the property with a total site area of 4,711.43 sq m were granted to New World Development (Wuhan) Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qiao Guo Yong (2010) Di 436	20 January 2010	Residential	42.49	18 July 2041
Wu Guo Yong (Shi Shang 2009) Di 00340	16 January 2009	Commercial Residential	9.60	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00341	16 January 2009	Commercial Residential	73.70	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00342	16 January 2009	Commercial Residential	88.92	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00343	16 January 2009	Commercial Residential	88.93	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00344	16 January 2009	Commercial Residential	88.92	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00345	16 January 2009	Commercial Residential	117.20	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00346	16 January 2009	Commercial Residential	154.82	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00347	16 January 2009	Commercial Residential	152.52	18 July 2041 18 July 2071

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (Shi Shang 2009) Di 00348	16 January 2009	Commercial Residential	152.79	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00349	16 January 2009	Commercial Residential	146.51	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00350	16 January 2009	Commercial Residential	152.52	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00351	16 January 2009	Commercial Residential	149.38	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00352	16 January 2009	Commercial Residential	149.37	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00353	16 January 2009	Commercial Residential	148.97	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00354	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00355	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00356	16 January 2009	Commercial Residential	148.96	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00357	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00358	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00359	16 January 2009	Commercial Residential	148.96	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00360	16 January 2009	Commercial Residential	148.59	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00361	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00362	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00363	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00364	16 January 2009	Commercial Residential	125.48	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00321	16 January 2009	Commercial Residential	110.38	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00322	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00323	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00324	16 January 2009	Commercial Residential	87.13	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00325	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00326	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00327	16 January 2009	Commercial Residential	87.14	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00328	16 January 2009	Commercial Residential	87.14	18 July 2041 18 July 2071

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (Shi Shang 2009) Di 00329	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00330	16 January 2009	Commercial Residential	87.13	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00331	16 January 2009	Commercial Residential	87.14	19 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00332	16 January 2009	Commercial Residential	87.11	20 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00333	16 January 2009	Commercial Residential	85.73	21 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00334	16 January 2009	Commercial Residential	85.71	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00335	16 January 2009	Commercial Residential	15.60	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00336	16 January 2009	Commercial Residential	88.58	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00337	16 January 2009	Commercial Residential	15.73	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00338	16 January 2009	Commercial Residential	15.74	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00339	16 January 2009	Commercial Residential	4.32	18 July 2041 18 July 2071

- (3) Pursuant to 45 Building Ownership Certificates issued by Wuhan Housing Administration Bureau, the building ownership to portion of the development with a gross floor area of 61,490.86 sq m was vested in New World Development (Wuhan) Co., Ltd.. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 2009001548	126.40	Office	Unit A, Level 1	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001524	970.57	Office	Unit A, Level 2	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001525	1,170.98	Office	Unit A, Level 3	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001526	1,171.07	Office	Unit A, Level 4	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001527	1,171.01	Office	Unit A, Level 5	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001528	1,543.38	Office	Unit A, Level 6	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001529	2,038.83	Office	Unit A, Level 7	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001530	2,008.58	Office	Unit A, Level 8	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001531	2,012.11	Office	Unit A, Level 9	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001532	1,929.48	Office	Unit A, Level 10	20 January 2009

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 2009001533	2,008.52	Office	Unit A, Level 11	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001534	1,967.26	Office	Unit A, Level 12	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001535	1,967.03	Office	Unit A, Level 13	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001536	1,961.80	Office	Unit A, Level 14	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001537	1,961.36	Office	Unit A, Level 15	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001538	1,961.57	Office	Unit A, Level 16	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001539	1,961.72	Office	Unit A, Level 17	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001540	1,961.43	Office	Unit A, Level 18	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001541	1,961.43	Office	Unit A, Level 19	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001542	1,961.61	Office	Unit A, Level 20	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001543	1,961.59	Office	Unit A, Level 21	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001544	1,961.53	Office	Unit A, Level 22	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001545	1,961.59	Office	Unit A, Level 23	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001546	1,961.59	Office	Unit A, Level 24	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001547	1,652.49	Office	Unit A, Level 25	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001549	56.92	Office	Unit B, Level 7	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001550	207.34	Office	Unit B, Level 8	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001551	207.09	Office	Unit B, Level 9	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001552	1,166.56	Office	Unit B, Level 10	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001553	205.40	Office	Unit B, Level 11	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001554	1,128.74	Office	Unit B, Level 12	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001555	1,128.99	Office	Unit B, Level 13	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001556	1,147.14	Office	Unit B, Level 14	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001557	1,147.60	Office	Unit B, Level 15	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001558	1,147.38	Office	Unit B, Level 16	20 January 2009

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 2009001559	1,147.24	Office	Unit B, Level 17	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001560	1,147.51	Office	Unit B, Level 18	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001561	1,147.51	Office	Unit B, Level 19	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001562	1,147.35	Office	Unit B, Level 20	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001563	1,147.36	Office	Unit B, Level 21	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001564	1,147.42	Office	Unit B, Level 22	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001565	1,147.36	Office	Unit B, Level 23	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001566	1,147.36	Office	Unit B, Level 24	20 January 2009
Wu Fang Quan Zheng Shi Zi Di 2009001567	1,453.66	Office	Unit B, Levels 25 and 26	20 January 2009

- (4) Pursuant to two Construction Works Completion Certificates issued by Wuhan Urban-Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
23-07-0182	26 September 2007	Wuhan New World Centre (residential portion)	97,143
23-08-0015	4 March 2008	Wuhan New World Centre	182,402

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the property. New World Development (Wuhan) Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of such portion the property;
 - (ii) New World Development (Wuhan) Co., Ltd. has legally obtained the building ownership of portion of the property as mentioned in Notes (3) and are the sole owners of such portion of the property;
 - (iii) New World Development (Wuhan) Co., Ltd. has obtained the Construction Works Completion Certificates of the buildings of portion of the property as mentioned in Note (4). There will be no legal obstacle for New World Development (Wuhan) Co., Ltd. in obtaining the real estate title proof for such portion of the property after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
11 Office Unit C on Level 6 and Car Parking Portions of Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan New World Centre is a composite development erected upon two irregular-shaped sites with a total site area of approximately 37,234.76 sq m completed in 2007.</p> <p>The property comprises an office unit C on level 6 of the 25-storey office portion of Wuhan New World Centre with a gross floor area of approximately 562.64 sq m.</p> <p>The property also comprises 100 car parking spaces of Wuhan New World Centre.</p> <p>The land use rights of the property have been granted for a term expiring on 18 July 2041 for commercial use.</p>	The property is currently vacant.	RMB25,600,000 (60% interest attributable to the Group: RMB15,360,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400014702 dated 20 February 2012, Wuhan New World Hotel Properties Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB83,507,110.
- (2) Pursuant to two State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of portion of the Development with a total site area of 37,277.48 sq m were granted to Wuhan New World Hotel Properties Co., Ltd. for commercial services uses. Detail of the State-owned Land Use Rights Certificates are as follow:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (2001) Zi Di 0862	20 November 2001	Commercial Residential	37,234.76	18 July 2041 18 July 2071
Qiao Guo Yong (2010) Di 766	30 June 2010	Commercial services	42.72	18 July 2041

- (3) Pursuant to the Building Ownership Certificate No. Wu Fang Quan Zheng Shi Zi Di 2010017403 dated 29 June 2010 issued by Wuhan Housing Administration Bureau, the building ownership of portion of the property with a gross floor area of 562.64 sq m was vested in Wuhan New World Hotel Properties Co., Ltd. for office use.
- (4) Pursuant to the Construction Works Completion Certificate No. 23-08-0015 issued by Wuhan Urban-Rural Development Committee, the construction of portion of the property with a gross floor area of 182,402 sq m was completed.

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- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Wuhan New World Hotel Properties Co., Ltd. has legally obtained the land use rights and the building ownership of the property and is the sole owner of the property. Wuhan New World Hotel Properties Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
 - (ii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
12 Ancillary Portion of Wuhan New World Centre — Regal Heights 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan New World Centre is a composite development erected upon two irregular-shaped sites with a total site area of approximately 37,234.76 sq m completed in 2007.</p> <p>Regal Heights comprises 4 blocks of 26 to 32-storey high-rise apartment buildings of the development and has a total gross floor area of approximately 79,343 sq m.</p> <p>The property comprises the ancillary portion of Regal Heights, which is located on Level 2 of each apartment building, with a total gross floor area of approximately 2,773.74 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 18 July 2041 for commercial use.</p>	The property is currently vacant.	RMB13,300,000 (100% interest attributable to the Group: RMB13,300,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to 55 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of portion of the Development with a total site area of 7,878.44 sq m were granted to New World Development (Wuhan) Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qiao Guo Yong (2010) Di 436	20 January 2010	Residential	42.49	18 July 2041
Wu Guo Yong (Shi Shang 2009) Di 00340	16 January 2009	Commercial Residential	9.60	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00341	16 January 2009	Commercial Residential	73.70	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00342	16 January 2009	Commercial Residential	88.92	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00343	16 January 2009	Commercial Residential	88.93	18 July 2041 18 July 2071

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (Shi Shang 2009) Di 00344	16 January 2009	Commercial Residential	88.92	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00345	16 January 2009	Commercial Residential	117.20	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00346	16 January 2009	Commercial Residential	154.82	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00347	16 January 2009	Commercial Residential	152.52	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00348	16 January 2009	Commercial Residential	152.79	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00349	16 January 2009	Commercial Residential	146.51	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00350	16 January 2009	Commercial Residential	152.52	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00351	16 January 2009	Commercial Residential	149.38	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00352	16 January 2009	Commercial Residential	149.37	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00353	16 January 2009	Commercial Residential	148.97	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00354	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00355	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00356	16 January 2009	Commercial Residential	148.96	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00357	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00358	16 January 2009	Commercial Residential	148.94	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00359	16 January 2009	Commercial Residential	148.96	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00360	16 January 2009	Commercial Residential	148.59	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00361	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00362	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00363	16 January 2009	Commercial Residential	148.95	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00364	16 January 2009	Commercial Residential	125.48	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00315	16 January 2009	Commercial Residential	537.77	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00316	16 January 2009	Commercial Residential	476.37	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00317	16 January 2009	Commercial Residential	638.52	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00318	16 January 2009	Commercial Residential	707.52	18 July 2041 18 July 2071

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (Shi Shang 2009) Di 00319	16 January 2009	Commercial Residential	646.83	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00321	16 January 2009	Commercial Residential	110.38	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00322	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00323	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00324	16 January 2009	Commercial Residential	87.13	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00325	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00326	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00327	16 January 2009	Commercial Residential	87.14	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00328	16 January 2009	Commercial Residential	87.14	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00329	16 January 2009	Commercial Residential	87.12	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00330	16 January 2009	Commercial Residential	87.13	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00331	16 January 2009	Commercial Residential	87.14	19 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00332	16 January 2009	Commercial Residential	87.11	20 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00333	16 January 2009	Commercial Residential	85.73	21 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00334	16 January 2009	Commercial Residential	85.71	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00335	16 January 2009	Commercial Residential	15.60	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00336	16 January 2009	Commercial Residential	88.58	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00337	16 January 2009	Commercial Residential	15.73	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00338	16 January 2009	Commercial Residential	15.74	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 00339	16 January 2009	Commercial Residential	4.32	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6093	11 September 2009	Commercial Residential	27.88	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6095	11 September 2009	Commercial Residential	50.62	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6096	11 September 2009	Commercial Residential	18.21	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6097	11 September 2009	Commercial Residential	21.25	18 July 2041 18 July 2071
Wu Guo Yong (Shi Shang 2009) Di 6098	11 September 2009	Commercial Residential	42.04	18 July 2041 18 July 2071

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- (3) Pursuant to two Construction Works Completion Certificates issued by Wuhan Urban-Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
23-07-0182	26 September 2007	Wuhan New World Centre (residential portion)	97,143
23-08-0015	4 March 2008	Wuhan New World Centre	182,402

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the property;
 - (ii) New World Development (Wuhan) Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) New World Development (Wuhan) Co., Ltd. has obtained the Construction Works Completion Certificates of the buildings of the property. There will be no legal obstacle for New World Development (Wuhan) Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
13 Retail and Car Parking Portions of Wuhan K11 Gourmet Tower 628 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan K11 Gourmet Tower is a composite development erected upon an irregular-shaped site with a total site area of approximately 18,611.65 sq m.</p> <p>The property comprises the retail portion of basement 1 and level 1 to level 5 of the development with a total gross floor area of approximately 10,366.53 sq m and the car parking portion, which accommodates 184 car parking spaces covering a total gross floor area of approximately 10,579.95 sq m.</p> <p>The land use rights of the development have been granted for a term expiring on 2 May 2053 for commercial and street uses.</p>	<p>Portion of the property with a total gross floor area of approximately 9,819.06 sq m is subject to various tenancies and the majority of which is leased for a term of 5 years with the last tenancy expiring in June 2020, yielding a total current monthly rental of approximately RMB579,748, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB198,000,000 (100% interest attributable to the Group: RMB198,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Wu Guo Yong (2013) Di 304 issued by The People's Government of Wuhan dated 24 October 2013, the land use rights of the property with a site area of 18,611.65 sq m was granted to New World Development (Wuhan) Co., Ltd. for a term expiring on 2 May 2053 for commercial services and street uses.
- (3) Pursuant to two Construction Works Completion Certificates issued by Wuhan Urban-Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
03-10-0010	25 June 2010	Ancillary facility of Phase I	11,049.00
03-10-0009	25 June 2010	Ancillary facility of Phase II	9,642.00

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the property;

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- (ii) New World Development (Wuhan) Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
- (iii) New World Development (Wuhan) Co., Ltd. has obtained the Construction Works Completion Certificates for the buildings of the property. There will be no legal obstacle for New World Development (Wuhan) Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
- (iv) the property is free from mortgages and other encumbrances.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
14	Commercial Podium and Car Parking Portions of Wuhan Xin Hua Garden Zone A of Phase I Jiangnan District, Wuhan Hubei Province The PRC	<p>Wuhan Xin Hua Garden (the "Development") comprises 2 parcels of adjoining sites with a total site area of approximately 96,426.79 sq m. The Development is developed into a low-cost community housing project in various phases.</p> <p>The property comprises a 3-storey commercial podium with a total gross floor area of approximately 36,068.83 sq m, and a basement carpark comprises 162 car parking spaces with a total gross floor area of approximately 10,410.82 sq m, situated within Phase I of the Development completed in 2002.</p> <p>The land use rights of the Development have been allocated for an indefinite term for other commercial services uses.</p>	<p>Portion of Levels 1 and 2 of the property with a total gross floor area of approximately 23,456.48 sq m is subject to a tenancy for a term of 12 years expiring in September 2014, yielding a monthly rental of RMB21 per sq m for the first 3 years, RMB22.26 per sq m for the 4th to 6th years, RMB23.82 per sq m for the 7th to 9th years and RMB25.72 per sq m for the 10th to 12th years.</p> <p>A portion of Level 3 of the property with a total gross floor area of approximately 2,347.35 sq m is subject to a tenancy expiring in September 2014, yielding a monthly rental of RMB21.50 per sq m.</p> <p>Another portion of Level 3 of the property with a total gross floor area of approximately 9,000 sq m is subject to a tenancy for a term of 13 years and expiring in August 2017, yielding a monthly rental of RMB12 per sq m for the first year, subject to an annual increment of 1.5% from the second year.</p> <p>The basement car park of the property is currently vacant.</p>	<p>RMB176,000,000 (60% interest attributable to the Group: RMB105,600,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 420100400009569 dated 27 October 2011, Wuhan New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB96,000,000.

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- (2) Pursuant to 3 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of portion of the Development with a total site area of 3,495.68 sq m were granted in Wuhan New World Housing Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Nature	Land Use	Site Area (sq m)	Expiry Date
Wu Guo Yong (2004) Di 398	23 February 2004	Allocated	Other commercial services	1,121.98	N/A
Wu Guo Yong (2004) Di 399	23 February 2004	Allocated	Other commercial services	1,186.85	N/A
Wu Guo Yong (2004) Di 400	23 February 2004	Allocated	Other commercial services	1,186.85	N/A

- (3) Pursuant to 4 Building Ownership Certificates issued by Wuhan Housing Administration Bureau, the building ownership of the property with a total gross floor area of 46,479.75 sq m was vested in Wuhan New World Housing Development Limited for commercial services and other uses. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 200311475	12,246.04	Commercial Services	Unit 1, Level 3	10 October 2003
Wu Fang Quan Zheng Shi Zi Di 200311476	12,246.04	Commercial Services	Unit 1, Level 2	10 October 2003
Wu Fang Quan Zheng Shi Zi Di 200311477	11,576.75	Commercial Services	Units 1 and 2, Level 1	10 October 2003
Wu Fang Quan Zheng Shi Zi Di 200311478	10,410.92	Others	Basement Level 1	10 October 2003

- (4) The land use rights of the property is of allocated nature and we have roughly estimated the land premium required of RMB22,100,000 for converting which from allocated nature to granted nature. During the course of our valuation, we have valued the property by assuming that the aforesaid conversion of land use rights to granted has been completed and have taken into account of the land premium in our valuation.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Wuhan New World Housing Development Limited has legally obtained the allocated land use rights and the building ownership of the property and is the sole owner of the property;
 - (ii) Wuhan New World Housing Development Limited is entitled to occupy and use the property;
 - (iii) after obtaining the permit from the government, Wuhan New World Housing Development Limited is entitled to transfer or mortgage the property;
 - (iv) Wuhan New World Housing Development Limited is entitled to lease the property. However, Wuhan New World Housing Development Limited has to reimburse portion of the rental pertaining to the allocated land use rights to the government; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
15 Car Parking Portion of Wuhan Xin Hua Garden Phase II Jiangnan District, Wuhan Hubei Province The PRC	<p>Wuhan Xin Hua Garden (the "Development") comprises 2 parcels of adjoining sites with a total site area of approximately 96,426.79 sq m. The Development is developed into a low-cost community housing project in various phases.</p> <p>The property comprises a basement car park of Phase II of the Development with a total gross floor area of approximately 11,951.85 sq m accommodating 274 car parking spaces completed in 2006.</p> <p>The land use rights of the property have been granted for a term expiring on 15 August 2075 for residential use.</p>	The property is currently vacant.	RMB35,620,000 (60% interest attributable to the Group: RMB21,372,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009569 dated 27 October 2011, Wuhan New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB96,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Wu Guo Yong (2005) Di 838 dated 30 August 2005 issued by The People's Government of Wuhan, the land use rights of portion of the Development with a site area of 33,282.50 sq m were granted to Wuhan New World Housing Development Limited for a term expiring on 15 August 2075 for residential use.
- (3) Pursuant to the Construction Works Completion Certificate No. 21-06-0130 dated 27 June 2006 issued by Wuhan Construction Committee, the buildings with an above ground gross floor area of 12,481 sq m and an underground gross floor area of 8,765 sq m were certificated to be completed.
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Wuhan New World Housing Development Limited has legally obtained the land use rights of the property and is the sole owner of such portion of the property;
 - (ii) Wuhan New World Housing Development Limited is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) Wuhan New World Housing Development Limited has obtained the Construction Works Completion Certificate for the buildings of the property. There will be no legal obstacle for Wuhan New World Housing Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
16 Car Parking Portion of Wuhan Xin Hua Garden Zone B of Phase I Jiangnan District, Wuhan Hubei Province The PRC	<p>Wuhan Xin Hua Garden (the "Development") comprises 2 parcels of adjoining sites with a total site area of approximately 96,426.79 sq m. The Development is developed into a low-cost community housing project in various phases.</p> <p>The property comprises a basement car park of Zone B of Phase I of the Development with a total gross floor area of approximately 6,600.53 sq m accommodating 102 car parking spaces completed in 2008.</p> <p>The land use rights of the property have been granted for a term expiring on 28 September 2076 for residential use.</p>	The property is currently vacant.	RMB13,260,000 (60% interest attributable to the Group: RMB7,956,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009569 dated 27 October 2011, Wuhan New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB96,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Wu Guo Yong (2006) Di 873 dated 7 November 2006 issued by The People's Government of Wuhan, the land use rights of portion of the Development with a site area of 9,570.88 sq m were granted to Wuhan New World Housing Development Limited for a term expiring on 28 September 2076 for mixed residential use.
- (3) Pursuant to the Construction Works Completion Certificate No. 21-08-0052 dated 27 June 2008 issued by Wuhan Construction Committee, the buildings with a gross floor area of 63,843 sq m were certificated to be completed.
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Wuhan New World Housing Development Limited has legally obtained the land use rights of the property and is the sole owner of such portion of the property;
 - (ii) Wuhan New World Housing Development Limited is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) the property is a defense construction works. The government will not issue any title documents for any defense construction works; and
 - (iv) Wuhan New World Housing Development Limited is entitled to use the building of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
17 Car Parking Portion of Wuhan Xin Hua Garden Zone C of Phase I Jiangnan District, Wuhan Hubei Province The PRC	<p>Wuhan Xin Hua Garden (the "Development") comprises 2 parcels of adjoining sites with a total site area of approximately 96,426.79 sq m. The Development is developed into a low-cost community housing project in various phases.</p> <p>The property comprises a basement car park of Zone C of Phase I of the Development with a total gross floor area of approximately 6,736.87 sq m accommodating 142 car parking spaces.</p> <p>The land use rights of the property have been granted for a term expiring on 28 September 2076 for residential use.</p>	The property is currently vacant.	RMB18,460,000 (60% interest attributable to the Group: RMB11,076,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009569 dated 27 October 2011, Wuhan New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB96,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Wu Guo Yong (2006) Di 874 dated 7 November 2006 issued by The People's Government of Wuhan, the land use rights of portion of the Development with a site area of 7,933.10 sq m were granted to Wuhan New World Housing Development Limited for a term expiring on 28 September 2076 for mixed residential use.
- (3) Pursuant to the Construction Works Completion Certificate No. 21-09-0118 dated 29 June 2009 issued by Wuhan Construction Committee, the buildings with a gross floor area of 64,554 sq m were certificated to be completed.
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Wuhan New World Housing Development Limited has legally obtained the land use rights of the property and is the sole owner of such portion of the property;
 - (ii) Wuhan New World Housing Development Limited is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property
 - (iii) the property is a defense construction works. The government will not issue any title documents for any defense construction works; and
 - (iv) Wuhan New World Housing Development Limited is entitled to use the building of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
18 Retail portion of Phase II Wuhan Changqing Garden Dongxihu Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan Changqing Garden is a massive Low-cost Community Housing Project which will be developed in 9 phases. The proposed development is constructed upon 9 parcels of adjoining sites with a total site area of approximately 2,493,317.35 sq m. Phases I to III completed in 2000 and 2001.</p> <p>The property comprises a portion of the commercial area in Phase II of Wuhan Changqing Garden, which is known as Fixed Retail Network, with a total gross floor area of approximately 1,464.28 sq m.</p> <p>The land use rights of the property have been allocated for an indefinite term for commercial use.</p>	The property is vacant.	RMB3,900,000 (60% interest attributable to the Group: RMB2,340,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009569 dated 27 October 2011, Wuhan New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB96,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Dong Guo Yong (2005) Di J240208011 dated 29 December 2005 issued by The People's Government of Wuhan, the land use rights of the Development with total site area of 847.18 sq m were allocated to Wuhan New World Housing Development Limited for commercial use.
- (3) Pursuant to the Building Ownership Certificate No. Wu Fang Quan Zheng Shi Zi Di 200518840 dated 25 July 2005 issued by Wuhan Housing Administration Bureau, the building ownership of the property with gross floor area of 1,464.28 sq m was completed.
- (4) The land use rights of the property is of allocated nature and we have roughly estimated the land premium required of RMB900,000 for converting which from allocated nature to granted nature. During the course of our valuation, we have valued the property by assuming that the aforesaid conversion of land use rights to granted has been completed and have taken into account of the land premium in our valuation.

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- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Wuhan New World Housing Development Limited has legally obtained the allocated land use rights and the building ownership of the property and is the sole owner of such portion of the property;
 - (ii) Wuhan New World Housing Development Limited is entitled to occupy and use the property;
 - (iii) after obtaining the permit from the government, Wuhan New World Housing Development Limited is entitled to transfer or mortgage the property; and
 - (iv) Wuhan New World Housing Development Limited is entitled to lease the property. However, Wuhan New World Housing Development Limited has to reimburse portion of the rental pertaining to the allocated land use rights to the government.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
19 Car Parking Portion of Block 240 Wuhan Changqing Garden Dongxihu Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan Changqing Garden is a massive Low-cost Community Housing Project which will be developed in 9 phases. The proposed development is constructed upon 9 parcels of adjoining sites with a total site area of approximately 2,493,317.35 sq m. Phases I to III completed in 2000 and 2001.</p> <p>The property comprises 63 car parking spaces of Block 240 of Wuhan Chongqing Garden with a total gross floor area of approximately 3,314.16 sq m.</p> <p>The land use rights of the property have been allocated for an indefinite term for mixed residential use.</p>	The property is currently vacant.	RMB6,300,000 (60% interest attributable to the Group: RMB3,780,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009569 dated 27 October 2011, Wuhan New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB96,000,000.
- (2) Pursuant to 33 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the title to the land use rights of the Development with total site area of 656,754.66 sq m was granted to Wuhan New World Housing Development Limited for mixed residential and other commercial services uses. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Nature	Land Use	Site Area (sq m)	Expiry Date
Dong Guo Yong (2005) Di TD2005-056	9 January 2006	Granted	Mixed residential	123,804.15	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2005-055	9 January 2006	Granted	Mixed residential	156,545.58	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-027	19 May 2006	Granted	Mixed residential	3,933.24	Residential: 8 October 2075 Commercial: 8 October 2045

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Certificate No.	Date of Issuance	Land Nature	Land Use	Site Area (sq m)	Expiry Date
Dong Guo Yong (2005) Di TD2006-023	19 May 2006	Granted	Mixed residential	269,155.91	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-024	19 May 2006	Granted	Mixed residential	77,906.57	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-030	19 May 2006	Granted	Mixed residential	6,585.66	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-025	19 May 2006	Granted	Mixed residential	15,156.14	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2013) 130907480	11 September 2013	Granted	Other commercial services	1,682.50	01 June 2049
Dong Guo Yong (2013) 130907460	11 September 2013	Granted	Other commercial services	325.33	01 June 2049
Dong Guo Yong (2013) 130907461	11 September 2013	Granted	Other commercial services	48.05	01 June 2049
Dong Guo Yong (2013) 130907462	11 September 2013	Granted	Other commercial services	28.71	01 June 2049
Dong Guo Yong (2013) 130907463	11 September 2013	Granted	Other commercial services	73.90	01 June 2049
Dong Guo Yong (2013) 130907464	11 September 2013	Granted	Other commercial services	72.09	01 June 2049
Dong Guo Yong (2013) 130907465	11 September 2013	Granted	Other commercial services	110.79	01 June 2049
Dong Guo Yong (2013) 130907466	11 September 2013	Granted	Other commercial services	110.98	01 June 2049
Dong Guo Yong (2013) 130907467	11 September 2013	Granted	Other commercial services	96.63	01 June 2049
Dong Guo Yong (2013) 130907468	11 September 2013	Granted	Other commercial services	38.49	01 June 2049
Dong Guo Yong (2013) 130907469	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907470	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907471	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907472	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907473	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907474	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907475	11 September 2013	Granted	Other commercial services	15.63	01 June 2049

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Certificate No.	Date of Issuance	Land Nature	Land Use	Site Area (sq m)	Expiry Date
Dong Guo Yong (2013) 130907476	11 September 2013	Granted	Other commercial services	13.03	01 June 2049
Dong Guo Yong (2013) 130907477	11 September 2013	Granted	Other commercial services	15.85	01 June 2049
Dong Guo Yong (2013) 130907478	11 September 2013	Granted	Other commercial services	17.17	01 June 2049
Dong Guo Yong (2013) 130907479	11 September 2013	Granted	Other commercial services	48.71	01 June 2049
Dong Guo Yong (2013) 130907481	11 September 2013	Granted	Other commercial services	241.21	01 June 2049
Dong Guo Yong (2013) 130907482	11 September 2013	Granted	Other commercial services	132.43	01 June 2049
Dong Guo Yong (2013) 130907483	11 September 2013	Granted	Other commercial services	320.54	01 June 2049
Dong Guo Yong (2013) 130907484	11 September 2013	Granted	Other commercial services	84.05	01 June 2049
Dong Guo Yong (2013) 130907485	11 September 2013	Granted	Other commercial services	87.10	01 June 2049

- (3) Pursuant to 28 Building Ownership Certificates issued by Wuhan Urban-Rural Development Committee, the building ownership of the property with total gross floor area of 15,315.06 sq m was completed. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Land Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 200518838	7,040.56	Office	Block 40-B, Phase 2	25 July 2005
Wu Fang Quan Zheng Shi Zi Di 200518840	1,464.28	Commercial services	Restaurant, Phase 14	25 July 2005
Wu Fang Quan Zheng Shi Zi Di 2013017145	3,124.47	Commercial services	Unit 21, Levels 1-2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017125	604.12	Commercial services	Unit 1, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017126	89.23	Commercial services	Unit 2, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017127	53.32	Commercial services	Unit 3, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017128	137.23	Commercial services	Unit 4, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017129	133.76	Commercial services	Unit 5, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017130	205.73	Commercial services	Unit 6, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017131	206.09	Commercial services	Unit 7, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017132	179.44	Commercial services	Unit 8, Level 1, Phase 4	31 May 2013

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Certificate No.	Gross Floor Area (sq m)	Land Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 2013017133	71.48	Commercial services	Unit 9, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017134	32.25	Commercial services	Unit 10, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017135	32.25	Commercial services	Unit 11, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017136	32.25	Commercial services	Unit 12, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017137	32.25	Commercial services	Unit 13, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017138	32.25	Commercial services	Unit 14, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017139	32.25	Commercial services	Unit 15, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017140	29.03	Commercial services	Unit 16, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017141	24.19	Commercial services	Unit 17, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017142	29.43	Commercial services	Unit 18, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017143	31.88	Commercial services	Unit 19, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017144	90.46	Commercial services	Unit 20, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017146	447.91	Commercial services	Unit 1, Level 2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017147	245.92	Commercial services	Unit 2, Level 2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017148	595.22	Commercial services	Unit 3, Level 2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017149	156.07	Commercial services	Unit 4, Level 2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017150	161.74	Commercial services	Unit 5, Level 2, Phase 4	31 May 2013

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- (4) Pursuant to 59 Commodity Housing Title Proofs issued by Wuhan Real Estate Title Registration Centre, Wuhan New World Housing Development Limited is the legal owner of portion of the property with a gross floor area of 50,051.71 sq m for commercial services use. Details of the Commodity Housing Title Proofs are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011004261	38.27	Commercial services	Unit 12, Level 1, Block 22, Phase 5	21 April 2011
Wu Fang Shang Zheng Shi Zi Di 2013011678	107.66	Commercial services	Unit 2, Level 1, Block 29, Phase 3	3 April 2013
Wu Fang Shang Zheng Shi Zi Di 2013011747	66.51	Commercial services	Unit 6, Level 1, Block 30, Phase 3	3 April 2013
Wu Fang Shang Zheng Shi Zi Di 2011000025	3,062.44	Commercial services	Unit 1, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000027	74.17	Commercial services	Unit 2, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000004	73.72	Commercial services	Unit 3, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000039	260.85	Commercial services	Unit 12, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000044	887.09	Commercial services	Unit 1, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000016	1,959.12	Commercial services	Unit 1, Level 7, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000040	172.96	Commercial services	Unit 15, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000005	73.72	Commercial services	Unit 4, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000006	73.72	Commercial services	Unit 5, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000007	38.66	Commercial services	Unit 6, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000008	4,152.41	Commercial services	Unit 1, Level 2, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000009	4,106.78	Commercial services	Unit 1, Level 3, Block 1, District 8	11 January 2011

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011000010	2,412.02	Commercial services	Unit 1, Level 4, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000011	1,192.35	Commercial services	Unit 2, Level 4, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000012	1,959.12	Commercial services	Unit 1, Level 5, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000013	1,192.34	Commercial services	Unit 2, Level 5, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000014	1,959.12	Commercial services	Unit 1, Level 6, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000015	1,192.34	Commercial services	Unit 2, Level 6, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000017	1,192.34	Commercial services	Unit 2, Level 7, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000018	1,959.12	Commercial services	Unit 1, Level 8, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000022	1,959.12	Commercial services	Unit 1, Level 10, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000023	1,192.34	Commercial services	Unit 2, Level 10, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000028	456.38	Commercial services	Unit 1, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000029	366.30	Commercial services	Unit 2, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000030	531.88	Commercial services	Unit 3, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000031	336.29	Commercial services	Unit 4, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000032	356.50	Commercial services	Unit 5, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000033	354.91	Commercial services	Unit 6, Levels 1–2, Block 2, District 8	11 January 2011

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011000034	359.27	Commercial services	Unit 7, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000035	473.36	Commercial services	Unit 8, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000036	378.44	Commercial services	Unit 9, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000037	232.08	Commercial services	Unit 10, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000038	239.51	Commercial services	Unit 11, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000041	320.29	Commercial services	Unit 16, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000042	296.16	Commercial services	Unit 17, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000043	89.53	Commercial services	Unit 18, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000045	979.88	Commercial services	Unit 2, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000046	944.93	Commercial services	Unit 3, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000047	878.02	Commercial services	Unit 1, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000048	966.55	Commercial services	Unit 2, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000049	844.22	Commercial services	Unit 3, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000052	638.09	Commercial services	Unit 1, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000053	222.38	Commercial services	Unit 2, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000054	308.35	Commercial services	Unit 3, Levels 1–2, Block 3, District 8	11 January 2011

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011000055	375.29	Commercial services	Unit 4, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000056	84.19	Commercial services	Unit 5, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000057	640.70	Commercial services	Unit 6, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000058	394.34	Commercial services	Unit 7, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000059	258.52	Commercial services	Unit 8, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000060	718.58	Commercial services	Unit 9, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000061	514.33	Commercial services	Unit 10, Levels 1– 2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000062	922.36	Commercial services	Unit 11, Levels 1– 2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000063	846.88	Commercial services	Unit 12, Levels 1– 2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000050	919.57	Commercial services	Unit 13, Levels 1– 2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000051	179.42	Commercial services	Unit 14, Levels 1– 2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000064	2,265.92	Commercial services	Unit 1, Level 3, Block 3, District 8	11 January 2011

- (5) Pursuant to 136 Commodity Housing Title Proofs dated 22 March 2006 issued by Wuhan Real Estate Title Registration Centre, Wuhan New World Housing Development Limited is the legal owner of portion of a building with a gross floor area of 4,670.33 sq m for other use.

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- (6) Pursuant to 11 Construction Works Completion Certificate issued by Wuhan Urban-Rural Development Committee, the construction works of portion of the property was completed. Details of the Construction Work Completion Certificate are listed as follows:

Document No.	Gross Floor	Location	Date of Issuance
	Area (sq m)		
21-12-0023	37,671.00	Block Z1, Zone B, District 8	28 June 2013
21-13-0024	27,122.00	Block Z2, Zone B, District 8	28 June 2013
21-13-0025	38,377.00	Block Z3, Zone B, District 8	28 June 2013
21-10-0052	15,925.00	Block 19, Zone 3, District 5	30 June 2011
21-11-0053	10,031.00	Block 31, Zone 3, District 5	30 June 2011
21-11-0054	10,031.00	Block 32, Zone 3, District 5	30 June 2011
21-11-0055	17,528.00	Block 34, Zone 3, District 5	30 June 2011
21-12-0026	21,040.00	Block 33, Zone 3, District 5	28 June 2013
21-13-0027	17,528.00	Block 35, Zone 3, District 5	28 June 2013
21-05-0107	7,328.00	Block 14, District 10	30 June 2005
21-05-0100	6,960.00	Block 4, District 10	30 June 2005

- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Wuhan New World Housing Development Limited has legally obtained the allocated land use rights and the building ownership of the property and is the sole owner of the property;
 - (ii) Wuhan New World Housing Development Limited is entitled to occupy and use the property;
 - (iii) after obtaining the permit from the government, Wuhan New World Housing Development Limited is entitled to transfer or mortgage the property;
 - (iv) Wuhan New World Housing Development Limited is entitled to lease the property. However, Wuhan New World Housing Development Limited has to reimburse portion of the rental pertaining to the allocated land use rights; and
 - (v) the property is free from mortgages and other encumbrances.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
20	Commercial and Car Parking Portions of District 8 — West North Portion Wuhan Changqing Garden Dongxihu Hankou District, Wuhan Hubei Province The PRC	<p>Wuhan Changqing Garden is a massive Low-cost Community Housing Project which will be developed in 9 phases. The proposed development is constructed upon 9 parcels of adjoining sites with a total site area of approximately 2,493,317.35 sq m. Phases I to III completed in 2000 and 2001.</p> <p>The property comprises a commercial portion of the development with a total gross floor area of approximately 38,363.49 sq m and 344 car parking spaces with a total gross floor area of approximately 11,489.14 sq m in basement levels.</p> <p>The land use rights of the property have been for land use rights terms expiring on 8 October 2075 and 8 October 2045 for residential and commercial uses respectively.</p>	<p>Portion of the commercial portion of the property with a total gross floor area of approximately 11,323.15 sq m is subject to a tenancy of 15 years expiring in August 2024, at monthly rental of RMB181,170 from lease commencement date to August 2012, RMB192,041 for September 2012 to August 2015, RMB203,563 for September 2015 to August 2018, RMB215,777 for September 2018 to August 2021 and RMB228,723 for September 2021 to August 2024.</p> <p>Another portion of the commercial portion of the property with a total gross floor area of approximately 17,157.16 sq m is subject to various tenancies and the majority is leased for a term of 5 years with the last tenancy expiring in October 2019, yielding a total monthly rental of RMB679,033, exclusive of management fee.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB266,000,000 (60% interest attributable to the Group: RMB159,600,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 420100400009569 dated 27 October 2011, Wuhan New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB96,000,000.
- (2) Pursuant to State-owned Land Use Rights Certificate No. Dong Guo Yong (2005) Di TD2005-056 dated 9 January 2006 issued by The People's Government of Wuhan, the land use rights of the Development with total site area of 123,804.15 sq m were granted to Wuhan New World Housing Development Limited for mixed residential use for land use rights terms expiring on 8 October 2075 and 8 October 2045 for residential and commercial uses respectively.

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- (3) Pursuant to 56 Commodity Housing Title Proofs issued by Wuhan Real Estate Title Registration Centre, Wuhan New World Housing Development Limited is the legal owner of portion of the property with a gross floor area of 49,839.36 sq m for commercial services use. Details of the Commodity Housing Title Proofs are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011000025	3,062.44	Commercial services	Unit 1, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000027	74.17	Commercial services	Unit 2, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000004	73.72	Commercial services	Unit 3, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000039	260.85	Commercial services	Unit 12, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000044	887.09	Commercial services	Unit 1, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000016	1,959.12	Commercial services	Unit 1, Level 7, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000040	172.96	Commercial services	Unit 15, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000005	73.72	Commercial services	Unit 4, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000006	73.72	Commercial services	Unit 5, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000007	38.66	Commercial services	Unit 6, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000008	4,152.41	Commercial services	Unit 1, Level 2, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000009	4,106.78	Commercial services	Unit 1, Level 3, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000010	2,412.02	Commercial services	Unit 1, Level 4, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000011	1,192.35	Commercial services	Unit 2, Level 4, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000012	1,959.12	Commercial services	Unit 1, Level 5, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000013	1,192.34	Commercial services	Unit 2, Level 5, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000014	1,959.12	Commercial services	Unit 1, Level 6, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000015	1,192.34	Commercial services	Unit 2, Level 6, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000017	1,192.34	Commercial services	Unit 2, Level 7, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000018	1,959.12	Commercial services	Unit 1, Level 8, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000022	1,959.12	Commercial services	Unit 1, Level 10, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000023	1,192.34	Commercial services	Unit 2, Level 10, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000028	456.38	Commercial services	Unit 1, Levels 1–2, Block 2, District 8	11 January 2011

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011000029	366.30	Commercial services	Unit 2, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000030	531.88	Commercial services	Unit 3, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000031	336.29	Commercial services	Unit 4, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000032	356.50	Commercial services	Unit 5, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000033	354.91	Commercial services	Unit 6, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000034	359.27	Commercial services	Unit 7, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000035	473.36	Commercial services	Unit 8, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000036	378.44	Commercial services	Unit 9, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000037	232.08	Commercial services	Unit 10, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000038	239.51	Commercial services	Unit 11, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000041	320.29	Commercial services	Unit 16, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000042	296.16	Commercial services	Unit 17, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000043	89.53	Commercial services	Unit 18, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000045	979.88	Commercial services	Unit 2, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000046	944.93	Commercial services	Unit 3, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000047	878.02	Commercial services	Unit 1, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000048	966.55	Commercial services	Unit 2, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000049	844.22	Commercial services	Unit 3, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000052	638.09	Commercial services	Unit 1, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000053	222.38	Commercial services	Unit 2, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000054	308.35	Commercial services	Unit 3, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000055	375.29	Commercial services	Unit 4, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000056	84.19	Commercial services	Unit 5, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000057	640.70	Commercial services	Unit 6, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000058	394.34	Commercial services	Unit 7, Levels 1–2, Block 3, District 8	11 January 2011

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011000059	258.52	Commercial services	Unit 8, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000060	718.58	Commercial services	Unit 9, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000061	514.33	Commercial services	Unit 10, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000062	922.36	Commercial services	Unit 11, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000063	846.88	Commercial services	Unit 12, Levels 1–2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000050	919.57	Commercial services	Unit 13, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000051	179.42	Commercial services	Unit 14, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000064	2,265.92	Commercial services	Unit 1, Level 3, Block 3, District 8	11 January 2011

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Wuhan New World Housing Development Limited has legally obtained the land use rights of the property and is the sole owner of such portion of the property. Wuhan New World Housing Development Limited is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the property; and
 - (ii) Wuhan New World Housing Development Limited has legally obtained the building ownership rights of portion of the property as mentioned in Note (3) and is the sole owner of such portion of the property. Wuhan New World Housing Development Limited is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
21 Various Portions of Beijing New World Centre Phase I 3 Chongwenmenwai Street Dongcheng District Beijing The PRC	Beijing New World Centre Phase I is a multi-purpose complex comprising two 16-storey office towers (North Tower and South Tower), a 17-storey serviced apartment building surmounting a 5-storey commercial podium, a 15-storey hotel and a 3-storey basement carpark. It was completed in October 1997. The property comprises the commercial podium. Details of the approximate gross floor areas of the property are as follows:	Portion of the commercial portion of the property with a total lettable area of approximately 73,613.88 sq m is subject to various tenancies with the last tenancy expiring in June 2024, yielding a total monthly rental of about RMB11,557,363, exclusive of management fees. The remaining portion of the property is currently vacant.	RMB2,490,000,000 (70% interest attributable to the Group: RMB1,743,000,000)
		Gross Floor Area (sq m)	
		Commercial 74,232.00 Ancillary Facilities 9,252.00 <u>83,484.00</u>	
	The property also comprises 510 car parking spaces in the basements. The land use rights of the property have been granted for a term of 50 years for composite use.		

Notes:

- (1) Pursuant to the Business Licence No. 110000450014376 dated 5 June 2013, China New World Electronics Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$57,200,000.
- (2) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.

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- (3) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong Gang Ao Tai Guo Yong (1999 Chu) Zi Di 10056 issued by The People's Government of Beijing dated 7 July 1999, the land use rights of the Development with a site area of 6,100.3 sq m were granted to China New World Electronics Co., Ltd. for a land use rights term expiring on 31 March 2044 for other uses.
- (4) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong Gang Ao Tai Guo Yong (1999) Zi Di 10057 issued by Beijing Land Resources Bureau dated 7 July 1999, the land use rights of the Development with a site area of 10,122.84 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 31 March 2044 for other uses.
- (5) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi Chong Gang Ao Tai Zi Di 10044 issued by Beijing Land Resources and Housing Administration Bureau dated 11 June 1999, the building ownership of the property with a total gross floor area of 60,919.51 sq m is held by China New World Electronics Co., Ltd..
- (6) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi Chong Gang Ao Tai Zi Di 10045 issued by Beijing Land Resources and Housing Administration Bureau dated 11 June 1999, the building ownership of the property with a total gross floor area of 101,089.91 sq m is held by Beijing Chong Wen-New World Properties Development Co., Ltd..
- (7) The properties as mentioned in note (5) and (6) are subject to mortgage; and
- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) China New World Electronics Co., Ltd. and Beijing Chong Wen-New World Properties Development Co., Ltd. have legally obtained the land use rights and building ownership of the property. China New World Electronics Co., Ltd. and Beijing Chong Wen-New World Properties Development Co., Ltd. are the sole owners of land use rights of the property; and
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by China New World Electronics Co., Ltd. and Beijing Chong Wen-New World Properties Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
22 Various Portions of Beijing New World Centre Phase II 3 Chongwenmenwai Street Dongcheng District Beijing The PRC	Beijing New World Centre Phase II (the "Development") comprises a roughly rectangular-shaped site with an area of 16,224.00 sq m. The Development is a commercial/residential composite complex with a 15-storey residential/office composite building constructed on a 6-storey commercial/recreational/car parking podium (including three basement levels) completed in June 2000. The property comprises the following approximate gross floor areas of the Development: Gross Floor Area (sq m) Commercial/ Recreational Ancillary Facilities 46,377.77 <u>1,933.98</u> <u>48,311.75</u> The property also comprises 529 car parking spaces in the basement levels. The land use rights of the property have been granted for terms of 70 years for residential use, 40 years for commercial use and 50 years for office use.	Portion of the commercial portion of the property with a total lettable area of approximately 47,344.77 sq m is subject to various tenancies with the last tenancy expiring in April 2018, yielding a total monthly rental of about RMB3,321,528, exclusive of management fees. The remaining portion of the property is currently vacant.	RMB1,187,000,000 (70% interest attributable to the Group: RMB830,900,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410041863 dated 16 July 2008, Beijing Chong Yu Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$171,840,000.

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- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong Gang Ao Tai Guo Yong (2002 Chu) Zi Di 10267 issued by The People's Government of Beijing dated 24 January 2003, the land use rights of the Development with a site area of 15,242.98 sq m were granted to Beijing Chong Yu Real Estate Development Co., Ltd. for land use rights terms expiring on 8 November 2033 for commercial use, 8 November 2043 for office use and 8 November 2063 for residential use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi Chong Gang Ao Tai Zi Di 10201 issued by Beijing Land Resources and Housing Administration Bureau dated 24 January 2003, the title to the buildings with a total gross floor area of 156,199.78 sq m is held by Beijing Chong Yu Real Estate Development Co., Ltd.
- (4) The properties as mentioned in note (3) are subject to mortgage; and
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
 - (i) Beijing Chong Yu Real Estate Development Co., Ltd. has legally obtained the land use rights and building ownership of the property. Beijing Chong Yu Real Estate Development Co., Ltd. is the sole owner of the property; and
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Yu Real Estate Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
23 Car Parking Portion of Beijing New World Garden Phase I Chongwenmenwai Dongcheng District Beijing The PRC	Beijing New World Garden is a residential/office composite development with basement carpark and other ancillary facilities, erected on a rectangular-shaped site with an site area of approximately 52,096.23 sq m. The property comprises the basement carpark of Beijing New World Garden Phase I, which accommodates 162 car parking spaces completed in 2001. The land use rights of the property have been granted for respective terms of 70 years for residential use, 50 years for office, basement storage, basement car parks use and 40 years for commercial and ancillary uses both commencing from 10 April 1998.	The property is currently vacant.	RMB40,500,000 (70% interest attributable to the Group: RMB28,350,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410041863 dated 16 July 2008, Beijing Chong Yu Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$171,840,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2005) Di 0011 issued by Beijing Land Resources Bureau dated 15 March 2005, the land use rights of the Development with a site area of 52,096.23 sq m were granted to Beijing Chong Yu Real Estate Development Co., Ltd. for a land use rights for residential, ancillary, commercial, office and basement car park and basement storage uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 00143 issued by Beijing Land Resources and Housing Administration Bureau dated 10 July 2003, the building ownership with a total gross floor area of 54,045.14 sq m was vested in Beijing Chong Yu Real Estate Development Co., Ltd..

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Beijing Chong Yu Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Yu Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Yu Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
24	Car Parking Portion of Beijing New World Garden II Block Nos. 5 and 6 Chongwenmenwai Street Dongcheng District Beijing The PRC	Beijing New World Garden is a residential/office composite development with basement carpark and other ancillary facilities, erected on a rectangular-shaped site with a site area of approximately 52,096.23 sq m. The property comprises the basement carpark of Block Nos. 5 and 6 of Beijing New World Garden Phase II which accommodates 412 car parking spaces and completed in 2001. The land use rights of the property have been granted for respective terms of 70 years for residential use, 50 years for office, basement storage, basement car parks use and 40 years for commercial and ancillary uses both commencing from 10 April 1998.	The property is currently vacant.	RMB103,000,000 (70% interest attributable to the Group: RMB72,100,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410041863 dated 16 July 2008, Beijing Chong Yu Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$171,840,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2005) Di 0011 issued by Beijing Land Resources Bureau dated 15 March 2005, the land use rights of the Development with a site area of 52,096.23 sq m were granted to Beijing Chong Yu Real Estate Development Co., Ltd. for a land use rights for residential, ancillary, commercial, office and basement car park and basement storage uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 00170 issued by Beijing Land Resources and Housing Administration Bureau dated 6 April 2005, the building ownership with a total gross floor area of 71,185.36 sq m was vested in Beijing Chong Yu Real Estate Development Co., Ltd.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Beijing Chong Yu Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Yu Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Yu Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
25 Car Parking Portion of Xin Yang Commercial Building 1 Zhushikou Dongdajie Dongcheng District Beijing The PRC	Xin Yang Commercial Building is a 5-level office/retail composite building completed in July 2002. The property comprises 83 car parking spaces of the Xin Yang Commercial Building. The land use rights of the property have been granted for respective terms of 70 years for residential use, 50 years for office, basement storage, basement car parks use and 40 years for commercial and ancillary uses both commencing from 10 April 1998.	The property is currently vacant.	RMB19,100,000 (70% interest attributable to the Group: RMB13,370,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410041863 dated 16 July 2008, Beijing Chong Yu Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$171,840,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2005) Di 0011 issued by Beijing Land Resources Bureau dated 15 March 2005, the land use rights of the Development with a site area of 52,096.23 sq m were granted to Beijing Chong Yu Real Estate Development Co., Ltd. for a land use rights for residential, ancillary, commercial, office and basement car park and basement storage uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 00135 issued by Beijing Development Committee dated 16 January 2003, the building ownership of the property with a gross floor area of 13,931.90 sq m was vested in Beijing Chong Yu Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Yu Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Yu Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Yu Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
26	Residential Car Parking Portion of Beijing Xin Kang Garden Phase III District 3 Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	Beijing Xin Kang Garden is a three phases residential development, comprises a parcel of irregular-shaped site with a total site area of approximately 101,893.70 sq m. The property comprises the residential basement car parking of Phase III of Beijing Xin Kang Garden, which accommodates approximately 690 car parking spaces completed in 2003. The land use rights of the property have been granted for a term of 70 years commencing from 30 April 1999 for residential use.	The property is currently vacant.	RMB117,300,000 (70% interest attributable to the Group: RMB82,110,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410139113 dated 14 February 2011, Beijing Xin Kang Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$12,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Kai Gang Ao Tai Guo Yong (1999) Zi Di 005 issued by The People's Government of Beijing dated 30 April 1999, the land use rights of the Development with a site area of 101,893.70 sq m were granted to Beijing Xin Kang Real Estate Development Co., Ltd. for a land use rights term expiring on 29 April 2069 for residential use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Kai Gang Ao Tai Zi Di 00034 dated 19 February 2004 and issued by Beijing Land Resources and Housing Administration Bureau, the building ownership of the property with a gross floor area of 194,542.59 sq m was vested in Beijing Xin Kang Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Xin Kang Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Xin Kang Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Xin Kang Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
27 Commercial Car Parking Portion of Beijing Xin Kang Garden Phase III District 3 Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	Beijing Xin Kang Garden is a three phases residential development, comprises a parcel of irregular-shaped site with a total site area of approximately 101,893.70 sq m. The property comprises the commercial basement car parking of Phase III of Beijing Xin Kang Garden, which accommodates approximately 131 car parking spaces. The land use rights of the property have been granted for a term of 70 years commencing from 30 April 1999 for residential use.	The property is currently vacant.	RMB22,300,000 (70% interest attributable to the Group: RMB15,610,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410139113 dated 14 February 2011, Beijing Xin Kang Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$12,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Kai Gang Ao Tai Guo Yong (1999) Zi Di 005 issued by The People's Government of Beijing dated 30 April 1999, the land use rights of the Development with a site area of 101,893.70 sq m were granted to Beijing Xin Kang Real Estate Development Co., Ltd. for a land use rights term expiring on 29 April 2069 for residential use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Kai Wai Zi Di 00079 issued by Beijing Land Resources and Housing Administration Bureau dated 31 July 2006, the building ownership of the property with a gross floor area of 13,123.95 sq m was vested in Beijing Xin Kang Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Xin Kang Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Xin Kang Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Xin Kang Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

			Market value in existing state as at 28 February 2014
Property	Description and tenure	Particulars of occupancy	
28	The Ancillary Commercial Podium of Beijing Xin Kang Garden Phase III District 3 Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	Beijing Xin Kang Garden is a three phases residential development, comprising a parcel of irregular-shaped site with a total site area of approximately 101,893.70 sq m. The property comprises the ancillary commercial podium of Phase III of Beijing Xin Kang Garden with a total gross floor area of approximately 7,535.63 sq m. The land use rights of the property have been granted for a term of 70 years commencing from 30 April 1999 for residential use.	RMB56,600,000 (70% interest attributable to the Group: RMB39,620,000)
		The property is subject to two tenancies for terms of 6 and 20 years expiring in April 2014 and March 2026 respectively, yielding a total monthly rental of approximately RMB261,980.	

Notes:

- (1) Pursuant to the Business Licence No. 110000410139113 dated 14 February 2011, Beijing Xin Kang Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$12,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Kai Gang Ao Tai Guo Yong (1999) Zi Di 005 issued by The People's Government of Beijing dated 30 April 1999, the land use rights of the Development with a site area of 101,893.70 sq m were granted to Beijing Xin Kang Real Estate Development Co., Ltd. for a land use rights term expiring on 29 April 2069 for residential use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Kai Wai Zi Di 00079 issued by Beijing Land Resources and Housing Administration Bureau dated 31 July 2006, the building ownership of the property with a gross floor area of 13,123.95 sq m was vested in Beijing Xin Kang Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Xin Kang Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Xin Kang Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Xin Kang Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
29 Portion of Commercial Annex Building of Beijing Xin Kang Garden Phase II District 3 Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	Beijing Xin Kang Garden is a three phases residential development, comprising a parcel of irregular-shaped site with a total area of approximately 101,893.70 sq m. The property comprises the (Commercial) Annex Building of Phase II of Beijing Xin Kang Garden with a total gross floor area of approximately 1,880.69 sq m. The land use rights of the property have been granted for a term of 70 years commencing from 30 April 1999 for residential use.	The commercial portion of the property is subject to 2 tenancies for a lease term of 12 and 10 years, expiring in September 2017 and March 2019 respectively, yielding a total monthly rental of RMB63,078, exclusive of management fee. The remaining portion of the property is currently vacant.	RMB9,500,000 (70% interest attributable to the Group: RMB6,650,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410139113 dated 14 February 2011, Beijing Xin Kang Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$12,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Kai Gang Ao Tai Guo Yong (1999) Zi Di 005 issued by The People's Government of Beijing dated 30 April 1999, the land use rights of the Development with a site area of 101,893.70 sq m were granted to Beijing Xin Kang Real Estate Development Co., Ltd. for a land use rights term expiring on 29 April 2069 for residential use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Kai Gang Ao Tai Zi Di 00028 issued by Beijing Land Resources Housing Administration Bureau dated 17 March 2003, the building ownership of the property with a gross floor area of 1,880.69 sq m was vested in Beijing Xin Kang Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Xin Kang Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Xin Kang Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Xin Kang Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
30	Portion of Annex Building of Beijing Xin Kang Garden Phase III District 3 Tianhuayuan Yili Beijing Economic and Technical Development Zone, Beijing The PRC	Beijing Xin Kang Garden is a three phases residential development, comprising a parcel of irregular-shaped site with a total site area of approximately 101,893.70 sq m. The property comprises the Annex Building of Phase III of Beijing Xin Kang Garden with a total lettable area of approximately 2,594.01 sq m. The land use rights of the property have been granted for a term of 70 years commencing from 30 April 1999 for residential use.	The property is subject to a tenancy with a lease term expiring in February 2019, yielding a total monthly rental of RMB57,992, exclusive of management fee.	RMB9,500,000 (70% interest attributable to the Group: RMB6,650,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410139113 dated 14 February 2011, Beijing Xin Kang Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$12,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Kai Gang Ao Tai Guo Yong (1999) Zi Di 005 issued by The People's Government of Beijing dated 30 April 1999, the land use rights of the Development with a site area of 101,893.70 sq m were granted to Beijing Xin Kang Real Estate Development Co., Ltd. for a land use rights term expiring on 29 April 2069 for residential use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Kai Wai Zi Di 00101 issued by Beijing Land Resources and Housing Administration Bureau dated 25 April 2008, the building ownership of the property with a gross floor area of 2,594.01 sq m was vested in Beijing Xin Kang Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Xin Kang Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Xin Kang Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Xin Kang Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
31 Car Parking Portion of Beijing New View Garden Phase I Block 10-12 Xihuashi Nanli Xiqu Dongcheng District Beijing The PRC	<p>Beijing New View Garden is a residential/office composite development developed in phases and erected on a roughly rectangular-shaped site with a total area of approximately 210,500.00 sq m.</p> <p>The property comprises the basement carpark of Beijing New View Garden Phase I, which accommodates approximately 189 car parking spaces was completed in 2001.</p> <p>The land use rights of the property have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for basement car park use commencing from 24 May 1999.</p>	The property is currently vacant.	RMB41,600,000 (70% interest attributable to the Group: RMB29,120,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Qi Guo Yong (2003) Zi Di 0214 issued by Beijing Land Resources Bureau dated 24 November 2003, the land use rights of the Development with a site area of 13,919.64 m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 29 December 2067 for residential use, 29 December 2037 for commercial use and 29 December 2047 for car park and office use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 00157 issued by Beijing Land Resources Bureau dated 12 November 2003, the title to the buildings of the Development with a gross floor area of 64,558.34 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
32 Car Parking Portion of Beijing New View Garden Phase III #7 Block 16 Xihuashi Nanli Dongqu Dongcheng District Beijing The PRC	Beijing New View Garden is a residential/office composite development developed in phases and erected on a roughly rectangular-shaped site with a total area of approximately 210,500.00 sq m. The property comprises the basement carpark of Beijing New View Garden Phase III #7, which accommodates approximately 147 car parking spaces was completed in 2007. The land use rights of the property have been granted for a term of 70 years and 40 years commencing from 26 August 2005 for residential use and ancillary use respectively.	The property is currently vacant.	RMB26,500,000 (70% interest attributable to the Group: RMB18,550,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2004 Chu) Di 10343 issued by Beijing Land Resources Bureau dated 22 December 2004, the land use rights of the Development with a site area of 16,600.00 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 27 August 2044 for ancillary use and 27 August 2074 for residential use.
- (3) Pursuant to Building Ownership Certificate No. Jing Fang Quan Zheng Chong Zi Di 030727 issued by Beijing Dongcheng District Housing Administration Bureau dated 30 November 2009, the building ownership of the property with a gross floor area of 35,577.32 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
33 Ancillary Commercial Portion of Beijing New View Garden Phase I Xihuashi Nanli Dongqu Dongcheng District Beijing The PRC	<p>Beijing New View Garden is a residential/office composite development developed in phases and erected on a roughly rectangular-shaped site with a total area of approximately 210,500.00 sq m.</p> <p>The property comprises the ancillary commercial portion on the basement and Level 1 of Beijing New View Garden Phase I with a gross floor area of approximately 1,123.73 sq m.</p> <p>The land use rights of the property have been granted for a term of 70 years commencing from 24 May 1999 for residential use.</p>	<p>Portion of the storage portion of the property with a total gross floor area of approximately 688.50 sq m is subject to various tenancies and the majority is leased for a term of 1 year with the last tenancy expiring in July 2014, yielding a total monthly rental of approximately RMB10,468.33, exclusive of management fees.</p> <p>The remaining portion of the property is vacant.</p>	<p>RMB5,300,000 (70% interest attributable to the Group: RMB3,710,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Qi Guo Yong (2003) Zi Di 0214 issued by Beijing Land Resources Bureau dated 24 November 2003, the land use rights of the Development with a site area of 13,919.64 m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 29 December 2067 for residential use, 29 December 2037 for commercial use and 29 December 2047 for car park and office use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 00157 issued by Beijing Dongcheng District Housing Administration Bureau dated 12 November 2003, the building ownership of the property with a gross floor area of 64,558.34 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
34 Car Parking Portion of Beijing Lianguang Road Block 2 Guangqumennei Dajie Dongcheng District Beijing The PRC	Beijing Xin Yu Garden is a large-scale residential/commercial composite development, comprises two parcels of irregular-shaped site with a total site area of approximately 443,239.00 sq m. The property comprises the basement carpark of Beijing Lianguang Road #2 accommodating 354 car parking spaces. The property was completed in 2007. The land use rights of the property have been granted for 70 years for residential, 50 years for office and basement carpark uses and 40 years for commercial use.	The property is currently vacant.	RMB70,800,000 (70% interest attributable to the Group: RMB49,560,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2004 Chu) Zi Di 10311 issued by The People's Government of Beijing dated 3 June 2004, the land use rights of the Development with a site area of 8,800 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 20 June 2043 for commercial use, 20 June 2073 for residential use and 20 June 2053 for office and car park uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Zi Di 015055 issued by Beijing Dongcheng District Housing Administration Bureau dated 2 November 2004, the building ownership of the property with a gross floor area of 47,748.96 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
35 Car Parking Portion of Beijing Lianguang Road Block 3 and Block 4 Guangqumennei Dajie Dongcheng District Beijing The PRC	Beijing Xin Yu Garden is a large-scale residential/commercial composite development, comprising 2 parcels of irregular-shaped site with a total site area of approximately 443,239.00 sq m. The property comprises the basement carpark of Beijing Lianguang Road #3 and #4 accommodating 254 car parking spaces. The property was completed in 2004. The land use rights of the property have been granted for 70 years for residential, 50 years for office and basement carpark uses and 40 years for commercial use.	The property is currently vacant.	RMB55,900,000 (70% interest attributable to the Group: RMB39,130,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2004 Chu) Di 10187 issued by The People's Government of Beijing dated 20 November 2004, the land use rights of the Development with a site area of 12,894.10 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 24 July 2071 for commercial and residential use and 24 July 2051 for office and car park uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi Chong She Wai Zi Di 10214 issued by Beijing Development Committee dated 2 November 2004, the building ownership of the property with a gross floor area of 76,906.72 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
36 Commercial Portion of Lianguang Road Block 2 Dongcheng District Beijing The PRC	<p>Beijing Xin Yu Garden is a large-scale residential/commercial composite development, comprising two parcels of irregular-shaped site with a total site area of approximately 443,239.00 sq m.</p> <p>The property comprises the basement commercial portion of Beijing Xin Yu Garden #2 with a gross floor area of approximately 3,603.00 sq m completed in 2007.</p> <p>The land use rights of the property have been granted for 70 years for residential, 50 years for office and basement carpark uses and 40 years for commercial use.</p>	The property is subject to a tenancy with a term expiring in December 2017, yielding a monthly rental of approximately RMB49,430, exclusive of management fee.	RMB31,100,000 (70% interest attributable to the Group: RMB21,770,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2004 Chu) Zi Di 10311 issued by The People's Government of Beijing dated 3 June 2004, the land use rights of the Development with a site area of 8,800 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 20 June 2043 for commercial use, 20 June 2073 for residential use and 20 June 2053 for office and car park uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Zi Di 015055 issued by Beijing Dongcheng District Housing Administration Bureau dated 2 November 2004, the building ownership of the property with gross floor area of 47,748.96 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
37 Car Parking Portion of Beijing Xin Cheng Cultural Building 11 Chongwenmenwai Street Dongcheng District Beijing The PRC	Beijing Xin Cheng Cultural Building is a commercial development comprising a rectangular-shaped site with an area of approximately 6,477.00 sq m was completed in 2005. The property comprises 208 car parking spaces in the basement of the Beijing Xin Cheng Cultural Building. The land use rights of the property have been granted for respective terms of 70 years for residential use and 40 years for commercial, office and ancillary uses, 50 years for office, basement storage and car park uses, all commenced from 10 April 1998.	The property is currently vacant.	RMB47,800,000 (70% interest attributable to the Group: RMB33,460,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410041863 dated 16 July 2008, Beijing Chong Yu Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$171,840,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2005) Di 0011 issued by Beijing Land Resources Bureau dated 15 March 2005, the land use rights of the Development with a site area of 52,096.23 sq m were granted to Beijing Chong Yu Real Estate Development Co., Ltd. for a land use rights for residential, ancillary, commercial, office and basement car park and basement storage uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 00180 issued by Beijing Development Committee dated 7 April 2005, the building ownership of the property with a gross floor area of 46,815.01 sq m was vested in Beijing Chong Yu Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Yu Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Yu Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Yu Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
38 Car Parking Portion of Zhengren Commercial Building 7-9 Chongwenmenwai Street Dongcheng District Beijing The PRC	<p>Zhengren Commercial Building (the "Development") is a 14-level office building and was completed in 2002.</p> <p>The property comprises the car park on basement level 2 and level 3 of the Development which accommodating 384 car parking spaces.</p> <p>The land use rights of the property have been granted for respective terms of 70 years for residential use, 50 years for office, basement storage and car park uses, and 40 years for ancillary, commercial uses commencing from 10 April 1998.</p>	The property is currently vacant.	RMB88,300,000 (70% interest attributable to the Group: RMB61,810,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410041863 dated 16 July 2008, Beijing Chong Yu Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$171,840,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2005) Di 0011 issued by Beijing Land Resources Bureau dated 15 March 2005, the land use rights of the Development with a site area of 52,096.23 sq m were granted to Beijing Chong Yu Real Estate Development Co., Ltd. for residential, ancillary, commercial, office, basement storage and basement car park.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 000162 issued by Beijing Land Resources and Planning Bureau dated 26 February 2004, the building ownership of the property with a gross floor area of 19,979.29 sq m was vested in Beijing Chong Yu Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Yu Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Yu Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Yu Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
39 Car Parking Portion of Beijing Xin Yi Garden Phase I and II Dongcheng District Beijing The PRC	Beijing Xin Yi Garden is a residential/commercial composite development erected upon an irregular-shaped site with a total site area of approximately 82,320.00 sq m. The property comprises 600 car parking spaces of Beijing Xin Yi Garden Phase I and II and was completed in 2005. The land use rights of the property have been granted for respective terms of 13 July 2074 for residential use, 13 July 2044 for commercial and ancillary uses, and 13 July 2054 for office, basement office and basement car park uses.	The property is currently vacant.	RMB120,000,000 (70% interest attributable to the Group: RMB84,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,540,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2010 Chu) Di 00376 issued by Beijing Land Resources Bureau dated 1 July 2011, the land use rights of the Development with a site area of 31,884.06 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for land use rights terms expiring on 13 July 2044 for commercial and ancillary uses, 13 July 2054 for office, basement office and basement car park uses and 13 July 2074 for residential use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi She Wai Zi Di 001221 issued by Beijing Land Resources and Housing Administration Bureau dated 3 August 2007, the building ownership of the property with a gross floor area of 122,869.84 sq m were vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
 - (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
40 Car Parking Portion of Beijing Xin Yi Garden Phase III and IV Dongcheng District Beijing The PRC	<p>Beijing Xin Yi Garden is a residential/commercial composite development erected upon an irregular-shaped site with a total site area of approximately 82,320.00 sq m.</p> <p>The property comprises 261 car parking spaces of Beijing Xin Yi Garden Phase III and V and was completed in 2007.</p> <p>The land use rights of the property have been granted for respective terms of 13 July 2074 for residential use, 13 July 2044 for commercial and ancillary uses, and 13 July 2054 for office, basement office and basement car park uses.</p>	The property is currently vacant.	RMB52,200,000 (70% interest attributable to the Group: RMB36,540,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,540,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2005 Chu) Di 10352 issued by Beijing Land Resources Bureau dated 31 January 2005, the land use rights of the Development with a site area of 26,562 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for land use rights terms expiring on 13 July 2044 for commercial use, 13 July 2054 for basement car park use and 13 July 2074 for office use.

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- (3) Pursuant to 4 Building Ownership Certificates issued by Beijing Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area of 117,169.80 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd.. Details of the Building Ownership Certificates are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Unit	Use	Date of Issuance
Jing Fang Quan Zheng Chong Zi Di 014965	40,069.07	Xin Yi Garden	Block 5	Commercial, car park, ancillary and residential	29 December 2008
Jing Fang Quan Zheng Chong Zi Di 015665	22,518.13	Xin Yi Garden	Block 6	Basement car park, ancillary, residential, commercial	23 January 2009
Jing Fang Quan Zheng Chong Zi Di 032275	22,242.30	Xin Yi Garden	Block 7	Car park and residential, commercial and ancillary	26 December 2009
Jing Fang Quan Zheng Chong Zi Di 032340	32,340.30	Xin Yi Garden	Block 8	Car park, commercial and residential and ancillary	28 December 2009

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
41 Car Parking Portion of Beijing Xin Yi Garden (Area A and B) Dongcheng District, Beijing The PRC	Beijing Xin Yi Garden is a residential/commercial composite development erected upon an irregular-shaped site with a total site area of approximately 82,320.00 sq m. The property comprises 205 car parking spaces of Beijing Xin Yi Garden and was completed in 2010. The land use rights of the property have been granted for respective terms of 13 July 2074 for residential use, 13 July 2044 for ancillary commercial use and 13 July 2054 for office and basement car park use.	The property is currently vacant.	RMB41,000,000 (70% interest attributable to the Group: RMB28,700,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,540,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2010 Chu) Di 00376 issued by Beijing Land Resources Bureau dated 1 November 2004, the land use rights of the Development with a site area of 31,884.06 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for land use rights terms expiring on 13 July 2044 for commercial and ancillary uses, 13 July 2054 for office, basement office and basement car park uses and 13 July 2074 for residential use.
- (3) Pursuant to 2 Building Ownership Certificates issued by Beijing Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area of 3,648.14 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd.. Details of the Building Ownership Certificates are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Unit	Use	Date of Issuance
Jing Fang Quan Zheng Dong Zi Di 046155	1,788.53	Xin yi Garden	Block 11	Residential, ancillary commercial, office, basement office, basement car park	16 June 2011
Jing Fang Quan Zheng Dong Zi Di 050598	1,859.61	Xin yi Garden	Block 12	Residential, ancillary commercial, office, basement office, basement car park	7 September 2011

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
42 Retail Portion of Langfang New World Centre located at the junction of Aimin East Road and Jianshe Road Langfang Hebei Province The PRC	Langfang New World Centre (the "Development") comprises four parcels of land with a total site area of approximately 95,597.99 sq m to be constructed in three phases, and is planned to develop into a residential/office/commercial composite development. The property comprises the following approximate gross floor areas:	The property is subject to a tenancy leased for a term of 10 years expiring on 31 March 2024 yielding a monthly rental of RMB52,792.14. The remaining portion of the property is currently vacant.	RMB136,000,000 (100% interest attributable to the Group: RMB136,000,000)
		Gross Floor Area (sq m)	
	Commercial	<u>7,016.35</u>	
		<u><u>7,016.35</u></u>	
	The land use rights of the development have been granted for a term of 40 years for commercial and finance uses and 70 years for residential use.		

Notes:

- (1) Pursuant to the Business Licence No. 131000400006328 dated 11 January 2013, Lang Fang New World Properties Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$102,300,000.
- (2) Pursuant to 4 State-owned Land Use Rights Certificates issued by The People's Government of Langfang, the land use rights of the Development with a total site area of 95,597.99 sq m were granted to Lang Fang New World Properties Development Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Lang Guo Yong (2010) Di 02713	Commercial and Finance	27 October 2050	25,532.39	13 December 2010
Lang Guo Yong (2010) Di 02823	Commercial and Finance	27 October 2050	6,335.25	17 December 2010
Lang Guo Yong (2010) Di 02834	Commercial and Finance	27 October 2050	7,909.98	17 December 2010
Lang Guo Yong (2010) Di 02846	Residential	27 October 2080	55,820.37	17 December 2010

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- (3) Pursuant to 3 Construction Land Use Planning Permits issued by Langfang Urban-Rural Planning Bureau, the parcel of land was permitted to be developed and details are listed as follows:

Permit No.	Location	Use	Site Area (sq m)	Date of Issuance
Di Zi Di 131000201000040	Zone A	Commercial and office	25,532.00	21 September 2010
Di Zi Di 131000201000041	Zone B	Commercial and office	14,245.00	21 September 2010
Di Zi Di 131000201000056	Zone C	Residential	55,820.00	29 November 2010

- (4) Pursuant to 3 Construction Engineering Planning Permits issued by Langfang Urban-Rural Planning Bureau, the property was permitted to be constructed and details are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Jian Zi Di 131000201200018	10 April 2012	167,725.63
Jian Zi Di 131000201200019	10 April 2012	36,615.88
Jian Zi Di 131000201200028	14 June 2012	234,837.56

- (5) Pursuant to 4 Construction Works Commencement Permits issued by Langfang Construction Bureau, the construction works of the property was permitted to be commenced and the details are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
131000S1106701 Zhuang	15 June 2012	N/A
131000S110680101	25 September 2012	36,615.88
131000S1106801 Zhuang	15 June 2012	N/A
131000S1200201 Zhuang	27 September 2012	N/A

- (6) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

- (i) Lang Fang New World Properties Development Co., Ltd. has legally obtained the land use rights of the property. Lang Fang New World Properties Development Co., Ltd. is the sole owner of the land use rights of the property;
- (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Lang Fang New World Properties Development Co., Ltd. according to relevant laws and regulations;
- (iii) Lang Fang New World Properties Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
- (iv) Lang Fang New World Properties Development Co., Ltd. has obtained the State-owned Land Use Rights Certificates, Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Lang Fang New World Properties Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
- (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
43 Car Parking Portion of Shenyang New World Garden Phases 1A and 1B Heping District, Shenyang Liaoning Province The PRC	Shenyang New World Garden is a self-contained residential zone developed in phases erected on 5 parcels of adjoining sites with a total site area of approximately 1,742,000.00 sq m. The property comprises 117 car parking spaces of the basement car park of Phases 1A and 1B of Shenyang New World Garden with a total gross floor area of approximately 5,500.00 sq m completed in 2000. The land use rights of the property have been granted for a term of 50 years expiring on 8 June 2048 for composite uses.	The property is currently vacant.	RMB18,700,000 (100% interest attributable to the Group: RMB18,700,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development were granted to New World (Shenyang) Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
Shen Yang Guo Yong (2002) Zi Di 0231	2 August 2002	Composite	382,921.50	8 June 2048	Phase 1
Shen Yang Guo Yong (2011) Zi Di 0017	1 February 2011	Composite	237,517.70	8 June 2048	Phase 2A
Shen Yang Guo Yong (2011) Zi Di 0018	1 February 2011	Composite	208,973.90	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0019	1 February 2011	Composite	74,874.60	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0105	24 June 2011	Composite	159,229.00	8 June 2048	Phase 3
Shen Yang Guo Yong (2011) Zi Di 0106	24 June 2011	Composite	158,033.10	8 June 2048	Phase 3
Shen Yang Guo Yong (2002) Zi Di 0103	24 June 2011	Composite	89,177.30	8 June 2048	Phase 3

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- (3) Pursuant to the State-owned Land Use Rights Certificates of Phases 1 and 2A, portions of the land have been carved out and the remaining site area of these two certificates were 173,283.88 sq m and 194,014.00 sq m respectively.
- (4) Pursuant to the State-owned Land Use Rights Certificates of Phases 2 and 3, portions of the land with a total site area of 152,875.60 sq m are designed for road and green area use.
- (5) Pursuant to two Construction Works Completion Certificates issued by Shenyang Urban-Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
N/A	December 2000	Basement car park of Phase 1A	2,920
N/A	25 October 2000	Basement car park of Phase 1B	2,580

- (6) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
- (ii) under existing practice, Shenyang Land Bureau will not issue any title documents for any basement car parks in Shenyang; and
- (iii) according to the relevant regulation, car park operation can be commenced after completing the formalities with relevant authorities and filing the case with Public Security Bureau. There will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the permit for the car park operation after compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
44 Car Parking Portion of Shenyang New World Garden Phase 1D Heping District, Shenyang Liaoning Province The PRC	<p>Shenyang New World Garden is a self-contained residential zone developed in phases erected on 5 parcels of adjoining sites with a total site area of approximately 1,742,000.00 sq m.</p> <p>The property comprises 305 car parking spaces of the basement car park of Phase 1D of Shenyang New World Garden with a total gross floor area of approximately 10,372.00 sq m completed in 2003.</p> <p>The land use rights of the property have been granted for a term of 50 years expiring on 8 June 2048 for composite uses.</p>	The property is currently vacant.	RMB48,800,000 (100% interest attributable to the Group: RMB48,800,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development were granted to New World (Shenyang) Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
Shen Yang Guo Yong (2002) Zi Di 0231	2 August 2002	Composite	382,921.50	8 June 2048	Phase 1
Shen Yang Guo Yong (2011) Zi Di 0017	1 February 2011	Composite	237,517.70	8 June 2048	Phase 2A
Shen Yang Guo Yong (2011) Zi Di 0018	1 February 2011	Composite	208,973.90	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0019	1 February 2011	Composite	74,874.60	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0105	24 June 2011	Composite	159,229.00	8 June 2048	Phase 3
Shen Yang Guo Yong (2011) Zi Di 0106	24 June 2011	Composite	158,033.10	8 June 2048	Phase 3
Shen Yang Guo Yong (2002) Zi Di 0103	24 June 2011	Composite	89,177.30	8 June 2048	Phase 3

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- (3) Pursuant to the State-owned Land Use Rights Certificates of Phases 1 and 2A, portions of the land have been carved out and the remaining site area of these two certificates were 173,283.88 sq m and 194,014.00 sq m respectively.
- (4) Pursuant to the State-owned Land Use Rights Certificates of Phases 2 and 3, portions of the land with a total site area of 152,875.60 sq m are designed for road and green area use.
- (5) Pursuant to the Construction Works Completion Certificate No. 2004 Nian Di 1019 dated 27 February 2004 issued by Department of Recording of Completion for Construction Works, the construction of the property was completed.
- (6) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
 - (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
 - (ii) under existing practice, Shenyang Land Bureau will not issue any title documents for any basement car parks in Shenyang; and
 - (iii) according to the relevant regulation, car park operation can be commenced after completing the formalities with relevant authorities and filing the case with Public Security Bureau. There will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the permit for the car park operation after compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014								
45 Retail, Kindergarten and Car Parking Portions of Shenyang New World Garden Phase 1E Heping District, Shenyang Liaoning Province The PRC	<p>Shenyang New World Garden is a self-contained residential zone developed in phases erected on 5 parcels of adjoining sites with a total site area of approximately 1,742,000.00 sq m.</p> <p>The property comprises a 2-level retail podium and a kindergarten of Phase 1E of Shenyang New World Garden completed in 2008.</p> <p>The approximate gross floor areas of the property are listed as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Gross Floor Area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Retail (L1-L2)</td> <td>2,602.17</td> </tr> <tr> <td>Kindergarten</td> <td><u>3,070.43</u></td> </tr> <tr> <td></td> <td><u>5,672.60</u></td> </tr> </tbody> </table> <p>The property also comprises 480 car parking spaces in the basement levels.</p> <p>The land use rights of the property have been granted for a term of 50 years expiring on 8 June 2048 for composite uses.</p>		Gross Floor Area (sq m)	Retail (L1-L2)	2,602.17	Kindergarten	<u>3,070.43</u>		<u>5,672.60</u>	<p>The retail portion of the property is fully let under various tenancies and the majority is leased for a term of 2 years with the last tenancy expiring in January 2017, yielding a total monthly rental of RMB118,597, exclusive management fees.</p> <p>The kindergarten is subject to a tenancy for a term expiring in 30 November 2018, yielding a monthly rental of RMB30,000, exclusive of management fees.</p> <p>Remaining portion of the property is currently vacant.</p>	<p>RMB102,000,000 (100% interest attributable to the Group: RMB102,000,000)</p>
	Gross Floor Area (sq m)										
Retail (L1-L2)	2,602.17										
Kindergarten	<u>3,070.43</u>										
	<u>5,672.60</u>										

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.

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- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by Shenyang Planning and Land Resource Bureau, the land use rights of the Development were granted to New World (Shenyang) Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
Shen Yang Guo Yong (2002) Zi Di 0231	2 August 2002	Composite	382,921.50	8 June 2048	Phase 1
Shen Yang Guo Yong (2011) Zi Di 0017	1 February 2011	Composite	237,517.70	8 June 2048	Phase 2A
Shen Yang Guo Yong (2011) Zi Di 0018	1 February 2011	Composite	208,973.90	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0019	1 February 2011	Composite	74,874.60	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0105	24 June 2011	Composite	159,229.00	8 June 2048	Phase 3
Shen Yang Guo Yong (2011) Zi Di 0106	24 June 2011	Composite	158,033.10	8 June 2048	Phase 3
Shen Yang Guo Yong (2002) Zi Di 0103	24 June 2011	Composite	89,177.30	8 June 2048	Phase 3

- (3) Pursuant to the State-owned Land Use Rights Certificates of Phases 1 and 2A, portions of the land have been carved out and the remaining site area of these two certificates were 173,283.88 sq m and 194,014.00 sq m respectively.
- (4) Pursuant to the State-owned Land Use Rights Certificates of Phases 2 and 3, portions of the land with a total site area of 152,875.60 sq m are designed for road and green area use.
- (5) Pursuant to the Building Ownership Certificate No. Shen Fang Quan Zheng Zi Di N060068662 dated 9 October 2008 issued by Shenyang Housing Bureau, portion of the property with a gross floor area of 3,070.43 sq m was vested in New World (Shenyang) Property Development Limited for kindergarten use.
- (6) Pursuant to 7 Initial Registration for Building Ownership issued by Shenyang Housing Bureau, portion of the property was certificated to be completed. Details of the Initial Registration for Building Ownership are as follows:

Building No.	Date of Issuance	Unit No.	Gross Floor Area (sq m)
Sha Shan Dong 40 (23)	27 October 2008	Unit A3	83.35
Sha Shan Dong 40 (23)	27 October 2008	Unit 6	279.86
Sha Shan Dong 40 (23)	27 October 2008	Unit 5	285.27
Sha Shan Dong 40 (23)	27 October 2008	Unit 4	586.75
Sha Shan Dong 40 (23)	27 October 2008	Unit 3	768.29
Sha Shan Dong 40 (23)	27 October 2008	Unit 2	551.60
Sha Shan Dong 40 (23)	27 October 2008	Unit 1	59.53

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- (7) Pursuant to 3 Construction Works Completion Certificates issued by Shenyang Urban-Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
2008 Nian Di 1013	23 June 2008	Basement car park Blocks 2, 3, 11-13 of Phase 1E	8,790
2008 Nian Di 1014	23 June 2008	Basement car park Blocks 4-10 of Phase 1E	9,799
2008 Nian Di 1011	23 June 2008	Blocks 1 and 14 of Phase 1E	18,985

- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner and is entitled to occupy, use, develop, transfer, lease, mortgage or handled in other ways the land use rights of the property;
 - (ii) New World (Shenyang) Property Development Limited has legally obtained the building ownership of the retail and kindergarten portion of the property and is entitled to transfer, lease, mortgage or handled in other ways such portion of the property;
 - (iii) under existing practice, Shenyang Land Bureau will not issue any title documents for any basement car parks in Shenyang; and
 - (iv) according to the relevant regulation, car park operation can be commenced after completing the formalities with relevant authorities and filing the case with Public Security Bureau. There will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the permit for the car park operation after compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014								
46 Retail Portion and Kindergarten of Shenyang New World Garden Phase 2A Heping District, Shenyang Liaoning Province The PRC	<p>Shenyang New World Garden is a self-contained residential zone developed in phases erected on 5 parcels of adjoining sites with a total site area of approximately 1,742,000.00 sq m.</p> <p>The property comprises a 2-level retail podium and a kindergarten of Phase 2A of Shenyang New World Garden completed in 2010.</p> <p>The approximate gross floor areas of the property are listed as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Gross Floor Area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Retail (L1-L2)</td> <td>1,817.12</td> </tr> <tr> <td>Kindergarten</td> <td><u>1,777.58</u></td> </tr> <tr> <td></td> <td><u>3,594.70</u></td> </tr> </tbody> </table> <p>The land use rights of the property have been granted for a term of 50 years expiring on 8 June 2048 for composite uses.</p>		Gross Floor Area (sq m)	Retail (L1-L2)	1,817.12	Kindergarten	<u>1,777.58</u>		<u>3,594.70</u>	<p>The retail portion of the property is fully let under various tenancies with the last tenancy expiring in May 2018, yielding a total monthly rental of RMB48,284, exclusive management fees.</p> <p>The kindergarten is vacant.</p>	<p>RMB24,000,000 (100% interest attributable to the Group: RMB24,000,000)</p>
	Gross Floor Area (sq m)										
Retail (L1-L2)	1,817.12										
Kindergarten	<u>1,777.58</u>										
	<u>3,594.70</u>										

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.

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- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development were granted to New World (Shenyang) Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
Shen Yang Guo Yong (2002) Zi Di 0231	2 August 2002	Composite	382,921.50	8 June 2048	Phase 1
Shen Yang Guo Yong (2011) Zi Di 0017	1 February 2011	Composite	237,517.70	8 June 2048	Phase 2A
Shen Yang Guo Yong (2011) Zi Di 0018	1 February 2011	Composite	208,973.90	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0019	1 February 2011	Composite	74,874.60	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0105	24 June 2011	Composite	159,229.00	8 June 2048	Phase 3
Shen Yang Guo Yong (2011) Zi Di 0106	24 June 2011	Composite	158,033.10	8 June 2048	Phase 3
Shen Yang Guo Yong (2002) Zi Di 0103	24 June 2011	Composite	89,177.30	8 June 2048	Phase 3

- (3) Pursuant to the State-owned Land Use Rights Certificates of Phases 1 and 2A, portions of the land have been carved out and the remaining site area of these two certificates were 173,283.88 sq m and 194,014.00 sq m respectively.
- (4) Pursuant to the State-owned Land Use Rights Certificates of Phases 2 and 3, portions of the land with a total site area of 152,875.60 sq m are designed for road and green area use.
- (5) Pursuant to the Construction Works Completion Certificate No. 2013 Nian Di 1093 dated 25 November 2013 issued by Shenyang Urban-Rural Development Committee, portion of the property with a gross floor area of 1,838 sq m was certificated to be completed.
- (6) Pursuant to 5 Initial Registration for Building Ownership issued by Shenyang Housing Bureau, portion of the property was certificated to be completed. Details of the Initial Registration for Building Ownership are as follows:

Building No.	Date of Issuance	Unit No.	Gross Floor Area (sq m)
Dong Gong 51 (258)	26 August 2011	Unit 4	312.52
Dong Gong 51 (257)	14 October 2011	Unit 7	310.09
Dong Gong 60 (102)	14 March 2012	Unit 1	552.18
Dong Gong 61 (197)	14 March 2012	Unit 3	309.17
Dong Gong 61 (197)	14 March 2012	Unit 4	333.16

- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights and the building ownership of the property. New World (Shenyang) Property Development Limited is the sole owner of the property and is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
- (ii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
47 Car Parking Portion of Shenyang New World Garden Phase 2A Heping District, Shenyang Liaoning Province The PRC	Shenyang New World Garden is a self-contained residential zone developed in phases erected on 5 parcels of adjoining sites with a total site area of approximately 1,742,000.00 sq m. The property comprises the car parking portion of Phase 2A of the Development, which provides 3,501 car parking spaces with a total gross floor area of approximately 161,543.15 sq m completed in 2010. The land use rights of the property have been granted for a term of 50 years expiring on 8 June 2048 for composite use.	The property is currently vacant.	RMB630,000,000 (100% interest attributable to the Group: RMB630,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 26 March 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development were granted to New World (Shenyang) Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
Shen Yang Guo Yong (2002) Zi Di 0231	2 August 2002	Composite	382,921.50	8 June 2048	Phase 1
Shen Yang Guo Yong (2011) Zi Di 0017	1 February 2011	Composite	237,517.70	8 June 2048	Phase 2A
Shen Yang Guo Yong (2011) Zi Di 0018	1 February 2011	Composite	208,973.90	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0019	1 February 2011	Composite	74,874.60	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0105	24 June 2011	Composite	159,229.00	8 June 2048	Phase 3
Shen Yang Guo Yong (2011) Zi Di 0106	24 June 2011	Composite	158,033.10	8 June 2048	Phase 3
Shen Yang Guo Yong (2002) Zi Di 0103	24 June 2011	Composite	89,177.30	8 June 2048	Phase 3

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- (3) Pursuant to the State-owned Land Use Rights Certificates of Phases I and IIA, portions of the land have been carved out and the remaining site area of these two certificates were 173,283.88 sq m and 194,014.00 sq m respectively.
- (4) Pursuant to the State-owned Land Use Rights Certificates of Phases 2 and 3, portions of the land with a total site area of 152,875.60 sq m are designed for road and green area use.
- (5) Pursuant to 4 Construction Works Completion Certificates issued by Shenyang Urban- Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
2010 Nian Di 1075	31 December 2010	Basement car park of Phase 2 Zone 1	60,257
2010 Nian Di 1079	30 December 2010	Basement car park of Phase 2 Zone 2	61,756
2010 Nian Di 1067	30 December 2010	Basement car park of Phase 2 Zone 3	59,761
2010 Nian Di 1078	30 December 2010	Phase 2 Zone 2	84,971

- (6) As advised by New World (Shenyang) Property Development Limited, portion of the basement car park with a gross floor area of 1,756.9 sq m was completed and included by other Construction Works Completion Certificates. Portion of the basement car park with a gross floor area of 6,436 sq m was completed and included in the Construction Works Completion Certificate No. 2010 Nian Di 1078 without stated on it.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
 - (ii) under existing practice, Shenyang Land Bureau will not issue any title document for basement car parks in Shenyang; and
 - (iii) according to the relevant regulation, car park operation can be commenced after completing the formalities with relevant authorities and filing the case with Public Security Bureau. There will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the permit for the car park operation after compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
48 Car Parking Portion of Phase 2B of Shenyang New World Garden Heping District, Shenyang Liaoning Province The PRC	<p>Shenyang New World Garden is a self-contained residential zone in several phases erected on 5 parcels of adjoining sites with a total site area of approximately 1,742,000.00 sq m.</p> <p>The car parking portion of Phase 2B of the Development, which will provide 3,156 car parking spaces with a total gross floor area of approximately 129,161.94 sq m completed in 2013.</p> <p>The land use rights of the Development have been granted for a term of 50 years expiring on 8 June 2048 for composite uses.</p>	The property is currently vacant.	RMB568,000,000 (100% interest attributable to the Group: RMB568,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 26 March 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development were granted to New World (Shenyang) Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
Shen Yang Guo Yong (2002) Zi Di 0231	2 August 2002	Composite	382,921.50	8 June 2048	Phase 1
Shen Yang Guo Yong (2011) Zi Di 0017	1 February 2011	Composite	237,517.70	8 June 2048	Phase 2A
Shen Yang Guo Yong (2011) Zi Di 0018	1 February 2011	Composite	208,973.90	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0019	1 February 2011	Composite	74,874.60	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0105	24 June 2011	Composite	159,229.00	8 June 2048	Phase 3
Shen Yang Guo Yong (2011) Zi Di 0106	24 June 2011	Composite	158,033.10	8 June 2048	Phase 3
Shen Yang Guo Yong (2002) Zi Di 0103	24 June 2011	Composite	89,177.30	8 June 2048	Phase 3

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- (3) Pursuant to the State-owned Land Use Rights Certificates of Phases 1 and 2A, portions of the land have been carved out and the remaining site area of these two certificates were 173,283.88 sq m and 194,014.00 sq m respectively.
- (4) Pursuant to the State-owned Land Use Rights Certificates of Phases 2 and 3, portions of the land with a total site area of 152,875.60 sq m are designed for road and green area use.
- (5) Pursuant to 3 Construction Works Completion Certificates issued by Shenyang Urban-Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
2013 Nian Di 1106	20 December 2013	68#-3, Phase 2B	34,216.65
2013 Nian Di 1110	20 December 2013	68#-2, Phase 2B	64,225.52
2013 Nian Di 1113	20 December 2013	68#-1, Phase 2B	50,863.39

- (6) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
- (ii) under existing practice, Shenyang Land Bureau will not issue any title documents for basement car parks in Shenyang; and
- (iii) according to the relevant regulation, car park operation can be commenced after completing the formalities with relevant authorities and filing the case with Public Security Bureau. There will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the permit for the car park operation after compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
49 Car Parking Portion of Shenyang New World Commercial Centre Phase I (previously known as Shenyang New World Hotel Extension Project) No. 2 Nanjing South Street Heping District, Shenyang Liaoning Province The PRC	Shenyang New World Commercial Centre Phase I is a commercial development at the west of the intersection of Nanjing South Street and Zhonghua Road, completed in 2012. The property comprises the car parking portion of Phase I of the Development, which provides 71 car parking spaces with a total gross floor area of approximately 9,473.07 sq m. The land use rights of the property have been granted for a term expiring on 29 June 2049 for commercial and service use.	The property is currently vacant.	RMB13,490,000 (100% interest attributable to the Group: RMB13,490,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100400016268 dated 23 May 2013, Shenyang New World Xin Hui Properties Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB501,520,000.
- (2) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. 2101012009A0061 dated 29 June 2009 entered into between Shenyang Land Resources Bureau and Shenyang New World Xin Hui Properties Co., Ltd., the land use rights of a parcel of land with a site area of 6,808.50 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:
 - (i) Land use : Commercial services
 - (ii) Land use term : 40 years
 - (iii) Plot ratio : ≤10
 - (iv) Maximum building height : ≤150 m
 - (v) Density : ≤60%
 - (vi) Green area : ≥15%
 - (vii) Land grant fee : RMB106,907,067
 - (viii) Commencement date : 29 December 2009
 - (ix) Completion date : 29 June 2012

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- (3) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. 2101012013A0004 dated 10 January 2013 entered into between Shenyang Land Resources Bureau and Shenyang New World Hotel Company Limited, the land use rights of a parcel of land with a site area of 7,667.20 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

(i)	Use	:	Commercial services
(ii)	Land use term	:	40 years
(iii)	Plot ratio	:	≤10
(iv)	Maximum building height	:	≤150 m
(v)	Density	:	≤60%
(vi)	Green area	:	≥15%
(vii)	Land grant fee	:	RMB648,491,776
(viii)	Commencement date	:	30 June 2014
(ix)	Completion date	:	30 June 2017

- (4) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Shen Yang Guo Yong (2009) Di 0164 and Shen Yang Guo Yong (2013) Di 0053 both issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development with total site area of 14,475.7 sq m were granted to Shenyang New World Xin Hui Properties Co., Ltd. for commercial services use. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Shen Yang Guo Yong (2009) Zi Di 0164	14 August 2009	Commercial	6,808.50	29 June 2049
Shen Yang Guo Yong (2013) Zi Di 0053	13 August 2013	Commercial	7,667.20	29 June 2053

- (5) Pursuant to two Construction Works Completion Certificates issued by Shenyang Urban-Rural Development Committee, the construction of portion of the property was certificated to be completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
2012 Nian Di 1090	18 September 2009	Retail, Phase 1	37,096
2013 Nian Di 1115	24 December 2013	Residential, Phase 1	44,914

- (6) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- Shenyang New World Xin Hui Properties Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the property;
 - under existing practice, Shenyang Land Bureau will not issue any title documents for any basement car parks in Shenyang; and
 - according to the relevant regulation, car park operation can be commenced after completing the formalities with relevant authorities and filing the case with Public Security Bureau. There will be no legal obstacle for Shenyang New World Xin Hui Properties Co., Ltd. in obtaining the permit for the car park operation after compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
50 Shanghai Belvedere Service Apartment 833 Changning Road Changning District, Shanghai The PRC	<p>Shanghai Ramada Plaza (the "Development") is a large-scale composite development located opposite to the Zhongshan Park in the heart of Changning District. The Development is a large-scale hotel/commercial development erected upon three parcels of land with a total site area of 11,260 sq m. The Development comprises a hotel development with two hotel towers of 13 and 24-storey respectively; an apartment tower and a 6-storey plus 3-level basement commercial/car park podium.</p> <p>The property comprises the apartment portion of the Development with a total gross floor area of approximately 36,088.80 sq m completed in 2003.</p> <p>The land use rights of the property have been granted for a term expiring on 20 April 2048 for composite (commercial, office, hotel) use.</p>	<p>Portion of the property with a total gross floor area of approximately 30,055.65 sq m is subject to various tenancies and the majority of which is leased for a term of 1 to 2 years with the last expiry date in November 2015, yielding a total monthly rental of approximately RMB4,103,667, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB1,065,000,000 (100% interest attributable to the Group: RMB1,065,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 310000400154080 (Shi Ju) dated 17 March 2011, Shanghai Ramada Plaza Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$42,000,000.
- (2) Pursuant to the Realty Title Certificate No. Hu Fang Di Chang Zi (2012) Di 004280 issued by Shanghai Planning, Land and Resources Administration Bureau dated 30 May 2012, the land use rights of the Development with a site area of 11,260 sq m and the building ownership of the Development with a gross floor area of 134,793.64 sq m was vested in Shanghai Ramada Plaza Ltd. for a land use rights term expiring on 20 April 2048 for commercial, office and hotel uses.

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- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Shanghai Ramada Plaza Ltd. has legally obtained the land use rights and the building ownership of the property. Shanghai Ramada Plaza Ltd. is the sole owner of the property;
 - (ii) portion of the property is subject to a mortgage; and
 - (iii) the property can be legally transferred, leased, mortgaged or handled in other ways by Shanghai Ramada Plaza Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
51 Commercial and Car Parking Portions of Shanghai Ramada Plaza 823 Changning Road Changning District, Shanghai The PRC	<p>Shanghai Ramada Plaza (the "Development") is a large-scale composite development located opposite to the Zhongshan Park in the heart of Changning District. The Development is a large-scale hotel/commercial development erected upon three parcels of land with a total site area of 11,260 sq m. The Development comprises a hotel development with two hotel towers of 13 and 24-storey respectively; an apartment tower and a 6-storey plus 3-level basement commercial/car park podium.</p> <p>The property comprising the commercial portion of basement level 3 to level 3 of the commercial/car park podium of the Development with a total gross floor area of approximately 19,985.81 sq m and the 3 levels car park (located on level 4 to 6 of the commercial/car park podium) with a total gross floor area of approximately 13,596.58 sq m accommodating about 260 car parking spaces.</p> <p>The land use rights of the property have been granted for a term expiring on 20 April 2048 for composite (commercial, office, hotel) use.</p>	<p>The commercial portion of the property is fully let with a lease term expiring in November 2021, yielding an average annual income of RMB23,400,465.</p> <p>The remaining portion of the property is vacant.</p>	<p>RMB672,000,000 (100% interest attributable to the Group: RMB672,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 310000400154080 (Shi Ju) dated 17 March 2011, Shanghai Ramada Plaza Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$42,000,000.
- (2) Pursuant to the Realty Title Certificate No. Hu Fang Di Chang Zi (2012) Di 004280 issued by Shanghai Planning, Land and Resources Administration Bureau dated 30 May 2012, the land use rights of the Development with a site area of 11,260 sq m and the building ownership of the Development with a gross floor area of 134,793.64 sq m were vested in Shanghai Ramada Plaza Ltd. for a land use rights term expiring on 20 April 2048 for commercial, office and hotel uses.

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- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Shanghai Ramada Plaza Ltd. has legally obtained the land use rights and the building ownership of the property. Shanghai Ramada Plaza Ltd. is the sole owner of the property;
 - (ii) portion of the property is subject to a mortgage; and
 - (iii) the property can be legally transferred, leased, mortgaged or handled in other ways by Shanghai Ramada Plaza Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
52 Shanghai Hong Kong New World Tower 300 Huaihaizhong Road Huangpu District, Shanghai The PRC	<p>Shanghai Hong Kong New World Tower (the "Development") is a 58-storey office building including a 4-level commercial podium and 3-level car parking/commercial basement constructed upon a roughly rectangular-shaped site with a site area of approximately 9,953.00 sq m.</p> <p>The property comprises the whole Development including the commercial portion of the Development with a total lettable area of approximately 17,327.30 sq m and the office portion, with a total lettable area of approximately 76,844.75 sq m.</p> <p>The property also comprises 312 car parking spaces with a total gross floor area of approximately 14,361.60 sq m at basement levels of the development.</p> <p>The land use rights of the Development have been granted for a term expiring on 20 April 2048 for composite uses.</p>	<p>The commercial portion of the property with a total lettable area of 14,824.25 sq m is subject to various tenancies with the last tenancy expiring in December 2022, yielding a total monthly rental of RMB8,672,104, exclusive management fees.</p> <p>Portion of the office portion of the property with a total lettable area of approximately 67,938.09 sq m is subject to various tenancies for various terms and the majority of which is leased for a term of 3 years with the last tenancy expiring in December 2016, yielding a total monthly rental of about RMB15,092,722.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB5,211,000,000 (50% interest attributable to the Group: RMB2,605,500,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 310000400109275 (Shi Ju) dated 17 January 2012, Shanghai New World Huai Hai Property Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$108,500,000.
- (2) Pursuant to the Realty Title Certificate No. Hu Fang Di Lu Zi Di (2006) 003200 issued by Shanghai Housing and Land Resources Administration Bureau dated 9 November 2006, the land use rights of the property with a site area of 9,953 sq m and the building ownership with a gross floor area of 130,384.17 sq m of the property was vested in Shanghai New World Huai Hai Property Development Co., Ltd..

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- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Shanghai New World Huai Hai Property Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property and is the sole owner of the property;
 - (ii) the property is subject to a mortgage; and
 - (iii) Shanghai New World Huai Hai Property Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the property.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
53 Ancillary Building No. 4 and Block Nos. 21, 22 and 33 of Jinan Sunshine Garden Daode Street Huaiyin District, Jinan Shandong Province The PRC	<p>Jinan Sunshine Garden (the "Development") is a massive commercial/residential composite development, comprises several irregular-shaped sites with a total area of 204,314.80 sq m.</p> <p>The property comprises the Ancillary Building No. 4 and the Block nos. 21, 22 and 33 of the Development with a total gross floor area of approximately 7,416.58 sq m.</p> <p>The land use rights of the Development have been granted for a term of 70 years, commencing from 7 June 2001 to 6 June 2071 for residential uses.</p>	<p>Portion of the property with a total gross floor area of approximately 6,249.49 sq m is subject to various tenancies for various term and the majority of which is leased for a term of 10 years with the last tenancy expiring in January 2020, yielding a total monthly rental of approximately RMB257,752, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB50,300,000 (100% interest attributable to the Group: RMB50,300,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 370100400000143 dated 16 January 2012, Jinan New World Sunshine Development Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$69,980,000.
- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by The People's Government of Jinan, the land use rights of the Development were granted to Jinan New World Sunshine Development Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Huai Yin Guo Yong (2007) Di 300002	15 January 2007	Residential	53,154.40	6 June 2071
Huai Yin Guo Yong (2006) Di 300112	11 October 2006	Residential	17,078.20	6 June 2071
Huai Yin Guo Yong (2006) Di 300110	11 October 2006	Residential	44,589.00	6 June 2071
Huai Yin Guo Yong (2006) Di 300111	11 October 2006	Residential	1,256.00	6 June 2071
Huai Yin Guo Yong (2007) Di 300001	15 January 2007	Residential	68,050.10	6 June 2071
Huai Yin Guo Yong (2006) Di 300107	11 October 2006	Ancillary Facility	6,518.80	6 June 2041
Huai Yin Guo Yong (2006) Di 300108	11 October 2006	Ancillary Facility	13,668.30	6 June 2041

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- (3) Pursuant to 4 Building Ownership Certificates issued by Jinan Housing Administration Bureau, the building ownership of the property was vested in Jinan New World Sunshine Development Ltd.. Details of the Building Ownership Certificates are as follows:

Permit No.	Date of Issuance	Location	Building	Gross Floor Area (sq m)
Ji Fang Quan Zheng Huai Zi Di 121802	23 January 2010	Jinan Sunshine Garden West Zone	Block 27	12,942.41
Ji Fang Quan Zheng Huai Zi Di 121800	23 January 2010	Jinan Sunshine Garden West Zone	Block 22	16,513.89
Ji Fang Quan Zheng Huai Zi Di 116541	6 August 2009	Jinan Sunshine Garden West Zone	Block 33	5,525.60
Ji Fang Quan Zheng Huai Zi Di 083557	28 April 2006	Jinan Sunshine Garden West Zone	Ancillary Building No. 4	619.22

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Jinan New World Sunshine Development Ltd. has legally obtained the land use rights and the building ownership of the property and is the sole owner of the property;
 - (ii) portion of the land use rights of the Development with a site area of 68,050.10 sq m is subject to a mortgage; and
 - (iii) Jinan New World Sunshine Development Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged portion of the land use rights of the property. For the mortgaged land use rights, Jinan New World Sunshine Development Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
54 Retail and Car Parking Portions of Dalian New World Plaza Phase II 200 Tianjin Street Zhongshan District, Dalian Liaoning Province The PRC	<p>Dalian New World Plaza is a massive commercial/residential complex comprising a twin block of multi-storey office and apartment building surmounting a 7-level retail podium plus a 3-level commercial/car parking basement. The whole development is constructed upon an irregular-shaped site with an area of approximately 9,800.00 sq m completed in 2002.</p> <p>The property comprises the retail podium of Dalian New World Plaza with a total gross floor area of approximately 49,413.44 sq m and 391 car parking spaces at basement levels.</p> <p>The land use rights of the property have been granted for a term expiring on 28 July 2044 for other commercial services use.</p>	<p>Majority portion of the retail portion of the property with a total lettable area of approximately 32,034 sq m is leased to Dalian New World Department Store for a term expiring in October 2022, and the other portion of the property with a total lettable area of approximately 4,686.86 sq m is subject to various tenancies for various term yielding a total monthly rental of approximately 1,735,395, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB606,000,000 (88% interest attributable to the Group: RMB533,280,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 210200400009184 dated 19 January 2011, Dalian New World Plaza International Co., Ltd., a subsidiary of the Company, was incorporated with a registered capital of RMB58,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Da Guo Yong (2003) Zi Di 01012 dated March 2003 issued by Dalian Planning and Land Resources Bureau, the land use rights of the Development with a site area of 4,508.30 sq m were granted to Dalian New World Plaza International Co., Ltd. for a term expiring on 28 July 2044 for other commercial use.

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- (3) Pursuant to 9 Realty Title Certificates issued by Dalian Land Resources and Housing Administration Bureau, the title to portion of the development was vested in Dalian New World Plaza International Co., Ltd.. Details of the Realty Title Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address
Da Fang Quan Zheng Zhong Dan Zi Di 2003200058	2,164.22	Non-residential	Level 8
Da Fang Quan Zheng Zhong Dan Zi Di 2003200059	6,313.62	Non-residential	Level 7
Da Fang Quan Zheng Zhong Dan Zi Di 2003200060	7,081.54	Non-residential	Level 6
Da Fang Quan Zheng Zhong Dan Zi Di 2003200061	7,064.88	Non-residential	Level 5
Da Fang Quan Zheng Zhong Dan Zi Di 2003200062	7,223.34	Non-residential	Level 4
Da Fang Quan Zheng Zhong Dan Zi Di 2003200063	7,284.21	Non-residential	Level 3
Da Fang Quan Zheng Zhong Dan Zi Di 2003200064	7,194.46	Non-residential	Level 2
Da Fang Quan Zheng Zhong Dan Zi Di 2003200065	6,880.33	Non-residential	Level 1
Da Fang Quan Zheng Zhong Dan Zi Di 2003200066	22,739.44	Non-residential	Basement Level 1 to 3

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Dalian New World Plaza International Co., Ltd. has legally obtained the land use rights and building ownership of the property and is the sole owner of the property;
 - (ii) portion of the buildings of the development with a total gross floor area of 71,781.82 sq m is subject to a mortgage;
 - (iii) Dalian New World Plaza International Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged portion of the property;
 - (iv) for the mortgaged buildings and the corresponding land use rights, Dalian New World Plaza International Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property; and
 - (v) Dalian New World Plaza International Co., Ltd. has obtained the Realty Title Certificates for portion of the building. Dalian New World Plaza International Co., Ltd. is the sole owner of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
55 Commercial and Car Parking Portions of Dalian New World Tower 41 Renmin Road Zhongshan District, Dalian Liaoning Province The PRC	<p>Dalian New World Tower (the "Development") comprises a rectangular-shaped site with an area of approximately 16,600.00 sq m and is developed into a residential/commercial/hotel large-scale development complex with a total gross floor area of approximately 219,324.00 sq m.</p> <p>The property comprises a commercial portion of the Development with a total gross floor area of approximately 27,067.00 sq m and 444 car parking spaces in basement levels.</p> <p>The land use rights of the Development have been granted two terms expiring on 25 March 2064 and 15 September 2048 for residential and residential and catering uses.</p>	<p>Portion of the commercial portion of the property with a total lettable area of 9,395.70 sq m is subject to various tenancies and the majority of which is leased for a term of 3 years with the last tenancy expiring in April 2027, yielding a monthly rental of approximately RMB1,430,591.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB446,000,000 (100% interest attributable to the Group: RMB446,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. Qi Ye Liao Da Zong Zi Di 020371 dated 29 March 2013, Dalian New World Tower Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$162,150,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Da Guo Yong (2010) Di 01046 Hao and Da Guo Yong (2010) Di 01047 Hao issued by Dalian Land Resources and Housing Administration Bureau dated 15 September 2010, the land use rights of the Development with a total site area of 16,600.00 sq m were granted to Dalian New World Tower Co., Ltd. for two land use rights terms expiring on 25 March 2064 and 15 September 2048 for residential and residential and catering uses.
- (3) Pursuant to the Realty Title Certificate No. (Zhong Xie Wai) 2010201419 issued by Dalian Real Estate Title Registration Centre dated 8 November 2010, the building ownership of the property with a gross floor area of 42,556.28 sq m were vested in Dalian New World Tower Co., Ltd..
- (4) Pursuant to Construction Works Completion Certificate Da Zhi Jian Zheng (2009) No. 006 dated 23 April 2009 issued by Dalian Construction Engineering Quality Supervision Station, portion of the Development with a total gross floor area of 136,597.00 sq m was certificated to be completed.
- (5) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB1,301,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.

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- (6) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Dalian New World Tower Co., Ltd. has legally obtained the land use rights of the property and the building ownership of the buildings of the retail portion of the property and is the sole owner of such portion of the property;
 - (ii) portion of the land use rights and buildings of the development with a site area of 14,741.5 sq m and a gross floor area of 78,682.5 sq m was subject to a mortgage;
 - (iii) Dalian New World Tower Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of non-mortgage portion the property (except for the underground ancillary facility rooms and underground car park);
 - (iv) for the mortgaged buildings and the land use rights, Dalian New World Tower Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property; and
 - (v) for the underground car park, Dalian New World Tower Co., Ltd. has obtained the Fee Charging Permit issued by the Pricing Bureau dated 20 April 2012, to operate car park leasing business and receiving rental. After Dalian New World Tower Co., Ltd. has fully paid the land premium for the underground car park, there will be no uncertainty on the legality pertaining to corresponding land use rights of the underground car park.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
56 Retail Portion of Guangzhou Central Park-view Pearl River New Town Guangzhou Guangdong Province The PRC	<p>Guangzhou Central Park-view (the "Development") is a massive residential/commercial composite development comprising 12 parcels of adjoining sites (Lot Nos. L4-1 to L4-3, L4-5, L8-1 to L8-4 and L13-1 to L13-4) with a total site area of approximately 96,899.00 sq m.</p> <p>The property comprises the retail portion of the Development with a total gross floor area of approximately 17,407.52 sq m completed in 2006.</p> <p>The land use rights of the Development have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.</p>	<p>Portion of the property with a total lettable floor area of approximately 7,069.46 sq m is subject to various tenancies for terms ranging from 3 to 11 years with the last tenancy expiring in June 2019, yielding a total monthly rental of RMB1,430,375, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB419,000,000 (90.5% interest attributable to the Group: RMB379,195,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 440101400010846 dated 2 September 2009, Guangzhou Xin Yi Development Limited, a subsidiary of the Company, was incorporated with a registered capital of HK\$286,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (2009) Di 1100048 issued by Guangzhou Land Resources and Housing Administration Bureau dated 2 June 2009, the land use rights of the Development with a site area of 96,899.00 sq m were granted to Guangzhou Xin Yi Development Limited for land use rights terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.
- (3) Pursuant to Realty Title Certificate No. 06 Deng Ji Zi 01039915 dated 18 May 2006 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Yi Development Limited is the legal owner of the property located at Nos. 1-48 Qingfeng Street with a gross floor area of 78,722.7216 sq m for car parking, commercial and residential uses.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Yi Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Yi Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Yi Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
57 Residential Portion of Guangzhou Central Park-view Pearl River New Town Guangzhou Guangdong Province The PRC	<p>Guangzhou Central Park-view (the "Development") is a massive residential/commercial composite development comprising 12 parcels of adjoining sites (Lot Nos. L4-1 to L4-3, L4-5, L8-1 to L8-4 and L13-1 to L13-4) with a total site area of approximately 96,899.00 sq m.</p> <p>The property comprises the residential portion of the Development with a total gross floor area of approximately 29,868.01 sq m completed in 2006.</p> <p>The land use rights of the Development have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.</p>	<p>Portion of the property with a total gross floor area of approximately 20,290.01 sq m is subject to various tenancies and the majority of which is leased for a term of 1 year with the last tenancy expiring in December 2017, yielding a total monthly rental of RMB3,073,302, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB994,000,000 (90.5% interest attributable to the Group: RMB899,570,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 440101400010846 dated 2 September 2009, Guangzhou Xin Yi Development Limited, a subsidiary of the Company, was incorporated with a registered capital of HK\$286,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (2009) Di 1100048 issued by Guangzhou Land Resources and Housing Administration Bureau dated 2 June 2009, the land use rights of the Development with a site area of 96,899.00 sq m were granted to Guangzhou Xin Yi Development Limited for land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to Realty Title Certificate No. 06 Deng Ji Zi 01039915 dated 18 May 2006 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Yi Development Limited is the legal owner of the property located at Nos. 1-48 Qingfeng Street with a gross floor area of 78,722.7216 sq m for car parking, commercial and residential uses.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Yi Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Yi Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Yi Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
58 Car Parking Portion of Guangzhou Central Park-view L4 District Pearl River New Town Guangzhou Guangdong Province The PRC	<p>Guangzhou Central Park-view (the "Development") is a massive residential/commercial composite development comprising 12 parcels of adjoining sites (Lot Nos. L4-1 to L4-3, L4-5, L8-1 to L8-4 and L13-1 to L13-4) with a total site area of approximately 96,899.00 sq m.</p> <p>The property comprises the car parking portion of L4 District of the Development, which contain 580 car parking spaces completed in 2005.</p> <p>The land use rights of the Development have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.</p>	The property is currently vacant.	RMB174,000,000 (90.5% interest attributable to the Group: RMB157,470,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400010846 dated 2 September 2009, Guangzhou Xin Yi Development Limited, a subsidiary of the Company, was incorporated with a registered capital of HK\$286,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (2009) Di 1100048 issued by Guangzhou Land Resources and Housing Administration Bureau dated 2 June 2009, the land use rights of the Development with a site area of 96,899.00 sq m were granted to Guangzhou Xin Yi Development Limited for land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to Realty Title Certificate No. 09 Deng Ji 01061496 dated 9 February 2010 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Yi Development Limited is the legal owner of the property located at Level 1 and Basement Level of No. 2-24 Qingfeng North Street (Even Nos.) with a gross floor area of 26,552.30 sq m for car parking uses.
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Guangzhou Xin Yi Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Yi Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Yi Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
59 Car Parking Portion of Guangzhou Central Park-view L8 District Pearl River New Town Guangzhou Guangdong Province The PRC	Guangzhou Central Park-view (the "Development") is a massive residential/commercial composite development comprising 12 parcels of adjoining sites (Lot Nos. L4-1 to L4-3, L4-5, L8-1 to L8-4 and L13-1 to L13-4) with a total site area of approximately 96,899.00 sq m. The property comprises the car parking portion of L8 District of the Development, which contain 418 car parking spaces completed in 2006. The land use rights of the Development have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.	The property is currently vacant.	RMB125,400,000 (90.5% interest attributable to the Group: RMB113,487,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400010846 dated 2 September 2009, Guangzhou Xin Yi Development Limited, a subsidiary of the Company, was incorporated with a registered capital of HK\$286,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (2009) Di 1100048 issued by Guangzhou Land Resources and Housing Administration Bureau dated 2 June 2009, the land use rights of the Development with a site area of 96,899.00 sq m were granted to Guangzhou Xin Yi Development Limited for land use rights terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.
- (3) Pursuant to Realty Title Certificate No. 06 Deng Ji Zi 01039915 dated 18 May 2006 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Yi Development Limited is the legal owner of the property located at Nos. 1-48 Qingfeng Street with a gross floor area of 78,722.7216 sq m for car parking, commercial and residential uses.
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Guangzhou Xin Yi Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Yi Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Yi Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
60 Car Parking Portion of Guangzhou Central Park-view L13 District Pearl River New Town Guangzhou Guangdong Province The PRC	<p>Guangzhou Central Park-view (the "Development") is a massive residential/commercial composite development comprising 12 parcels of adjoining sites (Lot Nos. L4-1 to L4-3, L4-5, L8-1 to L8-4 and L13-1 to L13-4) with a total site area of approximately 96,899.00 sq m.</p> <p>The property comprises the car parking portion of L13 District of the Development, which contain 614 car parking spaces completed in 2012.</p> <p>The land use rights of the Development have been granted to respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.</p>	The property is currently vacant.	RMB184,200,000 (90.5% interest attributable to the Group: RMB166,701,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400010846 dated 2 September 2009, Guangzhou Xin Yi Development Limited, a subsidiary of the Company, was incorporated with a registered capital of HK\$286,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (2009) Di 1100048 issued by Guangzhou Land Resources and Housing Administration Bureau dated 2 June 2009, the land use rights of the Development with a site area of 96,899.00 sq m were granted to Guangzhou Xin Yi Development Limited for land use rights terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.

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- (3) Pursuant to two Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area with 25,057.48 sq m was vested in Guangzhou Xin Yi Development Limited. Details of the Realty Title Certificates are listed as follows:

Certificate No.	Expiry Date	Gross Floor Area (sq m)	Address	Unit	Use
Yue Fang Di Quan Zheng Sui Zi Di 0120365414	N/A	15,685.79	Nos. 1–23 Qingfeng South Street (Odd Nos.)	Unit B101	Car park
Yue Fang Di Quan Zheng Sui Zi Di 0120365418	7 June 2049	9,371.69	Nos. 1–23 Qingfeng South Street (Odd Nos.)	Unit B1C05	Car park

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Yi Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Yi Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Yi Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
61 Retail Portion of Guangzhou New World Oriental Garden Phase I Zhongshan Avenue Tianhe District, Guangzhou Guangdong Province The PRC	<p>Guangzhou New World Oriental Garden (the "Development") is a 3-phase residential/commercial development comprising two irregular- shaped sites, site no. 2 and site no. 5, with a total site area of approximately 96,378.00 sq m.</p> <p>The property comprises the retail portion of Phase I of the development with a total gross floor area of approximately 17,937.36 sq m.</p> <p>The land use rights of the Development is held for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses commencing from 2 June 1999.</p>	<p>Majority portion of the property with a total gross floor area of approximately 17,894.66 sq m is subject to a tenancy for a term of 20 years commencing from 30 November 2002, yielding a monthly rental of approximately RMB1,118,141. The rental shall then be subject to review with the escalation rate to be fixed at 5% per annum up to and upon lease expiry.</p> <p>Portion of the property with a total gross floor area of approximately 28.46 sq m is subject to various tenancies with the last tenancy term expiring in April 2014, yielding a monthly rental of RMB3,714, exclusive management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB247,000,000 (100% interest attributable to the Group: RMB247,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 440101400067336 dated 4 May 2012, Guangzhou Xin Hua Jian Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB244,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 102 issued by Guangzhou Land Resources and Housing Administration Bureau dated 4 June 1999, the land use rights of the Development with a site area of 96,378.00 sq m were granted to Guangzhou Xin Hua Jian Real Estate Co., Ltd. for land use rights terms of 70 years for residential use, 40 years for commercial use and 50 years for other uses.

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- (3) Pursuant to 2 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the legal owner of the property with a total gross floor area of 178,108.59 sq m. Details of the Realty Title Certificates are listed as follows:

Certificate No.	Date of Issuance	Gross Floor Area (sq m)	Address	Use
04 Deng Ji Zi 38154	5 August 2004	160,213.93	Nos. 2 to 16 (even numbers) Liyang Street; Nos. 1 and 5 Xinyue Street	Residential and Non-residential uses
06 Deng Ji Zi 01045854	26 May 2006	17,894.66	No. 160 Zhongshan Avenue West	Non-residential uses

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Jian Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Jian Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
62 Sales Centre of Guangzhou New World Oriental Garden Zhongshan Avenue Tianhe District, Guangzhou Guangdong Province The PRC	Guangzhou New World Oriental Garden (the "Development") is a 3-phase residential/commercial development comprising two irregular-shaped sites, site no. 2 and site no. 5, with a total site area of approximately 96,378.00 sq m. The property comprises the sales centre of the Development with a total gross floor area of approximately 3,390.93 sq m of the commercial portion and a total gross floor area of approximately 326 sq m of the ancillary facilities portion. The land use rights of the Development is held for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses commencing from 2 June 1999.	Portion of the property with a total gross floor area of approximately 1,587.58 sq m is subject to various tenancies with the last tenancy expiring in August 2016, yielding a total monthly RMB140,432, exclusive of management fees. The remaining portion of the property is vacant.	RMB35,100,000 (100% interest attributable to the Group: RMB35,100,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067336 dated 4 May 2012, Guangzhou Xin Hua Jian Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB244,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 102 issued by Guangzhou Land Resources and Housing Administration Bureau dated 4 June 1999, the land use rights of the Development with a site area of 96,378.00 sq m were granted to Guangzhou Xin Hua Jian Real Estate Co., Ltd. for land use rights terms of 70 years for residential use, 40 years for commercial use and 50 years for other uses.
- (3) Pursuant to Realty Title Certificate No. 04 Deng Ji Zi 38154 dated 5 August 2004 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the legal owner of the property located at Nos. 2 to 16 (even numbers) Liyang Street, Nos. 1 and 5 Xinyue Street with a total gross floor area of 160,213.93 sq m for residential and non-residential uses.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Jian Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Jian Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
63 Car Parking Portion of Guangzhou New World Oriental Garden Phases I, II and III Zhongshan Avenue Tianhe District, Guangzhou Guangdong Province The PRC	Guangzhou New World Oriental Garden (the "Development") is a 3-phase residential/commercial development comprising two irregular-shaped sites, site no. 2 and site no. 5, with a total site area of approximately 96,378.00 sq m. The property comprises 996 car parking spaces of Phases I, II and III of the Development. The land use rights of the Development is held for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses commencing from 2 June 1999.	The property is currently vacant.	RMB278,900,000 (100% interest attributable to the Group: RMB278,900,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067336 dated 4 May 2012, Guangzhou Xin Hua Jian Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB244,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 102 issued by Guangzhou Land Resources and Housing Administration Bureau dated 4 June 1999, the land use rights of the Development with a site area of 96,378.00 sq m were granted to Guangzhou Xin Hua Jian Real Estate Co., Ltd. for land use rights terms of 70 years for residential use, 40 years for commercial use and 50 years for other uses.
- (3) Pursuant to 2 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area of 25 sq m was vested in Guangzhou Xin Hua Jian Real Estate Co., Ltd. for car parking use. Details are listed as follows:

Certificate No	Date of Issuance	Gross floor area (sq m)	Portion	Use
Yue Fang Di Quan Zheng Sui Zi Di 0120155679	N/A	12.5	Unit. 150, No. 13 Xinyue Road	Car Park
Yue Fang Di Quan Zheng Sui Zi Di 0120156068	N/A	12.5	Unit. 291, No. 13 Xinyue Road	Car Park

- (4) Pursuant to Realty Title Certificate No. 04 Deng Ji Zi 38154 dated 5 August 2004 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the legal owner of the property located at Nos. 2 to 16 (even numbers) Liyang Street, Nos. 1 and 5 Xinyue Street with a total gross floor area of 160,213.93 sq m for residential and non-residential uses.

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- (5) Pursuant to the Initial Registration for Building Ownership No. 10 Deng Ji 01331398 dated 21 July 2010 and the Property List printed on 21 July 2010 both issued by Guangzhou Real Estate Transaction Registration Centre, it is certified that Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the legal owner of the property located at Nos. 17–23 Xinyue Street (Odd Nos.).
- (6) Pursuant to the Construction Works Completion Certificate No. Sui Jian She-1-16 2012-024 dated 18 December 2012 issued by Guangzhou Tianhe District Construction and Water Supplies Bureau, the construction works of the property with a total gross floor area of 78,786.00 sq m was completed.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Guangzhou Xin Hua Jian Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Jian Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
64 Retail Portion and Ancillary Portion of Guangzhou New World Oriental Garden Phase II Zhongshan Avenue Tianhe District, Guangzhou Guangdong Province The PRC	<p>Guangzhou New World Oriental Garden (the "Development") is a 3-phase residential/commercial development comprising two irregular- shaped sites, site no. 2 and site no. 5, with a total site area of approximately 96,378.00 sq m.</p> <p>The property comprises the retail portion and ancillary portion of Phase II of the Development with a total gross floor area of approximately 458.49 sq m and 201.63 sq m respectively.</p> <p>The land use rights of the Development is held for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses commencing from 2 June 1999.</p>	<p>Portion of the property with a total gross floor area of approximately 204.33 sq m is subject to a tenancy for a term expiring on 30 November 2018, yielding for a monthly rental of RMB22,476, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB8,300,000 (100% interest attributable to the Group: RMB8,300,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 440101400067336 dated 4 May 2012, Guangzhou Xin Hua Jian Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB244,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 102 issued by Guangzhou Land Resources and Housing Administration Bureau dated 4 June 1999, the land use rights of the Development with a site area of 96,378.00 sq m were granted to Guangzhou Xin Hua Jian Real Estate Co., Ltd. for land use rights term for land use rights terms of 70 years for residential use, 40 years for commercial use and 50 years for other uses.
- (3) Pursuant to the Initial Registration for Building Ownership No. 10 Deng Ji 01475097 dated 10 November 2010 and the Property List printed on 10 November 2010 both issued by Guangzhou Real Estate Transaction Registration Centre, it is certified that Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the legal owner of the property located at Unit 101, No. 11 Xinyue Street.

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- (4) Pursuant to two Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area of 458.49 sq m was vested in Guangzhou Xin Hua Jian Real Estate Co., Ltd.. Details of the Realty Title Certificates are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120154603	254.16	No. 9 Xinyue Street	Unit 102	Commercial	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120154098	204.33	No. 11 Xinyue Street	Unit 102	Commercial	N/A

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Jian Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Jian Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
65 Kindergarten Portion of Guangzhou Xintang New World Garden Phase III 6 Huayuan East Road Xintang Town Zengcheng District Guangzhou Guangdong Province The PRC	Guangzhou Xintang New World Garden (the "Development") is a massive residential development to be constructed in phases. The Development is erected upon an irregular-shaped site with a total site area of 350,799.96 sq m. The property comprises the kindergarten portion of Guangzhou Xintang New World Garden Phase III with a total gross floor area of approximately 3,098.70 sq m. The land use rights of the Development have been granted for respective terms expiring on 9 April 2063 for residential/commercial uses and 29 December 2074 for residential use.	The property is leased under a term of 6 years expiring in 31 December 2017, currently yielding a monthly rental of RMB40,000, exclusive of management fee.	RMB8,500,000 (62.5% interest attributable to the Group: RMB5,312,500)

Notes:

- Pursuant to the Business Licence No. 440101400010959 dated 2 April 2013, Guangzhou Hemsell Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB79,597,000.
- Pursuant to 2 State-owned Land Use Rights Certificates issued by Zengcheng Land Resources and Housing Administration Bureau, the land use rights of the Development with a total site area of 196,974.93 sq m were granted to Guangzhou Hemsell Real Estate Development Co., Ltd.. Details are listed as follows:

Certificate No.	Land Use	Expiry Date	Gross Floor Area (sq m)	Date of Issuance
Zeng Guo Yong (2001) Zi Di C0200797	Commercial and residential	9 April 2063	122,622.60	2 January 2001
Zeng Guo Yong (2006) Di B0401403	Residential	9 April 2063	74,352.33	29 April 2006

- Pursuant to the Realty Title Certificate No. Yue Fang Di Zheng Zi Di C5671409 issued by Zengcheng Land Resources and Housing Administration Bureau dated 27 November 2007, the building ownership of the property with a total gross floor area of 3,098.70 sq m was vested in Guangzhou Hemsell Real Estate Development Co., Ltd..

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Hemsell Real Estate Development Co., Ltd. has legally obtained the land use rights and building ownership of the property. Guangzhou Hemsell Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Hemsell Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
66 Retail Portion of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District Guangzhou Guangdong Province The PRC	Guangzhou Xintang New World Garden (the "Development") is a massive residential development to be constructed in phases. The Development is erected upon an irregular-shaped site with a total site area of 350,799.96 sq m. The property comprises the retail portion of Guangzhou Xintang New World Garden with a total gross floor area of approximately 10,990.07 sq m. The land use rights of the Development have been granted for respective terms expiring on 9 April 2063 for residential/commercial uses and 29 December 2074 for residential use.	Portion of the property with a total gross floor area of approximately 1,482.06 sq m is subject to two tenancies with the last tenancy expiring in November 2015, yielding a total monthly rental of RMB17,977. The remaining portion of the property is currently vacant.	RMB42,700,000 (62.5% interest attributable to the Group: RMB26,687,500)

Notes:

- (1) Pursuant to the Business Licence No. 440101400010959 dated 2 April 2013, Guangzhou Hemsell Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB79,597,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates issued by Zengcheng Land Resources and Housing Administration Bureau, the land use rights of the Development with a total site area of 196,974.93 sq m were granted to Guangzhou Hemsell Real Estate Development Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Zeng Guo Yong (2001) Zi Di C0200797	Commercial and residential	9 April 2063	122,622.60	2 January 2001
Zeng Guo Yong (2006) Di B0401403	Residential	9 April 2063	74,352.33	29 April 2006

- (3) Pursuant to the Realty Title Certificate No. Yue Fang Di Quan Zheng Zi Zi Di 664423 issued by Zengcheng Land Resources and Housing Administration Bureau dated 27 March 2009, the building ownership of the property with a total gross floor area of 15,402.33 sq m was vested in Guangzhou Hemsell Real Estate Development Co., Ltd..

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Hemsell Real Estate Development Co., Ltd. has legally obtained the land use rights and building ownership of the property. Guangzhou Hemsell Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Hemsell Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
67 Car Park Portion of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District Guangzhou Guangdong Province The PRC	Guangzhou Xintang New World Garden (the "Development") is a massive residential development to be constructed in phases. The Development is erected upon an irregular-shaped site with a total site area of 350,799.96 sq m. The property comprises 1,252 car parking spaces of Guangzhou Xintang New World Garden with a total gross floor area of approximately 54,730.60 sq m. The land use rights of the Development have been granted for respective terms expiring on 9 April 2063 for residential/commercial uses and 29 December 2074 for residential use.	The property is currently vacant.	RMB150,200,000 (62.5% interest attributable to the Group: RMB93,875,000)

Notes:

- (1) Pursuant to the Business Licence No. 4401010400010942 dated 25 May 2011, Guangzhou Bosson Real Estate Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB50,003,000.
- (2) Pursuant to 3 State-owned Land Use Rights Certificates issued by Zengcheng Land Resources and Housing Administration Bureau, the land use rights of the Development with a total site area of 153,825.03 sq m were granted to Guangzhou Bosson Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Zeng Guo Yong (2006) Di B0401404	Residential	9 April 2063	86,576.40	29 April 2006
Zeng Guo Yong (2008) Di C0400297	Residential	29 December 2074	65,221.30	17 July 2008
Zeng Guo Yong (2008) Di B0401647	Residential	9 April 2063	2,027.33	24 December 2008

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- (3) Pursuant to two Construction Works Completion Certificates issued by Zengcheng Construction Bureau, the construction works of the property with a total gross floor area of 48,808.00 sq m was completed. Details of are listed as follows:

Document No.	Gross Floor Area (sq m)	Location	Date of Issuance
Sui Yan Jian She-1-16	24,609.00	South Zone, East Section, No. 6 Huayuan East Road	30 December 2011
Sui Yan Jian She-1-16	24,199.00	South Zone, West Section, No. 6 Huayuan East Road	30 December 2011

- (4) Pursuant to the Initial Registration for Building Ownership No. 10 Deng Ji 12364111 dated 30 December 2010 issued by Zengcheng Land Resources and Housing Administration Bureau, it is certified that Guangzhou Bosson Real Estate Co., Ltd. is the legal owner of the property located at North Zone, Wanxiangyuan, No. 6 Huayuan East Road.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Bosson Real Estate Co., Ltd. has legally obtained the land use rights and building ownership of the property. Guangzhou Bosson Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Bosson Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
68 Agricultural Market of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District Guangzhou Guangdong Province The PRC	Guangzhou Xintang New World Garden (the "Development") is a massive residential development to be constructed in phases. The Development is erected upon an irregular-shaped site with a total site area of 350,799.96 sq m. The property comprises a 2-level agricultural market of the Development with a total gross floor area of approximately 2,160.91 sq m completed in 2010. The land use rights of the Development have been granted for respective terms expiring on 9 April 2063 for commercial/residential uses and 29 December 2074 for residential use.	The property is subject to a tenancy expiring on 31 August 2029.	RMB10,400,000 (62.5% interest attributable to the Group: RMB6,500,000)

Notes:

- (1) Pursuant to the Business Licence No. 4401010400010942 dated 25 May 2011, Guangzhou Bosson Real Estate Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB50,003,000.
- (2) Pursuant to 3 State-owned Land Use Rights Certificates issued by Zengcheng Land Resources and Housing Administration Bureau, the land use rights of the Development with a total site area of 153,825.03 sq m were granted to Guangzhou Bosson Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Zeng Guo Yong (2006) Di B0401404	Residential	9 April 2063	86,576.40	29 April 2006
Zeng Guo Yong (2008) Di C0400297	Residential	29 December 2074	65,221.30	17 July 2008
Zeng Guo Yong (2008) Di B0401647	Residential	9 April 2063	2,027.33	24 December 2008

- (3) Pursuant to the Initial Registration for Building Ownership No. 11 Deng Ji 12313282 dated 31 August 2011 issued by Zengcheng Land Resources and Housing Administration Bureau, it is certified that Guangzhou Bosson Real Estate Co., Ltd. is the legal owner of the property located at Farmer's Market, Wanxiangyuan, No. 6 Huayuan East Road.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Bosson Real Estate Co., Ltd. has legally obtained the land use rights and building ownership of the property. Guangzhou Bosson Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Bosson Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
69 Commercial Podium of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District Guangzhou Guangdong Province The PRC	Guangzhou Xintang New World Garden (the "Development") is a massive residential development to be constructed in phases. The Development is erected upon an irregular-shaped site with a total site area of 350,799.96 sq m. The property comprises the 2-level commercial podium of the Development with a total gross floor area of approximately 6,636.68 sq m completed in 2010. The land use rights of the Development have been granted for respective terms of 70 years expiring on 9 April 2063 for commercial/residential uses and 29 December 2074 for residential use.	Portion of the property with a total gross floor area of 1,684.31 sq m is leased for various tenancies with the last tenancy expiring on 31 May 2018, yielding a total monthly rental of RMB94,634, exclusive of management fee. The remaining portion of the property is currently vacant.	RMB33,700,000 (62.5% interest attributable to the Group: RMB21,062,500)

Notes:

- (1) Pursuant to the Business Licence No. 4401010400010942 dated 25 May 2011, Guangzhou Bosson Real Estate Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB50,003,000.
- (2) Pursuant to 3 State-owned Land Use Rights Certificates issued by Zengcheng Land Resources and Housing Administration Bureau, the land use rights of the Development with a total site area of 153,825.03 sq m were granted to Guangzhou Bosson Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Zeng Guo Yong (2006) Di B0401404	Residential	9 April 2063	86,576.40	29 April 2006
Zeng Guo Yong (2008) Di C0400297	Residential	29 December 2074	65,221.30	17 July 2008
Zeng Guo Yong (2008) Di B0401647	Residential	9 April 2063	2,027.33	24 December 2008
- (3) Pursuant to two Initial Registration for Building Ownership Nos. 10 Deng Ji 12327678 and 10 Deng Ji 12328269 issued by Zengcheng Land Resources and Housing Administration Bureau, it is certified that Guangzhou Bosson Real Estate Co., Ltd. is the legal owner of the property located at Block 1-7, No. 6 Huayuan East Road.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Bosson Real Estate Co., Ltd. have legally obtained the land use rights and building ownership of the property. Guangzhou Bosson Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Bosson Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
70	Car Parking Portion of Guangzhou Dong Yi Garden Phase I Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	Guangzhou Dong Yi Garden is a massive residential development comprising a total site area of approximately 61,784.00 sq m. The property comprises 16 car parking spaces of Phase I of the development completed in 1998. The land use rights of the property have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from April 1999.	The property is currently vacant.	RMB4,000,000 (100% interest attributable to the Group: RMB4,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067369 dated 9 May 2012, Guangzhou Xin Hua Chen Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB200,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 081 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 31,818.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 077 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 29,966.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (4) Pursuant to the Guangzhou Realty Title Certificate No. 102181 in April 1999 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the legal owner of the property located at Nos. 52, 54 and 56 Dongyi Second Street with a gross floor area of 11,799.89 sq m for residential and car parking uses.

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PROPERTY VALUATION REPORT

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Chen Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
71 Car Parking Portion of Guangzhou Dong Yi Garden Phase II Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	Guangzhou Dong Yi Garden is a massive residential development comprising a total site area of approximately 61,784.00 sq m. The property comprises 39 car parking spaces of Phase II of the development completed in 2001. The land use rights of the property have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from April 1999.	The property is currently vacant.	RMB9,800,000 (100% interest attributable to the Group: RMB9,800,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067369 dated 9 May 2012, Guangzhou Xin Hua Chen Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB200,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 081 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 31,818.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 077 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 29,966.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 50 years for other uses and 40 years for commercial, tourism and entertainment uses.
- (4) Pursuant to the Guangzhou Realty Title Certificate No. 0111677 dated 8 April 2002 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the legal owner of the property located at Nos. 39 and 41 Dongyi First Street with a gross floor area of 48,817.22 sq m for residential, car parking and commercial uses.

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PROPERTY VALUATION REPORT

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Chen Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
72 Car Parking Portion of Guangzhou Dong Yi Garden Phase III Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	Guangzhou Dong Yi Garden is a massive residential development comprising a total site area of approximately 61,784.00 sq m. The property comprises 183 car parking spaces of Phase III of the development completed in 2002. The land use rights of the property have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from April 1999.	The property is currently vacant.	RMB45,800,000 (100% interest attributable to the Group: RMB45,800,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067369 dated 9 May 2012, Guangzhou Xin Hua Chen Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB200,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 081 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 31,818.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 077 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 29,966.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (4) Pursuant to the Guangzhou Realty Title Certificate No. 03 Deng Ji Zi 100429 dated 22 August 2003 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the legal owner of the property located at Nos. 46, 48 and 50 Dongyi Second Street with a gross floor area of 57,177.49 sq m for residential and non-residential uses.

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PROPERTY VALUATION REPORT

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Chen Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
73 Car Parking Portion of Guangzhou Dong Yi Garden Phase IV Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	Guangzhou Dong Yi Garden is a massive residential development with a total site area of approximately 61,784.00 sq m. The property comprises 228 car parking spaces of Phase IV of the development completed in December 2006. The land use rights of the property have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from April 1999.	The property is currently vacant.	RMB57,000,000 (100% interest attributable to the Group: RMB57,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067369 dated 9 May 2012, Guangzhou Xin Hua Chen Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB200,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 081 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 31,818.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 077 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 29,966.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.

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- (4) Pursuant to two Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the legal owner of the property located at Nos. 28–44 (even numbers) Dongyi Second Street and Nos. 4, 4-1, 4-2 and 4-3 of Dongfang Third Road with a total gross floor area of 93,297.8343 sq m. Details of the Realty Title Certificates are listed as follows:

Certificate No.	Gross Floor		Use	Date of Issuance
	Area (sq m)	Address		
07 Deng Ji 1801539	33,321.38	Nos. 28–44 (even numbers) Dongyi Second Street	Residential and non-residential	30 November 2007
07 Deng Ji 01801619	59,976.4543	Nos. 4, 4-1, 4-2 and 4-3 of Dongfang Third Road	Residential and non-residential	31 August 2007

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Chen Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
74	Commercial Podium of Guangzhou Dong Yi Garden Phase II Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	Guangzhou Dong Yi Garden is a massive residential development with a total site area of approximately 61,784.00 sq m. The property comprises the commercial podium of Phase II of the development with a total gross floor area of approximately 7,443.21 sq m. The land use rights of the property have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from April 1999.	The property is fully let under various tenancies with the last tenancy expiring in 31 January 2024 yielding a total monthly rental of approximately RMB495,282, exclusive of management fees.	RMB75,300,000 (100% interest attributable to the Group: RMB75,300,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067369 dated 9 May 2012, Guangzhou Xin Hua Chen Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB200,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 081 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 31,818.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 077 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 29,966.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (4) Pursuant to the Guangzhou Realty Title Certificate No. 0111677 dated 8 April 2002 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the legal owner of the property located at Nos. 39 and 41 Dongyi First Street with a gross floor area of 48,817.22 sq m for residential, car parking and commercial uses.

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PROPERTY VALUATION REPORT

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Chen Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
75 Commercial Podium of Guangzhou Dong Yi Garden Phase IV Tianfu Road Tianhe District, Guangzhou Guangdong Province The PRC	Guangzhou Dong Yi Garden is a massive residential development with a total site area of approximately 61,784.00 sq m. The property comprises the commercial podium of Phase IV of the development with a total gross floor area of approximately 909.17 sq m completed in December 2006. The land use rights of the property have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from April 1999.	Portion of the property with a total gross floor area of approximately 556.91 sq m is let under two tenancies with the last tenancy expiring in July 2016, yielding a total monthly rental of approximately RMB33,998, exclusive of management fees. The remaining portion of the property is vacant.	RMB10,700,000 (100% interest attributable to the Group: RMB10,700,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067369 dated 9 May 2012, Guangzhou Xin Hua Chen Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB200,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 081 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 31,818 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 077 issued by The People's Government of Guangzhou in April 1999, the land use rights of the Development with a site area of 29,966.00 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (4) Pursuant to the Guangzhou Realty Title Certificate No. 07 Deng Ji 1801539 dated 30 November 2007 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the legal owner of the property located at Nos. 28-44 (even numbers) Dongyi Second Street with a gross floor area of 33,321.38 sq m for residential and non-residential uses.

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PROPERTY VALUATION REPORT

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Chen Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
76 Commercial Podium and Ancillary Facilities Portion of Phase 2A Guangzhou Park Paradise Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise is a residential/commercial composite development with a total site area of approximately 985,846.00 sq m. The property comprises the commercial podium and ancillary facilities of Phase 2A of the development completed in 2002. The property comprises the following approximate gross floor areas:	Portion of the property with a total gross floor area of approximately 625.00 sq m is let under various tenancies and the majority of which is leased for a term of 1 year with the last tenancy expiring in November 2019, yielding a total monthly rental of approximately RMB129,908, exclusive of management fees. The remaining portion is currently vacant.	RMB15,900,000 (100% interest attributable to the Group: RMB15,900,000)
		Gross Floor Area (sq m)	
	Commercial	748.94	
	Ancillary Facilities	<u>1,016.00</u>	
		<u>1,764.94</u>	
	The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.		

Notes:

- (1) Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.

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PROPERTY VALUATION REPORT

- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,854.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.000	23 June 1999

- (3) Pursuant to 3 Realty Title Certificates issued by Guangzhou State Land and Building Administrative Bureau, it is certified that Guangzhou Jixian Zhuang New World City Garden Development Limited is the legal owner of the property with a total gross floor area of 1,764.9682 sq m. Details of the Realty Title Certificates are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Use	Date of Issuance
03 Deng Ji Zi 165802	862.1330	Nos. 7-13 Jihui Street (Odd No.)	Residential and non-residential	3 June 2004
04 Deng Ji Zi 14813	348.9018	Nos. 1-5 Jihui Street (Odd No.)	Residential and non-residential	14 June 2004
03 Deng Ji Zi 165801	553.9334	Nos. 15-19 Jihui Street	Commercial	3 June 2004

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Jixian Zhuang New World City Garden Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
77 Car Parking Portion of Phases 2B1/2/3 Guangzhou Park Paradise Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise is a residential/commercial composite development with a total site area of approximately 985,846.00 sq m. The property comprises 1 car park space of Phase 2B 1/2 and 157 car park spaces at basement of Phase 2B3 of the development completed in 2002. The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	The property is currently vacant.	RMB23,700,000 (100% interest attributable to the Group: RMB23,700,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,854.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.000	23 June 1999

- (3) Pursuant to 2 Realty Title Certificates issued by Guangzhou State Land and Building Administrative Bureau, it is certified that Guangzhou Jixian Zhuang New World City Garden Development Limited is the legal owner of the property located at various portion of Jihui Street with a total gross floor area of 1,906.7344 sq m. Details are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Use	Date of Issuance
04 Deng Ji Zi 38210	12.2759	Nos. 42-50 Jihui Street (Even Nos.)	Car Park	8 August 2004
05 Deng Ji Zi 76435	1,894.4585	Nos. 70-78 Jihui Street (Even Nos.)	Residential and non-residential	7 February 2006

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PROPERTY VALUATION REPORT

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Jixian Zhuang New World City Garden Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
78	Car Parking Portion of Phase 4 Zone B, C and D Guangzhou Park Paradise Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise is a residential/commercial composite development with a total site area of approximately 985,846.00 sq m. The property comprises the basement car park of Phase 4 — Zone B, C and D of the development completed in 2012. The basement car park accommodates 1,317 car parking spaces. The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	The property is currently vacant.	RMB197,600,000 (100% interest attributable to the Group: RMB197,600,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400007220 dated 7 August 2009, Guangzhou Xin Sui Tourism Centre Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of HK\$100,000,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 409,801.00 sq m were granted to Guangzhou Xin Sui Tourism Centre Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 112	Composite	103,141.00	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 113	Composite	306,660.00	23 June 1999

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- (3) Pursuant to 2 Construction Works Completion Certificates issued by Guangzhou Baiyun District Construction Bureau, portion of the development with a gross floor area of 117,508.00 sq m was certificated to be completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Gross Floor Area (sq m)
Sui (Yun) Jian Yan Bei 2012-014	30 November 2012	Nos. 1-5, 7-11, 17-19, 25-29 and 39-45 Bai Shun Dong Road; and Nos. 7-11, 13-17 Hui Xian Road	40,625.00
Sui (Yun) Jian Yan Bei 2012-010	29 June 2012	Nos. 13-15, 21-23, 31-37, 75- 81, 83-89, 91-93, 99-103 and 111-115 Bai Shun Dong Road	76,883.00

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Sui Tourism Centre Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Sui Tourism Centre Ltd. is the sole owner of the property;
 - (ii) Guangzhou Xin Sui Tourism Centre Ltd. has obtained the State-owned Land Use Rights Certificates and Construction Works Completion Certificates of the buildings of the property. There will be no legal obstacle for Guangzhou Xin Sui Tourism Centre Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Sui Tourism Centre Ltd. according to relevant laws and regulations; and
 - (iv) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
79 Commercial Podium and Car Parking Portion of Phase 2C1-4 Guangzhou Park Paradise Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise is a residential/commercial composite development with a total site area of approximately 985,846.00 sq m. The property comprises the commercial podium and the basement car park of Phase 2C1-4 of the development completed in 2006. The property comprises the following approximate gross floor areas:	Portion of the commercial portion of the property with a total gross floor area of approximately 2,878.03 sq m is let under various tenancies with the last tenancy expiring in May 2019, yielding a total monthly rental of approximately RMB272,830.00, exclusive of management fees. The remaining portion of the property is vacant.	RMB86,400,000 (100% interest attributable to the Group: RMB86,400,000)
		Gross Floor Area (sq m)	
	Commercial	<u>4,995.19</u>	
	The property also comprises 57 car parking spaces.		
	The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.		

Notes:

- (1) Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.

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PROPERTY VALUATION REPORT

- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,854.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.000	23 June 1999

- (3) Pursuant to 2 Realty Title Certificates issued by Guangzhou State Land and Building Administrative Bureau, it is certified that Guangzhou Jixian Zhuang New World City Garden Development Limited is the legal owner of the property located at various portion of Jishan Street with a total gross floor area of 5,810.9405 sq m. Details of the Realty Title Certificates are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Use	Date of Issuance
06 Deng Ji 01052926	2,650.9439	Nos. 81–89 Jishan Street (Odd nos.) and No. 88 Jiya Street	Residential and non-residential	9 May 2007
07 Deng Ji 01801415	3,159.9966	Level 1 of Nos. 15, 17, 19, 21–67 Jishan Street (Odd nos.), and Basement Level of 11– 19 Jishan Street (Odd nos.)	Residential and non-residential	17 August 2007

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Jixian Zhuang New World City Garden Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
80 Commercial and Car Parking Portions of Phase 2D1-3 and 2D2 Block Nos. 5 to 15 Guangzhou Park Paradise Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise is a residential/commercial composite development with a total site area of approximately 985,846.00 sq m. The property comprises the commercial portion and basement car park of Phase 2D1-3 and 2D2 Block Nos. 5 to 15 of the development completed in 2007. The property comprises the following approximate gross floor areas:	Portion of the property with a gross floor area of 946.75 sq m is subject to various tenancies with the last tenancy expiring on 31 December 2017, yielding a total monthly rental of approximately RMB10,867.5, exclusive of management fee. The remaining portion of the property is currently vacant.	RMB75,600,000 (100% interest attributable to the Group: RMB75,600,000)
	Gross Floor Area (sq m)		
	Commercial <u>1,346.0579</u>		
	The property also comprises 473 car parking spaces.		
	The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.		

Notes:

- (1) Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.

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- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,854.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.000	23 June 1999

- (3) Pursuant to 3 Realty Title Certificates issued by Guangzhou State Land and Building Administrative Bureau, it is certified that Guangzhou Jixian Zhuang New World City Garden Development Limited is the legal owner of the property located at various portion of Jishan Street and Jijun Street with a total gross floor area of 7,072.9839 sq m. Details of the Realty Title Certificates are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Use	Date of Issuance
08 Deng Ji Zi 01855272	2,161.3247	Nos. 69–79 (Odd Nos.), No. 71-1 and basement level of No. 52 Jishan Street	Residential and non-residential	22 February 2008
08 Deng Ji Zi 01808126	2,676.0500	Basement level of Nos. 78– 100 (Even Nos.) Jijun Street	Residential and non-residential	20 October 2008
08 Deng Ji Zi 01803441	2,235.6092	Nos. 2–24 (Even Nos.) and No. 2-1 Jijun Street	Residential and non-residential	8 April 2009

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Jixian Zhuang New World City Garden Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
81 Car Parking Portion of Phase 2D3 Guangzhou Park Paradise Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise is a residential/commercial composite development with a total site area of approximately 985,846.00 sq m. The property comprises the basement car park of Phase 2D3 of the development accommodating 523 car parking spaces. The property was completed in 2009. The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	The property is currently vacant.	RMB78,500,000 (100% interest attributable to the Group: RMB78,500,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,854.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.000	23 June 1999

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- (3) Pursuant to 2 Initial Registration for Building Ownership issued by Guangzhou Real Estate Transaction Registration Centre, it is certified that Guangzhou Jixian Zhuang New World City Garden Development Limited is the legal owner of the property located at various portion of Jifu Street. Details are listed as follows:

Certificate No.	Address	Date of Issuance
10 Deng Ji 01389803	Nos. 7, Basement of 1–11 (odd Nos.), Jifu Street	10 June 2010
10 Deng Ji 01310504	Nos. 13, 35, 37, 39 and 41 Jifu Street (Except for car park nos. 13, 15, 115, 117, 118, 125–127, 267–269, 276–278 in basement level 1)	9 April 2010

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Jixian Zhuang New World City Garden Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
82 Commercial and Car Parking Portions of Phase 2E1 and Block Nos.18 to 29 of Phase 2E2 Guangzhou Park Paradise Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise is a residential/commercial composite development erected upon two irregular-shaped sites with a total site area of approximately 985,846.00 sq m. The property comprises the commercial and car parking portions of Phase 2E1 and Block Nos. 18 to 29 of Phase 2E2 of the development. Detail of the approximate gross floor areas of the property is listed as follows: Gross Floor Area <i>(sq m)</i> Commercial <u>1,217.78</u> The property also comprises 914 car parking spaces in the basement levels. The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	The property is currently vacant.	RMB152,400,000 (100% interest attributable to the Group: RMB152,400,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.

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- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,854.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.000	23 June 1999

- (3) Pursuant to 3 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau dated 23 November 2010, the building ownership of the property with a total gross floor area of 1,217.79 sq m was vested in Guangzhou Jixian Zhuang New World City Garden Development Limited. Details of the Realty Title Certificates are listed as follows:

Certificate Nos	Use	Expiry Date	Gross Floor Area (sq m)	Address
Yue Fang Di Quan Zheng Sui Zi Di 0120158804	Commercial	28 February 2041	326.61	Unit 101, No. 21 Jihui Road
Yue Fang Di Quan Zheng Sui Zi Di 0120158803	Commercial	28 February 2041	572.35	Unit 101, No. 23 Jihui Road
Yue Fang Di Quan Zheng Sui Zi Di 0120158809	Commercial	28 February 2041	318.83	Unit 101, No. 25 Jihui Road

- (4) Pursuant to 914 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area of 11,709.92 sq m was vested in Guangzhou Jixian Zhuang New World City Garden Development Limited for car parking use.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Jixian Zhuang New World City Garden Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
83 Student Hostel Lingnan Middle School Guangzhou Park Paradise Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise is a residential/commercial composite development erected upon two irregular-shaped sites with a total site area of approximately 985,846.00 sq m. The property comprises the student hostel of Lingnan Middle School portion of the development with a total gross floor area of approximately 14,400 sq m completed in 2002. The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	The property is let under a tenancy with a term of 15 years commencing from 2002, yielding an annual rental of RMB9,083,272.	RMB44,000,000 (100% interest attributable to the Group: RMB44,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400007220 dated 7 August 2009, Guangzhou Xin Sui Tourism Centre Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of HK\$100,000,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 409,801.00 sq m were granted to Guangzhou Xin Sui Tourism Centre Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 112	Composite	103,141.00	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 113	Composite	306,660.00	23 June 1999

- (3) Pursuant to Construction Engineering Planning Inspection and Clearance Certificate No. Sui Gui Yan Zheng [2006] 1123 dated 30 May 2006 issued by Guangzhou Urban Planning Bureau, portion of the development including portion of the property with a total gross floor area of 36,903 sq m was certificated to be completed.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Sui Tourism Centre Ltd. has legally obtained the land use rights of the property. Guangzhou Xin Sui Tourism Centre Ltd. is the sole owner of the property;
 - (ii) Guangzhou Xin Sui Tourism Centre Ltd. has obtained the Construction Engineering Planning Inspection and Clearance Certificate for the buildings of the property. There will be no legal obstacle for Guangzhou Xin Sui Tourism Centre Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
84 Commercial, Ancillary Facilities and Car Parking Portions of Guangzhou Covent Garden Fangcun Avenue Liwan District Guangzhou Guangdong Province The PRC	Guangzhou Covent Garden (the "Development") is a residential/commercial composite development to be constructed in phases. The Development is erected upon four parcels of adjoining site with a total site area of approximately 311,652.00 sq m. The property comprises the following approximate gross floor areas:	Portion of the property with a gross floor area of 351.10 sq m is subject to 3 tenancies with the last tenancy expiring on 14 December 2018, yielding a total monthly rental of approximately RMB26,227.00, exclusive of management fees. The remaining portion of the property is currently vacant.	RMB181,900,000 (100% interest attributable to the Group: RMB181,900,000)
	Gross floor area (sq m)		
	Commercial	15,008.04	
	Ancillary Facilities	<u>7,425.71</u>	
		<u>22,433.75</u>	
	The property also comprises 357 car parking spaces.		
	The land use rights of the Development have been granted for respective terms of 70 years for residential use, 40 years for commercial use and 50 years for other uses.		

Notes:

- (1) Pursuant to the Business Licence No. 440101400034434 dated 27 June 2013, Guangzhou Fong Chuen New World Property Development Co., Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB330,000,000.

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- (2) Pursuant to 3 State-owned Land Use Rights Certificates issued by the People's Government of Guangzhou, the land use rights of the Development with a total site area of 311,652.00 sq m were granted to Guangzhou Fong Chuen New World Property Development Co., Limited for land use rights terms of 40 years for commercial, recreational service uses, 50 years for other uses and 70 years for residential use respectively with unspecified expiry date. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (2010) Di 01100094	City and township residential	40 years for commercial, recreational service, 50 years for other use and 70 years for residential uses respectively, commenced from 21 June 1999	105,881.00	30 December 2010
Sui Fu Guo Yong (1999) Zi Di Te 110	Composite	40 years for commercial, 50 years for others and 70 years for residential uses respectively.	134,960.00	21 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 109	Composite	40 years for commercial, 50 years for others and 70 years for residential uses respectively.	70,811.00	21 June 1999

- (3) Pursuant to 263 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a gross floor area of approximately 3,243.00 sq m were vested in Guangzhou Fong Chuen New World Property Development Co., Limited for car parking use.
- (4) Pursuant to 196 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a gross floor area of approximately 20,175.56 sq m were vested in Guangzhou Fong Chuen New World Property Development Co., Limited for Commercial and Underground Car Park uses. Details of the Realty Title Certificates are as follows:

Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120295341	5 December 2011	69.57	Unit. 201, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295342	5 December 2011	124.37	Unit. 202, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295344	5 December 2011	82.94	Unit. 203, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295343	5 December 2011	203.76	Unit. 204, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295345	5 December 2011	168.78	Unit. 205, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296432	5 December 2011	58.83	Unit. 206, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295346	5 December 2011	117.11	Unit. 207, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296431	5 December 2011	73.77	Unit. 208, No. 14 Fangxing Road	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120295347	5 December 2011	145.09	Unit. 209, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296430	5 December 2011	68.45	Unit. 210, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295348	5 December 2011	158.2	Unit. 211, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296429	5 December 2011	133.61	Unit. 212, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295349	5 December 2011	36.71	Unit. 213, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295358	5 December 2011	24.86	Unit. 214, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295357	5 December 2011	21.03	Unit. 215, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295356	5 December 2011	78.22	Unit. 216, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295355	5 December 2011	36.09	Unit. 217, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295354	5 December 2011	27.23	Unit. 218, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295353	5 December 2011	61.89	Unit. 219, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295352	5 December 2011	15.76	Unit. 220, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295351	5 December 2011	33.7	Unit. 221, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295350	5 December 2011	76.36	Unit. 222, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296428	5 December 2011	127.04	Unit. 223, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296427	5 December 2011	70.04	Unit. 224, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296426	5 December 2011	126.78	Unit. 225, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296425	5 December 2011	80.17	Unit. 226, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296424	5 December 2011	104.6	Unit. 227, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296423	5 December 2011	39.17	Unit. 228, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296422	5 December 2011	45.79	Unit. 229, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296421	5 December 2011	57.99	Unit. 230, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295367	5 December 2011	81.05	Unit. 231, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295366	5 December 2011	49.06	Unit. 232, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295365	5 December 2011	63.83	Unit. 233, No. 14 Fangxing Road	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120295364	5 December 2011	82.09	Unit. 234, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295363	5 December 2011	38.47	Unit. 235, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295362	5 December 2011	52.97	Unit. 236, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295361	5 December 2011	11.97	Unit. 237, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295360	5 December 2011	42.6	Unit. 238, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295359	5 December 2011	52.22	Unit. 239, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295368	5 December 2011	28.99	Unit. 240, No. 14 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296265	5 December 2011	23.47	Unit. 101, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296266	5 December 2011	72.49	Unit. 102, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296267	5 December 2011	52.28	Unit. 103, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296268	5 December 2011	32.45	Unit. 104, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296269	5 December 2011	31.45	Unit. 105, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296270	5 December 2011	117.09	Unit. 106, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296271	5 December 2011	64.69	Unit. 107, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296272	5 December 2011	231.87	Unit. 108, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296273	5 December 2011	54.86	Unit. 109, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296274	5 December 2011	38.48	Unit. 110, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296275	5 December 2011	36.23	Unit. 111, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296276	5 December 2011	25.13	Unit. 112, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296277	5 December 2011	129.61	Unit. 113, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296278	5 December 2011	141.28	Unit. 114, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296279	5 December 2011	39.41	Unit. 115, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296280	5 December 2011	40.38	Unit. 116, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296281	5 December 2011	34.37	Unit. 117, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296282	5 December 2011	32.31	Unit. 118, No. 16 Fangxing Road	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120296283	5 December 2011	106.42	Unit. 119, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296284	5 December 2011	69.34	Unit. 120, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296285	5 December 2011	215.15	Unit. 121, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296286	5 December 2011	66.04	Unit. 122, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296287	5 December 2011	37.89	Unit. 123, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296288	5 December 2011	54.41	Unit. 124, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296289	5 December 2011	17.85	Unit. 125, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296290	5 December 2011	35.9	Unit. 126, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295642	5 December 2011	17.64	Unit. 127, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295643	5 December 2011	20.22	Unit. 128, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295644	5 December 2011	19.58	Unit. 129, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295645	5 December 2011	31.62	Unit. 130, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295646	5 December 2011	20.19	Unit. 131, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295647	5 December 2011	18.51	Unit. 132, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295648	5 December 2011	25.37	Unit. 133, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295649	5 December 2011	164.74	Unit. 134, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295650	5 December 2011	229.77	Unit. 135, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295651	5 December 2011	29.9	Unit. 136, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295652	5 December 2011	45.73	Unit. 137, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295653	5 December 2011	35.75	Unit. 138, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295654	5 December 2011	53.77	Unit. 139, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295655	5 December 2011	111.89	Unit. 140, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295656	5 December 2011	132.26	Unit. 141, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295657	5 December 2011	30.28	Unit. 142, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295658	5 December 2011	29.9	Unit. 143, No. 16 Fangxing Road	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120295659	5 December 2011	45.54	Unit. 144, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295660	5 December 2011	33.9	Unit. 145, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295661	5 December 2011	34.45	Unit. 146, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295662	5 December 2011	124.65	Unit. 147, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295663	5 December 2011	159.85	Unit. 148, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295664	5 December 2011	29.93	Unit. 149, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295665	5 December 2011	29.53	Unit. 150, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295666	5 December 2011	45.15	Unit. 151, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296258	5 December 2011	30.74	Unit. 152, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296259	5 December 2011	19.57	Unit. 153, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296262	5 December 2011	93.76	Unit. 154, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296261	5 December 2011	158.81	Unit. 155, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296263	5 December 2011	116.4	Unit. 156, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296260	5 December 2011	86.54	Unit. 157, No. 16 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296007	5 December 2011	25.23	Unit. 201, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296343	5 December 2011	23.52	Unit. 202, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296008	5 December 2011	33.14	Unit. 203, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296342	5 December 2011	27.83	Unit. 204, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296009	5 December 2011	39.25	Unit. 205, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296341	5 December 2011	46.95	Unit. 206, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296010	5 December 2011	28.53	Unit. 207, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296011	5 December 2011	59.14	Unit. 209, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296020	5 December 2011	46.23	Unit. 210, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296019	5 December 2011	52.21	Unit. 211, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296018	5 December 2011	62.13	Unit. 212, No. 18 Fangxing Road	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120296017	5 December 2011	128.16	Unit. 213, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296016	5 December 2011	78.6	Unit. 214, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296015	5 December 2011	196.77	Unit. 215, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296014	5 December 2011	168.7	Unit. 216, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296013	5 December 2011	69.6	Unit. 217, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296012	5 December 2011	122.59	Unit. 218, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296339	5 December 2011	81.94	Unit. 219, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296338	5 December 2011	202.08	Unit. 220, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296337	5 December 2011	182.55	Unit. 221, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296336	5 December 2011	74.55	Unit. 222, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296335	5 December 2011	103.96	Unit. 223, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296334	5 December 2011	38.18	Unit. 224, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296333	5 December 2011	45.13	Unit. 225, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296332	5 December 2011	59.06	Unit. 226, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296029	5 December 2011	81.04	Unit. 227, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296028	5 December 2011	49.34	Unit. 228, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296027	5 December 2011	40.12	Unit. 229, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296026	5 December 2011	29.4	Unit. 230, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296025	5 December 2011	51.95	Unit. 231, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296024	5 December 2011	43.14	Unit. 232, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296023	5 December 2011	10.65	Unit. 233, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296022	5 December 2011	46.59	Unit. 234, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296021	5 December 2011	34.9	Unit. 235, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296331	5 December 2011	29.86	Unit. 236, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296330	5 December 2011	27.14	Unit. 237, No. 18 Fangxing Road	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120296329	5 December 2011	91.91	Unit. 238, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295378	5 December 2011	79.01	Unit. 239, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295377	5 December 2011	43.88	Unit. 240, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295376	5 December 2011	55.37	Unit. 241, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295375	5 December 2011	51.4	Unit. 242, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295374	5 December 2011	58.23	Unit. 243, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296038	5 December 2011	24.07	Unit. 244, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296037	5 December 2011	22.63	Unit. 245, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296036	5 December 2011	23.21	Unit. 246, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296035	5 December 2011	32.56	Unit. 247, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296034	5 December 2011	27.09	Unit. 248, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296033	5 December 2011	20.38	Unit. 249, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296032	5 December 2011	33.06	Unit. 250, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296031	5 December 2011	27.83	Unit. 251, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296030	5 December 2011	24.58	Unit. 252, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295373	5 December 2011	10.19	Unit. 253, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295372	5 December 2011	35.78	Unit. 254, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295371	5 December 2011	38.64	Unit. 255, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295370	5 December 2011	39.01	Unit. 256, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120295369	5 December 2011	88.99	Unit. 257, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296046	5 December 2011	96.86	Unit. 258, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296045	5 December 2011	50.46	Unit. 259, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296044	5 December 2011	45.44	Unit. 260, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296043	5 December 2011	42.14	Unit. 261, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296042	5 December 2011	25.78	Unit. 262, No. 18 Fangxing Road	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120296041	5 December 2011	23.69	Unit. 263, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296040	5 December 2011	30.66	Unit. 264, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296039	5 December 2011	30.66	Unit. 265, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296003	5 December 2011	36.2	Unit. 266, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296004	5 December 2011	127.39	Unit. 267, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296005	5 December 2011	109.95	Unit. 268, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296345	5 December 2011	73.26	Unit. 269, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296006	5 December 2011	31.64	Unit. 270, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120296344	5 December 2011	31.33	Unit. 271, No. 18 Fangxing Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339504	6 April 2010	103.08	Unit. 412, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339505	6 April 2010	89.7	Unit. 408, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339506	6 April 2010	33.17	Unit. 411, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339507	6 April 2010	503.07	Unit. 417, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339508	6 April 2010	277.24	Unit. 416, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339509	6 April 2010	36.99	Unit. 409, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339510	6 April 2010	98.17	Unit. 410, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339511	6 April 2010	26.88	Unit. 413, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339512	6 April 2010	542.67	Unit. 301, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339513	6 April 2010	89.48	Unit. 308, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120339514	6 April 2010	99.48	Unit. 306, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339515	6 April 2010	259.88	Unit. 314, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339516	6 April 2010	97.93	Unit. 310, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339518	6 April 2010	643.39	Unit. 317, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339519	6 April 2010	26.81	Unit. 313, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339520	6 April 2010	93.87	Unit. 307, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339521	6 April 2010	90.66	Unit. 305, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339522	6 April 2010	102.83	Unit. 312, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339523	6 April 2010	33.1	Unit. 311, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339524	6 April 2010	36.9	Unit. 309, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339525	6 April 2010	108.1	Unit. 302, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339526	6 April 2010	134.5	Unit. 303, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339527	6 April 2010	37.21	Unit. 304, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339528	6 April 2010	271.23	Unit. 315, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339529	6 April 2010	34.36	Unit. 101, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120339530	6 April 2010	188.7	Unit. 102, Nos. 22-34 Fangxing Road (Even Nos.)	Commercial

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Certificate No.	Date of Issuance	Gross floor area (sq m)	Portion	Land Use
Yue Fang Di Quan Zheng Sui Zi Di 0120339532	6 April 2010	127.26	Unit. 103, Nos. 22–34 Fangxing Road (Even Nos.)	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120491440	9 October 2013	2306.8	Unit. B101, Nos. 164– 168 Yicai Road (Even Nos.)	Underground Car Park
Yue Fang Di Quan Zheng Sui Zi Di 0120491442	9 October 2013	2860.71	Unit. B201, Nos. 164– 168 Yicai Road (Even Nos.)	Underground Car Park

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Fong Chuen New World Property Development Co., Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Fong Chuen New World Property Development Co., Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Fong Chuen New World Property Development Co., Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
85 Commercial and Car Parking Portions of Huizhou Changhuyuan Changhuling Dongping, Huizhou Guangdong Province The PRC	<p>Huizhou Chaughuyuan (the "Development") is a low-cost community housing project with ancillary facilities with a total site area of approximately 212,705.40 sq m. Phases I, IIA, IIB and III of the Development were complete in 1998, 2005 and 2010 and 2013 respectively.</p> <p>The property comprises a retail portion of the Development with a total gross floor area of approximately 426.92 sq m.</p> <p>The property also comprises 972 car parking spaces of Phases I, IIA, IIB and III of the Development.</p> <p>The land use rights of the Development has been granted for respective terms of 70 years for residential uses, 40 years for commercial uses and 50 years for other uses.</p>	The property is currently vacant.	RMB89,400,000 (62.5% interest attributable to the Group: RMB55,875,000)

Notes:

- (1) Pursuant to the Business Licence No. 441300400033061 dated 28 February 2011, Huizhou New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB80,000,000.
- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by The People's Government of Huizhou, the land use rights of the Development with a total site area of 212,705.40 sq m were granted to Huizhou New World Housing Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Hui Fu Guo Yong (2005) Di 13020700013	Residential	28 January 2075	54,904.00	3 February 2005
Hui Fu Guo Yong (2005) Di 13020700354	Commercial and residential	20 May 2075	39,581.00	13 June 2005
Hui Fu Guo Yong (2009) Di 13020700128	Commercial and residential	19 June 2036 (commercial) 19 June 2066 (residential)	3,055.90	12 March 2009
Hui Fu Guo Yong (2007) Di 13020701312	Residential	10 January 2076	54,443.00	8 November 2007

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Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Hui Fu Guo Yong (96) Zi Di 13020800122	Subsidized housing	19 June 2066	10,016.00	N/A
Hui Fu Guo Yong (96) Zi Di 13020800121	Subsidized housing	19 June 2066	47,637.00	N/A
Hui Fu Guo Yong (2005) Di 13020700092	Residential	21 March 2075	3,068.50	13 April 2005

- (3) Pursuant to 2 Building Ownership Certificates issued by Huizhou Housing Administration Bureau, the building ownership of the property with a total gross floor area of 223.19 sq m was vested in Huizhou New World Housing Development Limited. Details of the Building Ownership Certificates are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zheng Hui Zhou Zi Di 1100103747	196.03	Block 7, Changhuyuan	Level 1, Unit 30	Shopping mall	7 November 2011
Yue Fang Di Quan Zheng Hui Zhou Zi Di 1100187189	27.16	Block 9, Changhuyuan	Level 1, Unit 02	Shopping mall	24 May 2013

- (4) Pursuant to 8 Realty Title Certificates issued by The People's Government of Huizhou, the building ownership of the property with a total gross floor area of 6,952.43 sq m was vested in Huizhou New World Housing Development Limited. Details of the Realty Title Certificates are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Unit	Land Use	Date of Issuance
Yue Fang Di Zheng Zi Di C0954598	868.22	Block 1, Changhuyuan	Level 1	Car park	N/A
Yue Fang Di Zheng Zi Di C0957504	999.95	Block 2, Changhuyuan	Level 1	Car park	N/A
Yue Fang Di Zheng Zi Di C0957505	636.06	Block 3, Changhuyuan	Level 1	Car park	N/A
Yue Fang Di Zheng Zi Di C0957506	1,573.38	Block 4, Changhuyuan	Level 1	Car park	N/A
Yue Fang Di Zheng Zi Di C0957507	632.27	Block 5, Changhuyuan	Level 1	Car park	N/A
Yue Fang Di Zheng Zi Di C0957501	414.00	Block 6, Changhuyuan	Level 1	Car park	N/A
Yue Fang Di Zheng Zi Di C0957503	845.87	Block 7, Changhuyuan	Level 1	Car park	N/A
Yue Fang Di Zheng Zi Di C0957508	982.68	Block 8, Changhuyuan	Level 1	Car park	N/A

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- (5) Pursuant to the Realty Title Certificate No. 10111768 dated 3 April 2009 issued by The People's Government of Huizhou, it is certified that Huizhou New World Housing Development Limited is the legal owner of the property located at Unit 31, Level 1, Block 7 of Changhuyuan with a gross floor area of 79.92 sq m for shopping mall use.
- (6) Pursuant to 74 Realty Title Certificates issued by The People's Government of Huizhou, it is certified that Huizhou New World Housing Development Limited is the legal owner of the car parking spaces of Phases IIA and IIB of the property with a gross floor area of 2,724.07 sq m for car park use.
- (7) Pursuant to the Construction Works Completion Certificate dated 29 May 2013 issued by Huizhou Housing and Urban-Rural Planning Bureau, portion of Phase III of the Development with a gross floor area of 157,608 sq m was certificated to be completed.
- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Huizhou New World Housing Development Limited has legally obtained the land use rights and the building ownership of the property. Huizhou New World Housing Development Limited is the sole owner of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Huizhou New World Housing Development Limited according to relevant laws and regulations;
 - (iii) Huizhou New World Housing Development Limited has obtained the Building Ownership Certificates and Realty Title Certificates for portions of the property. Such portions of the property can be legally transferred, leased, mortgaged or handled in other ways by Huizhou New World Housing Development Limited according to relevant laws and regulations;
 - (iv) Huizhou New World Housing Development Limited has obtained the Construction Works Completion Certificate for the buildings of Phase III of the property. There will be no legal obstacle for Huizhou New World Housing Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
86 Commercial Portion of District D & E Zhaoqing New World Garden Zhongtiaohong Lake West Zhaoqing Guangdong Province The PRC	<p>Zhaoqing New World Garden (the "Development") is a residential development erected upon an irregular-shaped site with an area of approximately 137,339.95 sq m.</p> <p>Phases I, II, IV and portion of Phase III of the Development were complete from 2003 to 2013.</p> <p>The property comprises commercial portion of the Development with a gross floor area of approximately 15,062.25 sq m.</p> <p>The land use rights of the Development have been granted for respective terms of 70 years for residential use and 40 years for commercial use respectively.</p>	<p>Portion of the property with a gross floor area of 12,163.50 sq m is subject to a tenancy expiring on 15 July 2023, yielding a monthly rental of about RMB279,761, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB56,300,000 (100% interest attributable to the Group: RMB56,300,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 441200400006947 dated 21 June 2013, Zhaoqing New World Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$13,750,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Zhao Guo Yong (2003) Di 00282 issued by The People's Government of Zhaoqing dated 19 March 2003, the land use rights of the Development with a site area of 7,910 sq m were granted to Zhaoqing New World Property Development Limited for a term expiring on 24 December 2038 for commercial use and expiring on 24 December 2068 for residential use respectively.
- (3) Pursuant to the Realty Title Certificate No. Deng Ji Zi Hao Di Zhao Duan Sheng 00013 dated 28 February 2009 issued by The People's Government of Zhaoqing, it is certified that Zhaoqing New World Property Development Limited is the legal owner of the property located at No. 23 Banyue Road with a gross floor area of 15,062.2545 sq m for commercial and residential uses.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Zhaoqing New World Property Development Limited has legally obtained the land use rights and the building ownership of the property. Zhaoqing New World Property Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Zhaoqing New World Property Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
87 Retail Portion of Nanjing New World Centre 88 Zhujiang Road Xuanwu District, Nanjing Jiangsu Province The PRC	<p>Nanjing New World Centre (the "Development") is a commercial/residential complex with a 46-storey apartment building and a 46-storey hotel/apartment building both erected on a 5-level commercial podium plus a 2-level basement car park erected upon a roughly rectangular-shaped site with a site area of approximately 11,219.40 sq m.</p> <p>The property comprises the retail portion of the Development with a total gross floor area of approximately 41,712.12 sq m completed in 2007.</p> <p>The land use rights of the Development have been granted for a term of 50 years commencing from 31 May 1993 for commercial and financial uses.</p>	<p>The property is currently leased to Jiangsu New World Departmental Store for a term commencing from 29 May 2008, yielding a turnover rent at 3% of the gross annual turnover of the departmental store per annum from the lease commencement date to 28 May 2011, and subject to increase to a turnover rent at 5% of the gross annual turnover of the departmental store per annum from 29 May 2011 up to and upon lease expiry on 31 May 2014.</p>	<p>RMB369,000,000 (100% interest attributable to the Group: RMB369,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 320100400039625 dated 9 October 2010, Nanjing New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$45,339,518.65.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Ning Xuan Guo Yong (2008) Di 09705 issued by The People's Government of Nanjing dated 22 December 2008, the land use rights of the property with a site area of 1,555.90 sq m were granted to Nanjing New World Real Estate Co., Ltd. for a term expiring on 30 May 2043 for commercial and financial uses.
- (3) Pursuant to the Building Ownership Certificate No. Ning Fang Quan Zheng Xuan Zhuan Zi Di 295877 issued by Nanjing Housing Administration Bureau dated 7 October 2008, the building ownership to the property with a gross floor area of 41,712.12 sq m was vested in Nanjing New World Real Estate Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Nanjing New World Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property and is the sole owner of the property and is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
 - (ii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
88 Car Parking Portion of Nanjing New World Centre 88 Zhujiang Road Xuanwu District, Nanjing Jiangsu Province The PRC	<p>Nanjing New World Centre (the "Development") is a commercial/residential complex with a 46-storey apartment building and a 46-storey hotel/apartment building both erected on a 6-level commercial podium plus a 5-level basement car park erected upon a rough rectangular-shaped site with a site area of approximately 11,219.40 sq m.</p> <p>The property comprises 143 car parking spaces of the Development with a total gross floor area of approximately 11,082.00 sq m completed in 2002.</p> <p>The land use rights of the Development have been granted for a term of 50 years commencing from 31 May 1993 for commercial and financial uses.</p>	The property is currently vacant.	RMB18,600,000 (100% interest attributable to the Group: RMB18,600,000)

Notes:

- (1) Pursuant to the Business Licence No. 320100400039625 dated 9 October 2010, Nanjing New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$45,339,518.65.
- (2) Pursuant to the State-owned Land Use Rights Certificates No. Ning Xuan Guo Yong (2008) Di 09705 issued by The People's Government of Nanjing dated 22 December 2008, the land use rights of the property with a site area of 1,555.90 sq m were granted to Nanjing New World Real Estate Co., Ltd. for a term expiring on 30 May 2043 for commercial and financial uses.
- (3) Pursuant to the Building Ownership Certificate No. Ning Fang Quan Zheng Xuan Bian Zi Di 325527 issued by Nanjing Housing Administration Bureau dated 22 September 2009, the building ownership of the property with a gross floor area of 5,261.53 sq m was vested in Nanjing New World Real Estate Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Nanjing New World Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property and is the sole owner of the property and is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
 - (ii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
89 Retail and Car Parking Portions of Changsha La Ville New World 139 Laodong East Road Yuhua District, Changsha Hunan Province The PRC	<p>Changsha La Ville New World (the "Development") is a residential/commercial composite development comprising an irregular-shaped site with an area of approximately 375,515.66 sq m to be completed in phases.</p> <p>The property comprises the retail portion of Phases 1A and 1C of the Development with a total gross floor area of approximately 2,552.29 sq m and the car parking portion of Phase 1B and 1C of the Development, which comprises 456 car parking spaces with a total gross floor area of approximately 16,580.93 sq m.</p> <p>The land use rights of the Development have been granted for land use terms for commercial use expiring on 16 February 2044, for kindergarten use expiring on 16 February 2054, for residential use expiring on 16 February 2074, for educational use expiring on 16 February 2054 and for composite use expiring on 16 February 2054.</p>	<p>Retail portion of the property with a total gross floor area of approximately 2,065.20 sq m is subject to various tenancies and the majority of which is leased for a term of 5 years with the last tenancy expiring in May 2016, yielding a total monthly rental of about RMB112,299, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB97,760,000 (47.5% effective interest ^(note) attributable to the Group: RMB46,436,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 430000400002634 dated 15 June 2012, Hunan Success New Century Investment Company Limited, a subsidiary of the Company, was incorporated with a registered capital of RMB680,000,000.

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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- (2) Pursuant to 16 State-owned Land Use Rights Certificates issued by Changsha Land Resources Bureau, the land use rights of the Development with a total site area of 375,515.66 sq m were granted to Hunan Success New Century Investment Company Limited for various land use rights terms. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Site Area (sq m)	Land Use and term	Date of Issuance
Chang Guo Yong (2012) 042521	6,805.80	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042522	15,603.49	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042523	35,465.72	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042524	38,138.28	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042525	25,833.90	Commercial: 16 February 2044 Residential: 16 February 2074	24 July 2012
Chang Guo Yong (2012) 042526	63,724.60	Commercial: 16 February 2044 Residential: 16 February 2074	24 July 2012
Chang Guo Yong (2012) 042527	19,899.28	Commercial: 16 February 2044 Residential: 16 February 2074	24 July 2012
Chang Guo Yong (2012) 042528	4,434.64	Commercial: 16 February 2044 Residential: 16 February 2074	24 July 2012
Chang Guo Yong (2012) 042529	26,107.43	Education: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042530	26,441.67	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042531	33,371.75	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042532	4,575.20	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042533	24,362.79	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042534	33,905.93	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042535	10,115.53	Commercial: 16 February 2044	24 July 2012
Chang Guo Yong (2012) 042536	6,729.65	Composite: 16 February 2054	24 July 2012

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- (3) Pursuant to 13 Building Ownership Certificates issued by Changsha Housing Administration Bureau, the building ownership to portion of Phase I of the property with a total gross floor area of 2,552.29 sq m was vested in Hunan Success New Century Investment Company Limited for commercial use. Details of the Building Ownership Certificates are as follows:

Certificate No.	Block No.	Gross Floor	Date of Issuance
		Area (sq m)	
Chang Fang Quan Zheng Yu Hua Zi Di 711043814	A5-101	150.55	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043815	A6-102	229.72	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043816	A5-108	204.86	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043817	A5-104	182.06	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043819	A5-106	100.69	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043822	A5-109	168.87	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043823	A5-110	235.31	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043832	A5-111	284.58	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043663	A4-101	234.06	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043672	A4-110	229.55	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711043681	A4-111	146.87	15 March 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711005010	A6-113	235.85	10 January 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711005011	A6-114	149.32	10 January 2011

- (4) Pursuant to 253 Building Ownership Certificates issued by Changsha Housing Administration Bureau, the building ownership of portion Phase I of the property with a total gross floor area of 9,396.18 sq m was vested in Hunan Success New Century Investment Company Limited for car park use.
- (5) Pursuant to 203 Building Ownership Certificates issued by Changsha Housing Administration Bureau, the building ownership of portion of Phase I of the property with a total gross floor area of 7,184.75 sq m was vested in Hunan Success New Century Investment Company Limited for car park/defense car park use.
- (6) Pursuant to the Building Ownership Certificates of retail of Phase I of the property as mentioned in Note (3), the usage is for commercial use and the land use rights term is from 8 June 2009 to 16 February 2074.
- (7) Pursuant to the Building Ownership Certificates of the car parks of the property as mentioned in Notes (4) and (5), the usage is car parking use and the land use rights term is from 8 June 2009 to 16 February 2074.
- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Hunan Success New Century Investment Company Limited has legally obtained the land use rights and the building ownership of the property. Hunan Success New Century Investment Company Limited is the sole owner of the property;
 - (ii) the maximum of land use rights term for commercial use should be 40 years and for other use should be 50 years; and
 - (iii) Hunan Success New Century Investment Company Limited is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property.
 - (iv) the property is free from mortgages and other encumbrances.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
90	Blocks A, B and C of West Commercial Buildings, Car Park, Retail and Kindergarten Portions of Guiyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District Guiyang Guizhou Province The PRC	<p>Guiyang Sunny Town (the "Development") is a proposed commercial/residential composite development to be developed in various phases, erected upon two irregular-shaped sites with a total site area of approximately 2,149,849.30 sq m.</p> <p>The property comprises Blocks A, B and C of West Commercial Buildings, the retail and kindergarten portion of the Development with a total gross floor area of approximately 33,362.98 sq m completed in 2010, 2011 and 2013. The property also comprises 278 car parking spaces with a total gross floor area of approximately 10,697.96 sq m of the Development.</p> <p>The land use rights of the Development have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.</p>	<p>The retail portion of the property of approximately 20,000.28 sq m is subject to various tenancies with the last tenancy expiring in August 2020, yielding a total monthly rental of approximately RMB2,467,458, exclusive of management fees.</p> <p>The kindergarten portion of the property of approximately 2,681.39 sq m is subject to a tenancy for a term expiring in June 2023, yielding a total monthly rental of approximately RMB26,667, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB332,000,000 (50% effective interest ^(note) attributable to the Group: RMB166,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 520100400043942 dated 19 October 2012, Guiyang New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$221,350,000.

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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- (2) Pursuant to 6 State-owned Land Use Rights Certificates issued by Guiyang Land Resources Bureau, the land use rights of the Development with a total site area of 1,863,181.20 sq m was vested in Guiyang New World Real Estate Co., Ltd. for various land use rights terms. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0098	8 April 2010	Commercial/	368,161.10	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 2550	8 April 2010	Commercial/	368,682.70	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 0100	8 April 2010	Commercial/	491,598.60	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2011) Di 5486	22 June 2011	Commercial/	439,131.30	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2009) Di 1843	20 November 2009	Commercial/ Office	84,771.30	11 July 2057
Qian Zhu Gao Xin Guo Yong (2010) Di 0101	8 April 2010	Commercial/ Office	110,836.20	11 July 2057

- (3) Pursuant to the Building Ownership Certificate No. Zhu Fang Quan Zheng Jin Yang Xin Zi Di 010286873 issued by Guiyang Real Estate Title Supervision Bureau dated 30 December 2011, the building ownership of the property with a total gross floor area of 2,681.39 sq m was vested in Guiyang New World Real Estate Co., Ltd..

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- (4) Pursuant to 6 Construction Works Completion Certificates issued by Guiyang Housing and Urban-Rural Development Committee, portion of the Development was certificated to be completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Gross Floor Area (sq m)
Jian 2011-10	11 March 2011	Blocks B3 and C, West Commercial Buildings	11,827.60
Jian 2013-13	15 March 2013	Zone 2B and 2D, Blocks 1, 5, 6 and Commercial Centre	101,662.94
Jian 2013-53	28 June 2013	Zone 2D, Blocks 2 to 4	134,380.00
Jian 203	19 November 2010	Zone IB, Block 4	32,990.00
Jian 2013-101	27 November 2013	Block A, West Commercial Buildings	7,050.27
Jian 2014-1	31 December 2013	Zone 2B, 2D, Blocks 2B 1 to 4 and basement	159,826.59

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guiyang New World Real Estate Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Guiyang New World Real Estate Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) Guiyang New World Real Estate Co., Ltd. has legally obtained the building ownership of portion of the property as mentioned in Note (3) and is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the property;
 - (iv) Guiyang New World Real Estate Co., Ltd. has obtained the State-owned Land Use Rights Certificates, the relevant constructions permits and completion certificates. There will be no legal obstacle Guiyang New World Real Estate Co., Ltd. in obtaining the real estate title proof for portion of the property as mentioned in Note (4) after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
91 Car Parking Portion of Chengdu New World Riverside Guang Fu Village Hua Yang Town Shuangliu County Chengdu Sichuan Province The PRC	Changdu Riverside New World (the "Development") erected upon an irregular-shaped site with a site area of approximately 950,072.10 sq m, planned to develop into a massive residential/commercial composite development to be constructed in phases. The property comprises the car parking portion of the Development, which will provide 1,317 car parking spaces with a total gross floor area of approximately 49,068.00 sq m. The land use rights of the Development have been granted for a term of 70 years for residential use and 40 years for commercial use.	The property is currently vacant.	RMB145,000,000 (30% effective interest ^(note) attributable to the Group: RMB43,500,000)

Notes:

- (1) Pursuant to the Business Licence No. 510100400018780 dated 25 April 2012, Chengdu Xinyi Real Estate Development Co., Ltd., a subsidiary of the Company, was incorporated with a registered capital of US\$99,500,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Shuang Guo Yong (2006) Di 01024 and Shuang Guo Yong (2007) Di 4067 issued by Shuangliu Land Resources Bureau, the title to the land use rights of the Development with a total site area of 950,072.10 sq m was vested in Chengdu Xinyi Real Estate Development Co., Ltd. for residential and commercial uses. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Site Area (sq m)	Land Use and Term	Date of Issuance
Shuang Guo Yong (2006) Di 01024	186,478.77	Residential: 26 January 2076 Commercial: 26 January 2046	31 May 2006
Shuang Guo Yong (2007) Di 4067	763,593.33	Residential: 26 January 2076 Commercial: 26 January 2046	15 June 2007

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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- (3) Pursuant to 2 Building Lists issued by Shuangliu Property Administration Bureau, the building ownership of portion of the Development with a total gross floor area of 49,068.00 sq m were vested in Chengdu Xinyi Real Estate Development Co., Ltd.. Details of the Building Lists are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Date of Issuance
Jian Zheng 1255511	12,835.00	Car parking	3 July 2013
Jian Zheng 1250764	36,233.00	Car parking	19 June 2013

- (4) Pursuant to two Mortgage Proof Nos. Shuang Ta Xiang (2013) Di 217 and 218 both issued by Shuangliu Land Resources Bureau on 26 July 2013, a parcel of land with a site area of 763,593.3 sq m of the Development was subject to two mortgages. The commercial buildings of the property with a gross floor area of 6,908.17 sq m erected on this parcel of land were subject to this two mortgages.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Chengdu Xinyi Real Estate Development Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Chengdu Xinyi Real Estate Development Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged land use rights of the property. For the mortgaged land use rights, Chengdu Xinyi Real Estate Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property; and
 - (iii) Chengdu Xinyi Real Estate Development Co., Ltd. has legally obtained the building ownership of the property and is entitled to transfer, lease, mortgage or in other ways dispose of the buildings of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
92 Retail and Car Parking Portions of Anshan New World Garden Phases IA1 and IA2 Keji Road Gaoxin District, Anshan Liaoning Province The PRC	<p>Anshan New World Garden (the "Development") is planned to be developed into a residential/commercial composite development with basement car park and other ancillary facilities. The Development comprises four parcels of land with a total site area of approximately 539,557.60 sq m.</p> <p>The property comprises the retail portion of Phase IA1 of the Development with a total gross floor area of 1,416.64 sq m and the car parking portion of Phases IA1 and IA2 of the Development, which provides 1,256 car parking spaces with a total gross floor area of approximately 51,688.37 sq m completed in 2011 and 2013.</p> <p>The land use rights of the Development have been granted for respective terms of 70 years for residential use and 40 years for commercial use.</p>	<p>The retail portion of the property is subject to various tenancies with the last tenancy expiring in January 2016, yielding a total monthly rental of RMB34,207, exclusive management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB171,000,000 (100% interest attributable to the Group: RMB171,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 210300400013106 dated 9 April 2012, New World (Anshan) Property Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB1,240,000,000.

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- (2) Pursuant to 4 State-owned Land Use Rights Certificates issued by Anshan Land Resources Bureau, the land use rights of the Development were granted to New World (Anshan) Property Development Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
An Guo Yong (2008) Zi Di 600213	16 June 2008	Composite Residential	142,275.70	5 June 2078 (40 years for commercial)	Phase IB
An Guo Yong (2011) Zi Di 600257	27 December 2011	Residential	189,869.50	29 May 2081	Phase IIB
An Guo Yong (2008) Zi Di 600214	18 June 2008	Composite Residential	86,202.60	5 June 2078 (40 years for commercial)	Phase IA
An Guo Yong (2008) Zi Di 600217	24 December 2010	Residential	121,209.80	29 April 2080	Phase IIA

- (3) Pursuant to 33 Construction Works Completion Certificates issued by Anshan Urban-Rural Development Committee, portion of the Development with a gross floor area of 324,532.87 sq m was certificated to be completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Area (sq m)
2011 Nian Di 185	30 June 2011	Phase IA Block 3	33,628.00
2011 Nian Di 186	30 June 2011	Phase IA Block 4	30,277.00
2011 Nian Di 187	30 June 2011	Phase IA Block 5	15,126.00
2011 Nian Di 188	30 June 2011	Phase IA Block 6	17,648.00
2011 Nian Di 189	30 June 2011	Phase IA Block 7	15,329.00
2011 Nian Di 190	30 June 2011	Phase IA Block 23	1,383.00
2011 Nian Di 191	30 June 2011	Phase IA Underground Car Park Section I	23,560.61
2011 Nian Di 192	30 June 2011	Phase IA Underground Car Park Section II	9,774.00
2013 Nian Di 093	26 June 2013	Phase IA Block 1	33,777.00
2013 Nian Di 094	26 June 2013	Phase IA Block 2	16,722.82
2013 Nian Di 096	26 June 2013	Phase IA Block 9	35,727.10
2013 Nian Di 097	26 June 2013	Phase IA Underground Car Park Section III	13,643.69
2013 Nian Di 098	26 June 2013	Phase IA Underground Car Park Section IV	15,257.96
2013 Nian Di 099	26 June 2013	Phase I Block 24	8,211.97
2013 Nian Di 095	26 June 2013	Phase IA Block 8	34,654.10
2013 Nian Di 100	26 June 2013	Phase I Block 1	1,454.02
2013 Nian Di 102	26 June 2013	Phase I Block 3	1,454.02
2013 Nian Di 103	26 June 2013	Phase I Block 4	747.48
2013 Nian Di 104	26 June 2013	Phase I Block 5	1,454.02
2013 Nian Di 105	26 June 2013	Phase I Block 6	1,454.02
2013 Nian Di 106	26 June 2013	Phase I Block 7	1,454.02
2013 Nian Di 107	26 June 2013	Phase I Block 8	868.44
2013 Nian Di 108	26 June 2013	Phase I Block 9	868.44
2013 Nian Di 109	26 June 2013	Phase I Block 10	868.44
2013 Nian Di 110	26 June 2013	Phase I Block 11	868.44
2013 Nian Di 112	26 June 2013	Phase I Block 13	868.44
2013 Nian Di 115	26 June 2013	Phase I Block 16	868.44
2013 Nian Di 117	26 June 2013	Phase I Block 18	1,097.40
2013 Nian Di 118	26 June 2013	Phase I Block 19	1,097.40
2013 Nian Di 119	26 June 2013	Phase I Block 20	1,097.40

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Certificate No.	Date of Issuance	Address	Area (sq m)
2013 Nian Di 120	26 June 2013	Phase I Block 21	1,097.40
2013 Nian Di 121	26 June 2013	Phase I Block 22	1,097.40
2013 Nian Di 122	26 June 2013	Phase I Block 23	1,097.40

- (4) Portion of the land of the Development with a total site area of 207,412.4 sq m is subject to a mortgage.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World (Anshan) Property Development Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the property and is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged portion such portion of the property;
 - (ii) for the mortgaged land use rights, New World (Anshan) Property Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property;
 - (iii) New World (Anshan) Property Development Co., Ltd. has obtained the Construction Works Completion Certificates of the buildings of Phases IA and IIA of the property. There will be no legal obstacle for New World (Anshan) Property Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) New World (Anshan) Property Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring the mortgaged buildings of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
93 Car Parking Portion of Phase III of Haikou New World Garden Xinbu Island Haikou Hainan Province The PRC	Haikou New World Garden (the "Development") is a proposed residential development erected upon an irregular-shaped site with an area of approximately 240,639.46 sq m. The property comprises the car parking portion of Phase III of the Development, which provides 690 car parking spaces and completed in 2013. The land use rights of the Development have been granted for a term of 70 years for commercial/residential use.	The property is currently vacant.	RMB34,100,000 (100% interest attributable to the Group: RMB34,100,000)

Notes:

- Pursuant to the Business Licence No. 460100400000285 dated 28 June 2012, Haikou New World Housing Development Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$8,000,000.
- Pursuant to 5 State-owned Land use Rights Certificates issued by Haikou Land and Ocean Resources Bureau, the land use rights of the development was granted to Haikou New World Housing Development Ltd.. Details of the State-owned Land use Rights Certificates are as follows:

Certificate No.	Address	Site Area (sq m)	Land Use	Expiry Date
Hai Kou Shi Guo Yong (Ji) Zi Di S0645	Nongpo Jingjishe	19,140.62	Residential	20 December 2070
Hai Kou Shi Guo Yong (Ji) Zi Di S0652	West of Xinbu Island	105,654.90	Residential	28 December 2070
Hai Kou Shi Guo Yong (Ji) Zi Di S0654	Xinbu Island	49,918.34	Residential	5 January 2071
Hai Kou Shi Guo Yong (Ji) Zi Di S0644	East of Xipo Village	1,485.53	Residential	20 December 2070
Hai Kou Shi Guo Yong (Ji) Zi Di S0774	Northwest corner of Xinbu Island	64,440.07	Commercial and residential	13 September 2071

- Pursuant to the Building Ownership Certificate No. Haikou Shi Fang Quan Zheng Hai Fang Zi Di HK387428 dated 13 August 2013 issued by The People's Government of Haikou, the building ownership of portion of the property with total gross floor area of 32,703.38 sq m was vested in Haikou New World Housing Development Ltd..

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Haikou New World Housing Development Ltd. has legally obtained the land use rights of the property and the ownership of the building erected thereon. Haikou New World Housing Development Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Haikou New World Housing Development Ltd. according to relevant laws and regulations; and
 - (iii) the property is free form mortgages and other encumbrances.

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Group II — Investment properties held by the Group under development in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
94 Portion of Block D of West Commercial Buildings Guiyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District Guiyang Guizhou Province The PRC	Guiyang Sunny Town (the "Development") is a proposed large-scale commercial/residential composite development to be developed in various phases, erected upon two irregular-shaped sites with a total site area of approximately 2,149,849.30 sq m. The property comprises portion of Block D of the West Commercial Buildings, which will provide a total gross floor area of approximately 4,977.82 sq m upon completion. The land use rights of the Development have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses respectively.	The property is currently under development and scheduled to be completed in 2014.	RMB36,000,000 (50% effective interest ^(note) attributable to the Group: RMB18,000,000)

Notes:

- Pursuant to the Business Licence No. 520100400043942 dated 19 October 2012, Guiyang New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$221,350,000.
- Pursuant to 6 State-owned Land Use Rights Certificates issued by Guiyang Land Resources Bureau, the land use rights of the Development with a total site area of 1,863,181.20 sq m were granted to Guiyang New World Real Estate Co., Ltd. for various land use rights terms. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0098	8 April 2010	Commercial/	368,161.10	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 2550	8 April 2010	Commercial/	368,682.70	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0100	8 April 2010	Commercial/	491,598.60	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2011) Di 5486	22 June 2011	Commercial/	439,131.30	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2009) Di 1843	20 November 2009	Commercial/Office	84,771.30	11 July 2057
Qian Zhu Gao Xin Guo Yong (2010) Di 0101	8 April 2010	Commercial/Office	110,836.20	11 July 2057

- (3) Pursuant to the Construction Land Use Planning Permit No. Jing Yang (2006)-36 issued by Guiyang Planning Bureau dated 9 August 2006, the Development with a site area of approximately 2,935.13 mu was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 520000201024870 issued by Guiyang Planning Bureau dated 28 January 2011, portion of the Development including the property with a gross floor area of 18,333.49 sq m was permitted to be constructed.
- (5) Pursuant to the Construction Works Commencement Permit No. 520101201209181101 dated 20 June 2013 issued by Guiyang Housing and Urban-Rural Development Committee, the construction works of the Development including the property with total gross floor area of 10,846.82 sq m was permitted to commence.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB46,090,000 and RMB8,628,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB49,800,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guiyang New World Real Estate Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Guiyang New World Real Estate Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) Guiyang New World Real Estate Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property. Guiyang New World Real Estate Co., Ltd. is entitled to construct such portion of the property according to the said permits; and
 - (iv) Guiyang New World Real Estate Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guiyang New World Real Estate Co., Ltd. in obtaining the building ownership certificate after completion and compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
95 Commercial portion of Tianjin Xin Hui Hua Ting East of Rong Ye Da Street and South of Guan Gou Da Street Heping District, Tianjin The PRC	Tianjin Xin Hui Hua Ting is a proposed commercial/residential composite development erected upon a parcel of land with an area of approximately 54,684.00 sq m. The property comprises the commercial portion of the development with a total gross floor area of 25,022.77 sq m. The land use rights of the property have been granted to two terms expiring on 17 December 2076 and 17 December 2046 for residential, commercial and services apartment uses respectively.	The property is currently under development and is scheduled to be completed in June 2014.	RMB241,000,000 (100% interest attributable to the Group: RMB241,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 120000400080242 dated 28 March 2012, Tianjin New World Properties Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$91,000,000.
- (2) Pursuant to the Realty Title Certificate No. Fang Di Zheng Jin Zi Di 101051100002 issued by Tianjin Land Resources and Housing Administration Bureau dated 13 January 2011, the land use rights of the development with a site area of 54,684 sq m were granted to Tianjin New World Properties Development Co., Ltd. for residential use.
- (3) Pursuant to the Construction Land Use Planning Permit No. 2010 He Ping Di Zheng 0030 issued by Tianjin Planning Bureau dated 1 September 2010, the development with a site area of 54,684.70 sq m was permitted to be developed.

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- (4) Pursuant to 3 Construction Engineering Planning Permits issued by Tianjin Planning Bureau, the property was permitted to be constructed. Details of the Construction Engineering Planning Permits are listed as follows:

Permit No.	Gross Floor Area (sq m)	Date of Issuance
2011 He Ping Zhu Zheng 0006	84,687.05	3 November 2011
2011 He Ping Zhu Zheng 0007	99,428.60	3 November 2011
2011 He Ping Zhu Zheng 0008	114,742.02	30 November 2011

- (5) Pursuant to two Construction Works Commencement Permits Nos. 12101080201201013 dated 20 August 2011 and 12101020201109005 dated 17 June 2011 issued by Tianjin Urban-Rural Development and Traffic Committee, the construction works of the development including the property with a total gross floor area of 304,641 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB125,778,000 and RMB64,528,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB334,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Tianjin New World Properties Development Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the property;
 - (ii) Tianjin New World Properties Development Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) Tianjin New World Properties Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit and is entitled to construct the property according to the said permits; and
 - (iv) Tianjin New World Properties Development Co., Ltd. has obtained the Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Tianjin New World Properties Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
96 Dinning Building of Guangzhou Park Paradise Phase 5 Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise (the "Development") is a massive residential/commercial composite development planned to be constructed into various phases. The property comprises the dinning building of Phase 5 of the Development with a total gross floor area of approximately 4,893.30 sq m upon completion. The land use rights of the Development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	The property is currently under development and is scheduled to complete in August 2014.	RMB43,900,000 (100% interest attributable to the Group: RMB43,900,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of portion of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,845.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.00	23 June 1999

- (3) Pursuant to the Construction Land Use Planning Permit No. Sui Gui De Zheng (1997) 145 issued by Guangzhou Urban Planning Bureau dated 5 September 1997, the Development with a site area of approximately 576,045.00 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Sui Gui Jian Zheng [2013] 861 issued by Guangzhou Urban Planning Bureau dated 17 May 2013, portion of the Development including the property with a total gross floor area of 15,449.40 sq m was permitted to be constructed.

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- (5) Pursuant to the Construction Works Commencement Permit No. 440111201306300101 issued by Guangzhou Baiyun District Construction Bureau dated 30 June 2013, the construction works of portion of the Development including the property with a total gross floor area of 15,449.40 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB44,297,734 and RMB58,350,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB119,976,000; and
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited has legally obtained the land use rights of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited is the sole owner of the land use rights of the property;
 - (ii) Guangzhou Jixian Zhuang New World City Garden Development Limited has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iii) Guangzhou Jixian Zhuang New World City Garden Development Limited has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guangzhou Jixian Zhuang New World City Garden Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
97 Car Parking Portion of Guangzhou Park Paradise Phase 5 Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise (the "Development") is a massive residential/commercial composite development planned to be constructed into various phases. The property comprises the basement car parking portion of Phase 5 of the Development, which will provide 192 car parking spaces with a total gross floor area of approximately 7,886.90 sq m upon completion. The land use rights of the Development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	The property is currently under development and is scheduled to complete in August 2014.	RMB16,200,000 (100% interest attributable to the Group: RMB16,200,000)

Notes:

- Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.
- Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of portion of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,845.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.00	23 June 1999

- Pursuant to the Construction Land Use Planning Permit No. Sui Gui De Zheng (1997) 145 issued by Guangzhou Urban Planning Bureau dated 5 September 1997, the Development with a site area of approximately 576,045.00 sq m was permitted to be developed.
- Pursuant to the Construction Engineering Planning Permit No. Sui Gui Jian Zheng [2013] 861 issued by Guangzhou Urban Planning Bureau dated 17 May 2013, portion of the Development including the property with a total gross floor area of 15,449.40 sq m was permitted to be constructed.

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- (5) Pursuant to the Construction Works Commencement Permit 440111201306300101 issued by Guangzhou Baiyun District Construction Bureau dated 30 June 2013, the construction works of portion of the Development including the property with a total gross floor area of 15,449.40 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB9,182,566 and RMB10,191,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB28,800,000; and
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited has legally obtained the land use rights of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited is the sole owner of the land use rights of the property;
 - (ii) Guangzhou Jixian Zhuang New World City Garden Development Limited has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iii) Guangzhou Jixian Zhuang New World City Garden Development Limited has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guangzhou Jixian Zhuang New World City Garden Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
98 Car Parking Portion of Guangzhou Park Paradise Phase 4A Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise (the "Development") is a massive residential/commercial composite development planned to be constructed into various phases. The property comprises the car parking portion of Phase 4A of the Development, which will provide 502 car parking spaces with a total gross floor area of approximately 18,720.28 sq m upon completion. The land use rights of the Development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	The property is currently under development and completed in March 2014	RMB70,900,000 (100% interest attributable to the Group: RMB70,900,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400007220 dated 7 August 2009, Guangzhou Xin Sui Tourism Centre Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of HK\$100,000,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Sui Fu Guo Yong (1999) Zi Di Te 112 and 113 both issued by Guangzhou Land Resources Bureau dated 23 June 1999, the land use rights of portion of the Development with total site area of 409,801 sq m were granted to Guangzhou Xin Sui Tourism Centre Ltd. for composite use for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to Construction Land Use Planning Permits No. Sui Gui De Zheng (2004) 348 issued by Guangzhou Urban Planning Bureau dated 29 October 2004 respectively, the Development with a total site area of approximately 445,613 sq m was permitted to be developed.
- (4) Pursuant to 2 Construction Engineering Planning Permits Nos. Sui Gui Jian Zheng (2010) 1720 and Sui Gui Jian Zheng (2010) 1827 issued by Guangzhou Urban Planning Bureau dated 10 June 2010 and 23 June 2010 respectively, portion of the Development including the property with a total gross floor area of 54,478.6 sq m was permitted to be constructed.
- (5) Pursuant to 2 Construction Works Commencement Permits Nos. 44011201006300501 and 44011201106090101 issued by Guangzhou Baiyun District Construction Bureau dated 30 June 2010 and 9 June 2011 respectively, the construction works of portion of the Development including the property with a total gross floor area of 136,802 sq m was permitted to be commenced.

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- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB51,777,000 and RMB157,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB75,300,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Guangzhou Xin Sui Tourism Centre Ltd. has legally obtained the land use rights of the property and the ownership of the building erected thereon. Guangzhou Xin Sui Tourism Centre Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Sui Tourism Centre Ltd. according to relevant laws and regulations;
 - (iii) Guangzhou Xin Sui Tourism Centre Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Guangzhou Xin Sui Tourism Centre Ltd. has obtained the State-owned Land Use Rights Certificates, Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guangzhou Xin Sui Tourism Centre Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
99	Car Parking Portion of Guangzhou Covent Garden Zone 1 Fangcun Avenue Liwan District Guangzhou Guangdong Province The PRC	Guangzhou Covent Garden (the "Development") is a residential/commercial composite development to be constructed in phases. The Development is erected upon four parcels of adjoining site with a total site area of approximately 311,652.00 sq m. The property comprises the car parking portion of Zone 1 of the Development, which will provide 2,517 car parking spaces with a total gross floor area of approximately 102,919.20 sq m upon completion. The land use rights of the Development have been granted for terms of 70 years for residential use, 40 years for commercial use and 50 years for other use.	The property is currently under development and scheduled to complete in October 2017.	RMB151,500,000 (100% interest attributable to the Group: RMB151,500,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400034434 dated 27 June 2013, Guangzhou Fong Chuen New World Property Development Co., Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB402,720,000.

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- (2) Pursuant to 3 State-owned Land Use Rights Certificates issued by The People's Government of Guangzhou, the land use rights of the Development with a site area of 311,652.00 sq m were granted to Guangzhou Fong Chuen New World Property Development Co., Limited for land use rights terms of 40 years for commercial, recreational service uses, 50 years for other uses and 70 years for residential uses respectively with unspecified expiry date. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (2010) Di 01100094	City and township residential	40 years for commercial, recreational service, 50 years for other use and 70 years for residential uses respectively, commenced from 21 June 1999	105,881.00	30 December 2010
Sui Fu Guo Yong (1999) Zi Di Te 110	Composite	40 years for commercial, 50 years for others and 70 years for residential uses respectively	134,960.00	21 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 109	Composite	40 years for commercial, 50 years for others and 70 years for residential uses respectively	70,811.00	21 June 1999

- (3) Pursuant to 2 Construction Land Use Planning Permits issued by Guangzhou Urban Planning Bureau, the Development with a site area of approximately 376,906.00 sq m was permitted to be developed. Details of the Construction Land Use Planning Permits are listed as follows:

Permit No.	Date of Issuance	Site Area (sq m)
(92) Sui cheng Gui Di Zi Di 0043	11 August 1992	299,572.00
(92) Sui cheng Gui Di Zi Di 394	28 July 2003	77,334.00

- (4) Pursuant to 4 Construction Engineering Planning Permits issued by Guangzhou Urban Planning Bureau, the property with a total gross floor area of 462,162.60 sq m was permitted to be constructed. Details of the Construction Engineering Planning Permits are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Sui Gui Jian Zheng (2007) 4911	13 November 2007	87,950.00
Sui Gui Jian Zheng (2012) 2316	14 December 2012	131,430.70
Sui Gui Jian Zheng (2012) 2334	18 December 2012	141,710.20
Sui Gui Jian Zheng (2012) 1575	29 August 2012	101,071.70

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- (5) Pursuant to 6 Construction Works Commencement Permits issued by Guangzhou Liwan District Construction and Municipal Administration Bureau, the construction works of the property with a total gross floor area of 462,343.80 sq m was permitted to be commenced. Details of the Construction Works Commencement Permits are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
440103200907200101	20 July 2009	87,950.00
440103201209280101	28 September 2012	101,071.70
440103201306240101	24 June 2013	59,990.00
440103201304090101	9 April 2013	71,715.90
440103201304120101	12 April 2013	74,152.10
440103201304080101	8 April 2013	67,464.10

- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB118,582,098 and RMB156,511,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB402,720,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Fong Chuen New World Property Development Co., Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Fong Chuen New World Property Development Co., Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Fong Chuen New World Property Development Co., Limited according to relevant laws and regulations;
 - (iii) Guangzhou Fong Chuen New World Property Development Co., Limited has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Guangzhou Fong Chuen New World Property Development Co., Limited has obtained the State-owned Land Use Rights Certificates, Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Guangzhou Fong Chuen New World Property Development Co., Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
100 Car Parking Portion of Shenzhen New World Yi Shan Garden Phase III Haishan Road Shatoujiao Yantian District, Shenzhen Guangdong Province The PRC	Shenzhen New World Yi Shan Garden (the "Development") is a 3-phase commercial/residential composite development constructed upon an irregular-shaped site with an area of approximately 89,350.00 sq m. The property comprises the car parking portion of Phase III of the Development, which will provide 816 car parking spaces with a total gross floor area of approximately 29,699.19 sq m upon completion. The land use rights of the Development have been granted for a term of 70 years commencing from 2 August 1993 for commercial/residential uses.	The property is currently under development and scheduled to complete in June 2014.	RMB134,700,000 (100% interest attributable to the Group: RMB134,700,000)

Notes:

- (1) Pursuant to the Business Licence No. 440301501126481 dated 3 April 2013 Shenzhen Topping Real Estate Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated.
- (2) Pursuant to the Realty Title Certificate No. Shen Fang Di Zi Di 7000001331 issued by The People's Government of Shenzhen dated 21 April 1999, the land use rights of the Development with a site area of 89,350 sq m were granted to Shenzhen Topping Real Estate Development Co., Ltd..
- (3) Pursuant to the Construction Land Use Planning Permit No. Shen Gui Tu Gui Xu Zi 07-2002-0009 issued by Shenzhen Planning and Land Resources Bureau dated 1 February 2002, the Development with a site area of approximately 89,350 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Shen Gui Tu Jian Xu Zi BH-2011-0004 issued by Shenzhen Planning and Land Resources Bureau dated 25 March 2011, portion of the Development including the property with gross floor area of 134,067.69 sq m was permitted to be constructed
- (5) Pursuant to the Construction Works Commencement Permit No. 44030020090516001 issued by Shenzhen Housing and Construction Bureau dated 14 October 2009, the construction works of portion of the Development including the property with gross floor area of 134,067.49 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB70,742,600 and RMB917,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB146,880,000.

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- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Shenzhen Topping Real Estate Development Co., Ltd. has legally obtained the land use rights of the property. Shenzhen Topping Real Estate Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) Shenzhen Topping Real Estate Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iii) Shenzhen Topping Real Estate Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Shenzhen Topping Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
101 Car Parking Portion of Shenzhen New World Signature Hill located at the east of Road No. 3 of Xi Cheng Xin An Jie Dao Baoan District, Shenzhen Guangdong Province The PRC	Shenzhen New World Signature Hill (the "Development") erected upon two parcels of irregular-shaped sites with a total site area of approximately 112,000.96 sq m and is proposed to develop into a residential development. The property comprises the basement car parking portion of the development, which will provide 135 car parking spaces with a total gross floor area of approximately 6,314.00 sq m upon completion. The land use rights of the Development have been granted for a term of 70 years commencing from 17 September 1997 for residential use.	The property is currently under development and is scheduled to complete in June 2014.	RMB20,600,000 (100% interest attributable to the Group: RMB20,600,000)

Notes:

- (1) Pursuant to the Business Licence No. 440301502019415 dated 10 August 2011, Shenzhen Top One Real Estate Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB150,000,000.
- (2) Pursuant to two State-owned Land Use Rights Certificates issued by Shenzhen Real Estate Title Registration Center, the land use rights of the Development with a total site area of 112,000.96 sq m were granted to Shenzhen Top One Real Estate Development Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Shen Fang Di Zi 5000443122	Residential	16 September 2067	40,659.74	27 June 2010
Shen Fang Di Zi 5000443124	Residential	16 September 2067	71,341.22	27 June 2010

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- (3) Pursuant to two Construction Land Use Planning Permits both issued by Shenzhen Planning Bureau, the Development was permitted to be developed. Details of the Construction Land Use Planning Permits are listed as follows:

Permit Nos.	Location	Land Use	Site Area (sq m)	Date of Issuance
Shen Gui Xu HQ-2009-0014	Xin'an Street, Bao'an District	Residential	71,341.21	17 July 2009
Shen Gui Xu HQ-2009-0015	Xin'an Street, Bao'an District	Residential	40,659.74	17 July 2009

- (4) Pursuant to two Construction Engineering Planning Permits both issued by Shenzhen Planning and Land Resources Committee Bao'an Administrative Bureau, portion of the Development including the property was permitted to be constructed. Details of the Construction Engineering Planning Permits are listed as follows:

Permit Nos.	Gross Floor Area (sq m)	Date of Issuance
Shen Gui Tu Jian Xu Zi No. BA-2010-0147	38,695.67	15 December 2010
Shen Gui Tu Jian Xu Zi No. BA-2011-0063	41,360.61	17 May 2011

- (5) Pursuant to two Construction Works Commencement Permits both issued by Shenzhen Housing and Construction Bureau, the construction works of portion of the Development including the property was permitted to be commenced. Details of the Construction Works Commencement Permits are listed as follows:

Permit Nos.	Gross Floor Area (sq m)	Date of Issuance
44030020110139001	38,695.67	23 March 2011
44030020110515001	41,360.61	31 December 2011

- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB16,006,842 and RMB2,300,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB24,300,000.

- (7) Portion of the property as mentioned in State-owned Land Use Rights Certificate No. Shen Fang Di Zi 5000443122 is subject to mortgage.

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- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Shenzhen Top One Real Estate Development Co., Ltd. has legally obtained the land use rights of the property. Shenzhen Top One Real Estate Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) Shenzhen Top One Real Estate Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iii) Shenzhen Top One Real Estate Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Shenzhen Top One Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
 - (iv) the property can be legally transferred, leased, mortgaged or handled in other ways by Shenzhen Top One Real Estate Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee; and
 - (v) apart from the mortgage as mentioned in Note (7) above, the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
102 Car Parking Portion of Shenyang New World Centre Heping District, Shenyang Liaoning Province The PRC	Shenyang New World Centre erected upon a parcel of land with a site area of approximately 196,462.00 sq m. The development is proposed to be developed into a commercial/residential/hotel/office complex. The property comprises the car parking portion of the development, which will provide 2,833 car parking spaces with a total gross floor area of approximately 114,267.00 sq m upon completion. The land use rights of the development has been granted for a term expiring on 8 June 2048 for composite use.	The property is currently under development and scheduled to be completed in January 2015.	RMB295,000,000 (100% interest attributable to the Group: RMB295,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 26 March 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Shen Yang Guo Yong (2011) Di 0104 issued by Shenyang Planning and Land Resources Bureau dated 24 June 2011, the title to the land use rights of the Development with a site area of 207,469.30 sq m was vested in New World (Shenyang) Property Development Limited for a land use rights term expiring on 8 June 2048 for composite use.
- (3) Pursuant to the Construction Land Use Planning Permit No. Shen Gui Tu Zhen Zi 2007 Nian 0252 issued by Shenyang Planning and Land Resources Bureau dated 18 December 2007, the Development with a site area of approximately 196,462.00 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 210100201300002 issued by Shenyang Planning and Land Resources Bureau dated 18 January 2013, portion of development including the property with a gross floor area of 738,697 sq m was permitted to be constructed.
- (5) Pursuant to the Construction Works Commencement Permit No. 210100201305231801 issued by Shenyang Urban-Rural Development Committee dated 23 May 2013, construction works of portion of the development with a gross floor area of 401,549 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB159,782,000 and RMB180,178,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB538,000,000.

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- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property and is the sole owner of land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or in other ways dispose of by New World (Shenyang) Property Development Limited according to relevant laws and regulations;
 - (iii) New World (Shenyang) Property Development Limited has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
103 K11 of Shenyang New World Centre Heping District, Shenyang Liaoning Province The PRC	<p>Shenyang New World Centre comprises a parcel of land with a site area of approximately 196,462.00 sq m.</p> <p>The development is planned to develop into a large-scale residential/commercial/hotel/office complex in three phases comprising 2 hotel towers, 3 serviced apartment towers, 2 office towers surmounting a five-level exhibition and commercial podium, one-level commercial basement and a two-level basement car park.</p> <p>The property comprises K11, a shopping mall of the development with a gross floor area of approximately 299,949.84 sq m upon completion.</p> <p>The land use rights of the property have been granted for a term expiring on 8 June 2048 for composite uses.</p>	The property is currently under development and is scheduled to complete in January 2015.	RMB1,603,000,000 (100% interest attributable to the Group: RMB1,603,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 26 March 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Shen Yang Guo Yong (2011) Di 0104 issued by Shenyang Planning and Land Resources Bureau dated 24 June 2011, the title to the land use rights of the Development with a site area of 207,469.30 sq m was vested in New World (Shenyang) Property Development Limited for a land use rights term expiring on 8 June 2048 for composite use.
- (3) Pursuant to the Construction Land Use Planning Permit No. Shen Gui Tu Zhen Zi 2007 Nian 0252 issued by Shenyang Planning and Land Resources Bureau dated 18 December 2007, the Development with a site area of approximately 196,462.00 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 210100201300002 issued by Shenyang Planning and Land Resources Bureau dated 18 January 2013, portion of the development including the property with a gross floor area of 738,697 sq m was permitted to be constructed.

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- (5) Pursuant to the Construction Works Commencement Permit No. 210100201305231801 issued by Shenyang Urban-Rural Development Committee dated 23 May 2013, construction works of portion of the development with a gross floor area of 401,549 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB1,232,731,000 and RMB2,412,470,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB4,864,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or in other ways dispose of by New World (Shenyang) Property Development Limited according to relevant laws and regulations;
 - (iii) New World (Shenyang) Property Development Limited has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations; and
 - (iv) the property is free from mortgages and other encumbrances.

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Group III — Hotels held by Group in the PRC

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
104	New World Wuhan Hotel Wuhan New World Centre 634 Jiefang Avenue Hankou District, Wuhan Hubei Province The PRC	Wuhan New World Centre is a composite development complex erected upon two irregular-shaped sites with a total site area of approximately 37,234.76 sq m completed in 2007. The property comprises the level 1 to level 26 (without level 4 and level 13) hotel portion of the development completed in 2007 operating at the standard of 5-star hotel, accommodating 327 guest rooms, restaurants and lounges, a ballroom and conference rooms. It has a total gross floor area of approximately 29,410.86 sq m. The land use rights of the development have been granted for a term expiring on 18 July 2041 for commercial services use.	The property is an operating hotel.	RMB675,000,000 (60% interest attributable to the Group: RMB405,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400014702 dated 20 February 2012, Wuhan New World Hotel Properties Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB83,507,110.

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- (2) Pursuant to 26 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of the Development with total site area of 2,233.34 sq m were granted to Wuhan New World Hotel Properties Co., Ltd. for commercial services uses. Details of State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qiao Guo Yong (2010) Di 748	30 June 2010	Commercial services	148.45	18 July 2041
Qiao Guo Yong (2010) Di 763	30 June 2010	Commercial services	199.87	18 July 2041
Qiao Guo Yong (2010) Di 756	30 June 2010	Commercial services	73.43	18 July 2041
Qiao Guo Yong (2010) Di 755	30 June 2010	Commercial services	69.24	18 July 2041
Qiao Guo Yong (2010) Di 754	30 June 2010	Commercial services	79.42	18 July 2041
Qiao Guo Yong (2010) Di 753	30 June 2010	Commercial services	81.98	18 July 2041
Qiao Guo Yong (2010) Di 746	30 June 2010	Commercial services	82.18	18 July 2041
Qiao Guo Yong (2010) Di 747	30 June 2010	Commercial services	82.18	18 July 2041
Qiao Guo Yong (2010) Di 768	30 June 2010	Commercial services	81.93	18 July 2041
Qiao Guo Yong (2010) Di 769	30 June 2010	Commercial services	83.01	18 July 2041
Qiao Guo Yong (2010) Di 752	30 June 2010	Commercial services	81.91	18 July 2041
Qiao Guo Yong (2010) Di 771	30 June 2010	Commercial services	81.91	18 July 2041
Qiao Guo Yong (2010) Di 751	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 750	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 749	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 770	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 764	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 765	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 762	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 760	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 759	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 758	30 June 2010	Commercial services	81.94	18 July 2041
Qiao Guo Yong (2010) Di 757	30 June 2010	Commercial services	81.93	18 July 2041
Qiao Guo Yong (2010) Di 767	30 June 2010	Commercial services	77.08	18 July 2041
Qiao Guo Yong (2010) Di 745	30 June 2010	Commercial services	27.48	18 July 2041

- (3) Pursuant to 26 Building Ownership Certificates issued by Wuhan Housing Administration Centre, the building ownership of the property with a total gross floor area of 29,410.86 sq m were vested in Wuhan New World Hotel Properties Co., Ltd.. Details of Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 2010017414	1,954.99	Commercial services	Level 1	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017417	2,632.16	Commercial services	Level 2	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017421	967.04	Commercial services	Level 3	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017413	911.82	Commercial services	Level 5	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017431	1,045.89	Commercial services	Level 6	30 June 2010

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 2010017439	1,079.66	Commercial services	Level 7	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017420	1,082.26	Commercial services	Level 8	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017390	1,079.01	Commercial services	Level 10	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017407	1,093.18	Commercial services	Level 11	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017423	1,082.26	Commercial services	Level 9	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017409	1,078.72	Commercial services	Level 12	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017436	1,078.72	Commercial services	Level 13	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017388	1,079.02	Commercial services	Level 14	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017441	1,079.02	Commercial services	Level 15	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017402	1,079.02	Commercial services	Level 16	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017419	1,079.02	Commercial services	Level 17	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017437	1,079.02	Commercial services	Level 18	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017415	1,079.02	Commercial services	Level 19	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017418	1,079.02	Commercial services	Level 20	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017408	1,079.02	Commercial services	Level 21	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017406	1,079.02	Commercial services	Level 22	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017424	1,079.02	Commercial services	Level 23	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017429	1,079.02	Commercial services	Level 24	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017422	1,079.01	Commercial services	Level 25	30 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017399	1,015.05	Commercial services	Level 26	29 June 2010
Wu Fang Quan Zheng Shi Zi Di 2010017434	361.87	Commercial services	Level 6	30 June 2010

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Wuhan New World Hotel Properties Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Wuhan New World Hotel Properties Co., Ltd. is the sole owner of land use rights of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Wuhan New World Hotel Properties Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
105 New World Dalian Hotel Dalian New World Tower 41 Renmin Road Zhongshan District, Dalian Liaoning Province The PRC	<p>Dalian New World Tower (the "Development") comprises a rectangular-shaped site with a site area of approximately 16,600.00 sq m, and is developed into a residential/commercial/hotel large-scale development complex with a total gross floor area of approximately 219,324.00 sq m.</p> <p>The property comprises the hotel portion, from basement level 2 to level 24, of the Development operating at the standard of 5-star hotel, accommodating 420 guest rooms, restaurants and lounges, a ballroom and function rooms. It has a total gross floor area of approximately 53,247.78 sq m.</p> <p>The land use rights of the Development have been granted for two terms expiring on 25 March 2064 and 15 September 2048 for residential and catering uses respectively.</p>	The property is an operating hotel.	RMB881,000,000 (100% interest attributable to the Group: RMB881,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210200400009192 dated 29 March 2013, Dalian New World Tower Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$162,150,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Da Guo Yong (2010) Di 01046 and Da Guo Yong (2010) Di 01047 both issued by Dalian Land Resources and Housing Administration Bureau dated 15 September 2010, the land use rights of the Development with a total site area of 16,600.00 sq m were granted to Dalian New World Tower Co., Ltd. for land use rights terms expiring on 25 March 2064 and 15 September 2048 for residential and catering uses.
- (3) Pursuant to 2 Realty Title Certificates Nos. (Zhong Xie Wai) 2010201419 and (Zhong Xie Wai) 2010201420 issued by Dalian Real Estate Title Registration Centre dated 8 November 2010, the building ownership of the property with a total gross floor area of 96,084.79 were vested in Dalian New World Tower Co., Ltd..
- (4) Portion of the property under State-owned Land Use Rights Certificate No. Da Guo Yong (2010) Di 01046 is subject to mortgage; and

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- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Dalian New World Tower Co., Ltd. has legally obtained the land use rights and the building ownership of the buildings of the retail portion of the property. Dalian New World Tower Co., Ltd. is the sole owner of such portion of the property; and
 - (ii) except for the basement ancillary facilities and basement car park located in the area specified under State-owned Land Use Rights Certificate No. Da Guo Yong (2010) Di 01046, the property can be legally transferred, leased, mortgaged or handled in other ways by Dalian New World Tower Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
106 New World Shanghai Hotel Shanghai Ramada Plaza 1555 Dingxi Road Changning District, Shanghai The PRC	<p>Shanghai Ramada Plaza (the "Development") is a large-scale composite development located opposite to the Zhongshan Park in the heart of Changning District. The Development is a large-scale hotel/commercial development erected upon three parcels of land with a total site area of 11,260 sq m. The Development comprises a hotel development with two hotel towers of 13 and 24-storey respectively; an apartment tower and a 6-storey plus 3-level basement commercial/car park podium.</p> <p>The property comprises the New World Shanghai Hotel portion of level 1 to level 3, and level 15 to level 38 of the Development. The property is operating at the standard of 5-star hotel, accommodating 558 guest rooms, restaurants, lounges, function rooms and gym centre. It has a total gross floor area of approximately 46,941.71 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 20 April 2048 for composite (commercial, office, hotel) use.</p>	<p>Portion of the property is currently under renovation and is expected to complete in December 2015, the remaining portion of the property is an operating hotel.</p>	<p>RMB769,000,000 (100% interest attributable to the Group: RMB769,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 310000400154080 (Shi Ju) dated 17 March 2011, Shanghai Ramada Plaza Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$42,000,000.
- (2) Pursuant to the Realty Title Certificate No. Hu Fang Di Chang Zi (2012) Di 004280 issued by Shanghai Planning, Land and Resources Administration Bureau dated on 30 May 2012, the land use rights of the Development with a site area of 11,260 sq m and the building ownership of the Development with a total gross floor area of 134,793.64 sq m were vested in Shanghai Ramada Plaza Ltd. for a land use rights term expiring on 20 April 2048 for commercial, office and hotel uses.

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- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Shanghai Ramada Plaza Ltd. has legally obtained the land use rights and the building ownership of the property. Shanghai Ramada Plaza Ltd. is the sole owner of the property; and
 - (ii) portion of the property is subject to a mortgage; and
 - (iii) the property can be legally transferred, leased, mortgaged or handled in other ways by Shanghai Ramada Plaza Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
107 pentahotel Shanghai of Shanghai Ramada Plaza and Portion of Level 1 of Shanghai Jiuzhou Shopping Arcade 1525 Dingxi Road Changning District Shanghai The PRC	<p>Shanghai Ramada Plaza (the "Development") is a large-scale composite development located opposite to the Zhongshan Park in the heart of Changning District. The Development is a large-scale hotel/commercial development erected upon three parcels of land with a total site area of 11,260 sq m. The Development comprises a hotel development with two hotel towers of 13 and 24-storey respectively; an apartment tower and a 6-storey plus 3-level basement commercial/car park podium.</p> <p>Shanghai Jiuzhou Shopping Arcade is a 3-level retail floor development, adjoining to Shanghai Ramada Plaza, completed in 1992.</p> <p>The property comprises the pentahotel portion of level 4 to level 14 of Shanghai Ramada Plaza and portion of level 1 of Shanghai Jiuzhou Shopping Arcade. The property is operating at the standard of 4-star hotel, accommodating 258 guest rooms. It has a total gross floor area of approximately 13,352.97 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 20 April 2048 for composite (commercial, office, hotel) use.</p>	The property is an operating hotel.	RMB232,000,000 (100% interest attributable to the Group: RMB232,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 310000400154080 (Shi Ju) dated 17 March 2011, Shanghai Ramada Plaza Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$42,000,000.

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- (2) Pursuant to the Realty Title Certificate No. Hu Fang Di Chang Zi (2012) Di 004280 issued by Shanghai Planning, Land and Resources Administration Bureau dated on 30 May 2012, the land use rights of the Development with a site area of 11,260 sq m and the building ownership of the Development with a total gross floor area of 134,793.64 sq m were vested in Shanghai Ramada Plaza Ltd. for a land use rights term expiring on 20 April 2048 for commercial, office and hotel uses.
- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Shanghai Ramada Plaza Ltd. has legally obtained the land use rights and the building ownership of the property. Shanghai Ramada Plaza Ltd. is the sole owner of the property;
 - (ii) portion of the property is subject to a mortgage; and
 - (iii) the property can be legally transferred, leased, mortgaged or handled in other ways by Shanghai Ramada Plaza Ltd. subject to relevant laws and regulations and approval from the mortgagee.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
108 pentahotel Beijing 3-18 Chongwenmenwai Street Dongcheng District Beijing The PRC	<p>pentahotel Beijing is a 16-storey hotel completed in 1997 operating as a 4-star hotel standard situated in the podium of Beijing New World Centre Phase I.</p> <p>The property accommodates 307 guest rooms, 4 meeting rooms and lounge. It has a total gross floor area of approximately 23,988.33 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 31 March 2044 for composite uses.</p>	The property is an operating hotel.	RMB299,000,000 (55% interest attributable to the Group: RMB164,450,000)

Notes:

- (1) Pursuant to the Business Licence No.110000410129685 dated 23 September 2009, Beijing Xin Lian Hotel Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$12,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificates No. Jing Shi Chong She Wai Guo Yong (1999 Chu) Zi Di 10040 issued by The People's Government of Beijing dated 7 July 1999, the land use rights of the Development with a site area of 2,402.12 sq m were granted to Beijing Xin Lian Hotel Co., Ltd. for a land use rights term expiring on 31 March 2044 for composite use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi Chong She Wai Zi Di 10033 issued by Beijing Land Resources and Housing Administration Bureau, the title to the building with a total gross floor area of 23,988.33 sq m is held by Beijing Xin Lian Hotel Co., Ltd..
- (4) The building of the property as mentioned in Note (3) above is subject to a mortgage; and
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
 - (i) Beijing Xin Lian Hotel Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Xin Lian Hotel Co., Ltd. is the sole owner of the property; and
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Xin Lian Hotel Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
109 New World Beijing Hotel No. 8 Qinian Street Dongcheng District Beijing The PRC	Beijing Xin Yi Garden (the "Development") is a large-scale residential/commercial composite development erected on an irregular-shaped site with a total site area of approximately 82,320.00 sq m. Phases I to IV of the Development were completed in December 2005, June 2007, June 2008 and October 2013 respectively. The property comprises hotel portion of Phase IV of the property with a gross floor area of 52,281.00 sq m. The property accommodates 309 guest rooms. It has a total gross floor area of approximately 53,969.00 sq m. The land use rights of the property has been granted for commercial and car park uses.	The property is an operating hotel.	RMB1,196,000,000 (70% interest attributable to the Group: RMB837,200,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2005 Chu) Di 10364 issued by Beijing Land Resources Bureau dated 6 April 2005, the land use rights of the property with a site area of 10,085.00 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for land use rights terms expiring on 30 August 2054 for office use, 30 August 2044 for commercial use and 30 August 2054 for car park use.
- (3) Pursuant to the Construction Works Completion Certificate No. 0967 Dong Jun 2013 (Jian) 006 issued by Beijing Dongcheng District Housing and Urban Development Committee dated 25 October 2013, the construction works with a gross floor area of 91,482 sq m was completed.
- (4) Portion of the property as mentioned in note (3) is subject to mortgage.

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PROPERTY VALUATION REPORT

- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee; and
 - (iii) apart from the mortgage as mentioned in Note (5) above, the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
110 New World Shunde Hotel 150 Qinghui Road Dalian, Shunde Guangdong Province The PRC	New World Hotel Shunde is a 18-storey building located next to Shunde New World Centre, erected on a site with a site area of approximately 4,507.70 sq m completed in 1997. The property is operating at the standard of 4-star hotel, accommodating 370 guest rooms, restaurant, lounge, function rooms and gym centre. It has a total gross floor area of approximately 36,523.50 sq m. The land use rights of the property have been granted for a term of 40 years for commercial uses.	The property is an operating hotel.	RMB195,000,000 (32.5% interest attributable to the Group: RMB63,375,000)

Notes:

- (1) Pursuant to the Business Licence No. 440681400003314 dated 19 April 2012, Foshan Shunde Bao Xing Hotel Company Limited, an associated company of the Company, was incorporated with a registered capital of US\$38,000,000.
- (2) Pursuant to Realty Title Certificate No. Yue Fang Di Zheng Zi Di C3576719 issued by The People's Government of Foshan, the land use rights of the property with a site area of 4,507.70 sq m and the building ownership of the property with gross floor area of 36,523.5 sq m were vested in Foshan Shunde Bao Xing Hotel Company Limited.
- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Foshan Shunde Bao Xing Hotel Company Limited has legally obtained the land use rights and the building ownership of the property. Foshan Shunde Bao Xing Hotel Company Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Foshan Shunde Bao Xing Hotel Company Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

Group IV — Completed properties held for sale, Properties held for/under development by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
111 Chateau Regalia Beijing Hua Yuan San Jie Capital Airport Road Shunyi District Beijing The PRC	Beijing Chateau Regalia (the “Development”), is a residential development comprising townhouses, villas and apartment units constructed upon a site with an area of approximately 169,000.00 sq m and was completed in 2003. The property comprises the unsold portion of the Development with the following approximate gross floor areas:	The property is currently vacant.	RMB32,000,000 (100% interest attributable to the Group: RMB32,000,000)
	Gross Floor Area (sq m)		
	Residential 956.31		
	Clubhouse 4,470.03		
	Ancillary Facilities <u>1,057.11</u>		
	<u><u>6,483.45</u></u>		
	The land use rights of the Development have been granted for a term expiring on 26 March 2070 for residential use.		

Notes:

- (1) Pursuant to the Business Licence No. 110000410144514 dated 7 August 2009, Beijing Lingal Real Estates Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$13,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Shun Gang Ao Tai Guo Yong (2000 Chu) Zi Di 10159 issued by Beijing Land Resources and Housing Administration Bureau dated 12 October 2000, the land use rights of the Development with a site area of 169,000 sq m were granted to Beijing Lingal Real Estates Development Co., Ltd. for a land use rights term expiring on 26 March 2070 for residential use.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi Shun Gang Ao Tai Zi Di 10259 issued by Beijing Development Committee dated 31 March 2005, the building ownership of the property with total gross floor area of 127,032.21 sq m was vested in Beijing Lingal Real Estates Development Co., Ltd..

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PROPERTY VALUATION REPORT

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Beijing Lingal Real Estates Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Lingal Real Estates Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Lingal Real Estates Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014																		
112 Beijing Xin Yi Garden Dongcheng District Beijing The PRC	<p>Beijing Xin Yi Garden (the "Development") is planned to develop into a large-scale residential/commercial composite development erected on an irregular-shaped site with a total site area of approximately 68,531.06 sq m and was completed from 2005 to 2013.</p> <p>Phases I, II, III and IV of the Development were completed in December 2005, June 2007, June 2008 and October 2013 respectively and have been held for sale since completion.</p> <p>The property comprises the unsold completed portion of the Development with the following approximate gross floor areas:</p> <table border="0"> <tr> <td colspan="2" style="text-align: right;">Gross floor area</td> </tr> <tr> <td colspan="2" style="text-align: right;"><i>(sq m)</i></td> </tr> <tr> <td colspan="2">Phase I, II & III</td> </tr> <tr> <td>Retail</td> <td style="text-align: right;">586.25</td> </tr> <tr> <td>Office</td> <td style="text-align: right;">8,116.00</td> </tr> <tr> <td>Ancillary Facilities</td> <td style="text-align: right;"><u>1,714.00</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>10,416.25</u></td> </tr> <tr> <td colspan="2">Phase IV</td> </tr> <tr> <td>Retail</td> <td style="text-align: right;"><u>177.94</u></td> </tr> </table> <p>The land use rights of the Development have been granted for residential, commercial, office, basement office, car park, basement car park and ancillary uses.</p>	Gross floor area		<i>(sq m)</i>		Phase I, II & III		Retail	586.25	Office	8,116.00	Ancillary Facilities	<u>1,714.00</u>		<u>10,416.25</u>	Phase IV		Retail	<u>177.94</u>	The property is currently vacant.	RMB109,000,000 (70% interest attributable to the Group: RMB76,300,000)
Gross floor area																					
<i>(sq m)</i>																					
Phase I, II & III																					
Retail	586.25																				
Office	8,116.00																				
Ancillary Facilities	<u>1,714.00</u>																				
	<u>10,416.25</u>																				
Phase IV																					
Retail	<u>177.94</u>																				

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.

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PROPERTY VALUATION REPORT

- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2010 Chu) Di 00376 issued by The People's Government of Beijing, Dongcheng District dated 31 January 2005, the land use rights of portion of the Development with a site area of 31,884.06 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for land use rights terms expiring on 13 July 2074 for residential use, 13 July 2044 for commercial and ancillary uses, 13 July 2054 for office, basement office and basement carpark uses.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2005 Chu) Di 10352 issued by Beijing Land Resources Bureau dated 31 January 2005, the land use rights of portion of the Development with a site area of 26,562 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for land use rights terms expiring on 13 July 2074 for residential use, 13 July 2044 for ancillary commercial use and 13 July 2054 for basement car park use.
- (4) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2005 Chu) Di 10364 issued by Beijing Land Resources Bureau dated 6 April 2005, the land use rights of the Development with a site area of 10,085 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 30 August 2044 for commercial use and 30 August 2054 for office and car park uses.
- (5) Pursuant to 3 Building Ownership Certificates issued by Beijing Land Resources and Housing Administration Bureau, the building ownership of portion of portion of the property with a total gross floor area of 92,862.7 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd.. Details of the Building Ownership Certificates are as follows:

Certificate No.	Block No.	Use	Gross Floor	
			Area (sq m)	Date of Issuance
Jing Fang Quan Zheng Chong Zi Di 015665	6	Residential/commercial/ car park/ancillary	22,518.13	23 January 2009
Jing Fang Quan Zheng Chong Zi Di 032340	8	Residential/commercial/ car park/ancillary	32,340.30	28 December 2012
Jing Fang Quan Zheng Chong Qi Zi Di 00181	3	Office	38,004.27	18 March 2006

- (6) Pursuant to the Construction Works Completion Certificate No. 0967 Dong Jun 2013 (Jian) 006 issued by Beijing Dongcheng District Housing and Urban Development Committee dated 25 October 2013, the portion of construction works with a gross floor area of 91,482 sq m was completed.
- (7) Pursuant to the Commodity Housing Pre-sale Permit No. Jing Fang Shou Zheng Zi (2013) 187 issued by Beijing Municipal Commission of Housing and Urban-Rural Development dated 23 October 2013, the portion of the property with a gross floor area of 21,378.05 sq m was permitted to pre-sell.
- (8) Portion of the property as mentioned in Note (6) is subject to mortgage.
- (9) Portion of the property with a gross floor area of approximately 8,116.00 sq m is erected on allocated land and we have roughly estimated the land premium required of RMB104,000,000 for converting which from allocated nature to granted nature. During the course of our valuation, we have valued such portion of the property by assuming that the aforesaid conversion of land use rights to granted has been completed and have taken into account of the land premium in our valuation.

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PROPERTY VALUATION REPORT

- (10) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phases I, II and III of the property

- (i) portion of the property as specified under Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 00181 is erected on allocated land. Such portion of the property can be legally transferred or mortgaged by Beijing Chong Wen-New World Properties Development Co., Ltd. subject to approval from The People's Government or relevant land resources administration authority respectively;
- (ii) other than portion of the property as mentioned in Note (9), Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
- (iii) other than portion of the property as mentioned in Note (9), the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
- (iv) the property is free from mortgages and other encumbrances.

Phase IV of the property

- (v) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
- (vi) Beijing Chong Wen-New World Properties Development Co., Ltd. has obtained the State-owned Land Use Rights Certificate and Construction Works Completion Certificate. There will be no legal obstacle for Beijing Chong Wen-New World Properties Development Co., Ltd. in obtaining the real estate title proof for the property as mentioned in Note (6) after compliance with relevant regulations and procedures;
- (vii) Beijing Chong Wen-New World Properties Development Co., Ltd. has obtained the Commodity Housing Pre-sale Permit for portion of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is entitled to pre-sell such portion of the property according to the said permit; and
- (viii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014												
113 Beijing New View Garden Xihuashi Nanli Xiqu & Dongqu Dongcheng District Beijing The PRC	<p>Beijing New View Garden (the "Development") comprises 3 parcels of irregular-shaped site with a total site area of approximately 56,275.00 sq m and is planned to develop into a large-scale residential/commercial composite development, which will comprise Phase I to III of Beijing New View Garden.</p> <p>Phases I to III of Beijing New View Garden were completed from 2001 to 2013 and have been held for sale since completion. The remaining phases of the Development are scheduled to be completed in August 2015.</p> <p>The property comprises the unsold units of Phase II and III of Beijing New View Garden. The property comprises the following approximate gross floor area upon full completion:</p>	<p>The completed unsold portion of Phases I to III of Beijing New View Garden of the property is currently vacant, and the remaining phase of the property is currently under construction.</p>	<p>RMB307,000,000 (70% interest attributable to the Group: RMB214,900,000)</p>												
	<p style="text-align: right;">Gross Floor Area (sq m)</p> <p>Phase II and III of Beijing New View Garden Nos. 5 and 6</p> <table> <tr> <td>Residential</td> <td style="text-align: right;">611.64</td> </tr> <tr> <td>Retail</td> <td style="text-align: right;"><u>2,088.98</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>2,700.62</u></td> </tr> </table> <p>Remaining Phases</p> <table> <tr> <td>Retail</td> <td style="text-align: right;">2,223.00</td> </tr> <tr> <td>Office</td> <td style="text-align: right;"><u>12,629.00</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>14,852.00</u></td> </tr> </table>	Residential	611.64	Retail	<u>2,088.98</u>		<u>2,700.62</u>	Retail	2,223.00	Office	<u>12,629.00</u>		<u>14,852.00</u>		
Residential	611.64														
Retail	<u>2,088.98</u>														
	<u>2,700.62</u>														
Retail	2,223.00														
Office	<u>12,629.00</u>														
	<u>14,852.00</u>														

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
	<p>The remaining phases of the Property will provide 154 car parking spaces with a total gross floor area of approximately 7,709.00 sq m upon completion.</p> <p>The land use rights of the Development have been granted for residential, commercial, ancillary and basement carpark uses.</p>		

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2004 Chu) Di 10343 issued by Beijing Land Resources Bureau dated 9 December 2004, the land use rights of the Development with a site area of 16,600.00 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 27 August 2044 for ancillary use and 27 August 2074 for residential use.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2004 chu) Di 10342 issued by Beijing Land Resources Bureau dated 22 December 2004, the land use rights of the Development with a site area of 35,673 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 30 August 2074 for residential use, 30 August 2044 for ancillary use and 30 August 2054 for basement car park use.
- (4) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2008 chu) Di 00045 issued by Beijing Land Resources Bureau dated 18 June 2008, the land use rights of the Development with a site area of 4,002 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 30 August 2044 for commercial use and 30 August 2054 for office use.
- (5) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Dong Zi Di 10288 issued by Beijing Dongcheng District Housing Administration Bureau dated 13 December 2010, the building ownership of the property with total gross floor area of 35,782.05 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (6) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Dong Zi Di 036412 issued by Beijing Dongcheng District Housing Administration Bureau dated 13 December 2010, the building ownership of the property with total gross floor area of 2,073.50 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (7) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Zi Di 039133 issued by Beijing Dongcheng District Housing Administration Bureau dated 29 July 2010, the building ownership of the property with total gross floor area of 36,039.71 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..

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PROPERTY VALUATION REPORT

- (8) Pursuant to the Construction Works Completion Certificate No. 0131 Dong Jun 2013 (Jian) 0013 issued by Beijing Dongcheng District Housing and Urban Development Committee dated 1 February 2013, portion of the Development with a gross floor area of 26,241.40 sq m was certified to be completed.
- (9) Pursuant to the Commodity Housing Pre-sale Permit No. Jing Fang Shou Zheng Zi (2012) 131 issued by Beijing Municipal Commission of Housing and Urban-Rural Development dated 6 July 2013, the portion of the property with a gross floor area of 19,941.77 sq m was permitted to pre-sell.
- (10) Portion of the Property as mentioned in Note (3) and (8) are subject to mortgage.
- (11) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB17,300,000 and RMB99,262,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB535,855,000.
- (12) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB28,000,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.
- (13) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations;
 - (iii) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the building ownership of the property as mentioned in Notes (5), (6) and (7) and is the sole owner of such portion of the property;
 - (iv) the building ownership of the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations;
 - (v) Beijing Chong Wen-New World Properties Development Co., Ltd. has obtained the State-owned Land Use Rights Certificate and Construction Works Completion Certificate for portion of the property as mentioned in Note (8). There will be no legal obstacle for Beijing Chong Wen-New World Properties Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
 - (vi) Beijing Chong Wen-New World Properties Development Co., Ltd. has obtained the Commodity Housing Pre-sale Permit for portion of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is entitled to pre-sell such portion of the property according the said permit; and
 - (vii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
114 Beijing New View Commercial Centre No. 5 Chongwenmenwei Street, Xinan Jiao Dongcheng District Beijing The PRC	Beijing New View Commercial Center comprises an irregular-shaped site with an area of approximately 7,347.60 sq m and is planned to develop into a commercial development. The property is currently under development and will provide the following approximate gross floor areas upon full completion: Gross Floor Area (sq m) Retail 16,531.00 Office <u>8,052.00</u> <u>24,583.00</u> The property will comprise 159 car parking spaces with a gross floor area of approximately 15,070.00 sq m upon completion. The land use rights of the property have been granted for commercial and office uses.	The property is currently under development.	RMB337,000,000 (70% interest attributable to the Group: RMB235,900,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2008 Chu) Di 00076 issued by Beijing Dongcheng District Housing Administration Bureau dated 3 September 2008, the land use rights of the property with total gross floor area of 7,347.60 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd..
- (3) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB43,400,000 and RMB146,498,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB683,455,000.

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PROPERTY VALUATION REPORT

- (4) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB26,000,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
115 Beijing Xin Yu Commercial Centre Guangqumennei Dajie Dongcheng District Beijing The PRC	Beijing Xin Yu Commercial Centre comprises a parcel of irregular-shaped site with a total site area of approximately 24,574.00 sq m and is planned to develop into a commercial development The property is currently under development. It will comprise a retail portion with a gross floor area of approximately 60,925.00 sq m, ancillary facilities with a gross floor area of 23,675.00 sq m and 550 car parking spaces with a total gross floor area of approximately 28,695.00 sq m upon completion. The land use rights of the property have been granted for commercial and office uses.	The property is currently under development.	RMB1,930,000,000 (70% interest attributable to the Group: RMB1,351,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2008 Chu) Zi Di 00084 issued by Beijing Land Resources Bureau dated 30 October 2008, the land use rights of the Development with a site area of 24,574 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 30 August 2044 for commercial use and 30 August 2054 for office use.
- (3) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB108,900,000 and RMB478,899,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB3,545,024,000.
- (4) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB142,000,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.

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- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014								
116 Beijing Xin Yu Garden Guangqumennei Dajie Dongcheng District Beijing The PRC	<p>Beijing Xin Yu Garden (the "Development") comprising two parcels of irregular-shaped site with a total site area of approximately 443,239.00 sq m and is planned to develop into a large-scale residential/commercial composite development, which upon completion, comprises Beijing Xin Yu Garden Block Nos. 2, 3 & 4, and the remaining portion of Beijing Xin Yu Garden.</p> <p>Block Nos. 3 and 4 of the development were completed in 2004 and were sold out. Block No. 2 of the development was completed in 2007 and has been for sale since completion, the remaining phases of the development are pending for development.</p> <p>The property comprises the unsold completed portion of Block No. 2 and the approximate gross floor areas is listed as follows:</p> <table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Gross Floor Area</td> <td></td> </tr> <tr> <td style="text-align: center;"><i>(sq m)</i></td> <td></td> </tr> <tr> <td>Block No. 2</td> <td></td> </tr> <tr> <td>Retail</td> <td style="text-align: right;"><u>3,308.07</u></td> </tr> </table> <p>The land use rights of the development have been granted for residential, commercial office and basement carpark uses.</p>	Gross Floor Area		<i>(sq m)</i>		Block No. 2		Retail	<u>3,308.07</u>	The property is currently vacant.	RMB262,000,000 (70% interest attributable to the Group: RMB183,400,000)
Gross Floor Area											
<i>(sq m)</i>											
Block No. 2											
Retail	<u>3,308.07</u>										

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.

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- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong She Wai Guo Yong (2004 Chu) Zi Di 10311 issued by The People's Government of Beijing dated 3 June 2004, the land use rights of the Development with a site area of 8,800 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 20 June 2043 for commercial use, 20 June 2073 for residential use and 20 June 2053 for office and basement carpark uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Zi Di 015055 issued by Beijing Dongcheng District Housing Administration Bureau dated 2 November 2004, the building ownership of the property with gross floor area of 47,748.96 sq m was vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
117 Beijing Zhengren Commercial Building 7-9 Chongwenmenwai Street Dongcheng District Beijing The PRC	<p>Beijing Zhengren Commercial Building (the "Development") is a 14-storey office building was completed in 2002.</p> <p>The property comprises various office units of the development with a total gross floor area of approximately 5,552.00 sq m.</p> <p>The land use rights of the development have been granted for a term of 70 years for residential use and 40 years for commercial, ancillary, office, basement storage and basement car park uses, commencing from 10 April 1998.</p>	<p>Portion of the property with a total gross floor area of approximately 5,116.57 sq m is subject to nine tenancies with the last tenancy expiring on 12 August 2015, yielding a total monthly rental of about RMB431,909, exclusive of management fees.</p> <p>The remaining portion of the property is currently vacant.</p>	<p>RMB108,000,000 (70% interest attributable to the Group: RMB75,600,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 110000410041863 dated 16 July 2008, Beijing Chong Yu Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$171,184,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2005) Di 0011 issued by Beijing Land Resources Bureau dated 15 March 2005, the land use rights of the Development with a site area of 52,096.23 sq m were granted to Beijing Chong Yu Real Estate Development Co., Ltd. for residential, ancillary, commercial, office, basement storage and basement car park uses.
- (3) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Chong Qi Zi Di 00162 issued by Beijing Land Resources and Planning Bureau dated 26 February 2004, the building ownership of the property with a total gross floor area of 19,979.29 sq m were vested in Beijing Chong Yu Real Estate Development Co., Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Beijing Chong Yu Real Estate Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Beijing Chong Yu Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Yu Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
118 Various Portions of Beijing New World Centre Phase I 3 Chongwenmenwai Street Dongcheng District Beijing The PRC	Beijing New World Centre Phase I is a multi-purpose complex comprising two 16-storey office towers (North Tower and South Tower), a 17-storey serviced apartment building surmounting a 5-storey commercial podium, a 15-storey hotel and a 3-storey basement carpark. It was completed in October 1997. The property comprises various unsold units in the office tower and apartment tower. Details of the approximate gross floor areas of the property are as follows:	The property is currently vacant.	RMB24,500,000 (70% interest attributable to the Group: RMB17,150,000)
	Gross Floor Area (sq m)		
	Residential 675.36		
	Office <u>303.37</u>		
	<u>978.73</u>		
	The land use rights of the property have been granted for a term of 50 years for composite use.		

Notes:

- (1) Pursuant to the Business Licence No. 110000450014376 dated 5 June 2013, China New World Electronics Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$57,200,000.
- (2) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong Gang Ao Tai Guo Yong (1999 Chu) Zi Di 10056 issued by The People's Government of Beijing dated July 1999, the title to the land use rights of the Development with a site area of 6,100.3 sq m was vested in China New World Electronics Co., Ltd. for a land use rights term expiring on 31 March 2044 for composite use.

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- (4) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong Gang Ao Tai Guo Yong (1999) Zi Di 10057 issued by The People's Government of Beijing dated 7 July 1999, the land use rights of the Development with a site area of 10,122.84 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for a land use rights term expiring on 31 March 2044 for composite uses.
- (5) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi Sui Gang Ao Tai Zi Di 10044 issued by Beijing Land Resources and Housing Administration Bureau dated 11 June 1999, the title to the building with a total gross floor area of 60,919.51 sq m is vested in China New World Electronics Co., Ltd..
- (6) Pursuant to the Building Ownership Certificate No. Jing Fang Quan Zheng Shi Sui Gang Ao Tai Zi Di 10045 issued by Beijing Land Resources and Housing Administration Bureau dated 11 June 1999, the title to the building with a total gross floor area of 101,089.91 sq m is vested in Beijing Chong Wen-New World Properties Development Co., Ltd..
- (7) Portion of the Development as mentioned in Note (5) and (6) are subject to mortgage.
- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) China New World Electronics Co., Ltd. and Beijing Chong Wen-New World Properties Development Co., Ltd. have legally obtained the land use rights and the building ownership of the property. China New World Electronics Co., Ltd. and Beijing Chong Wen-New World Properties Development Co., Ltd. are the sole owner of the property; and
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by China New World Electronics Co., Ltd. and Beijing Chong Wen-New World Properties Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
119 Beijing Taihua Apartment Beijing New World Centre Phase II 5 Chongwenmenwai Street Dongcheng District Beijing The PRC	Beijing New World Centre Phase II (the "Development") comprises a roughly rectangular-shaped site with an area of 15,242.98 sq m. The Development is a massive commercial/residential composite complex with a 17-storey residential/office composite building constructed on a 6-storey commercial/recreational/car parking podium (including three basement levels) and were completed in June 2000. The property comprises the following approximate gross floor areas:	Portion of the office portion of the property with a gross floor area of approximately 411.09 sq m is subject to a tenancy expiring in June 2015, yielding a monthly rental of about RMB56,268, exclusive of management fees. The remaining portion of the property is currently vacant.	RMB59,100,000 (70% interest attributable to the Group: RMB41,370,000)
	Gross Floor Area (sq m)		
	Residential 1,085.00		
	Office <u>1,304.00</u>		
	<u>2,389.00</u>		
	The land use rights of the Development have been granted for three terms expiring on 8 November 2033 for commercial use, 8 November 2043 for office use and 8 November 2063 for residential use.		

Notes:

- (1) Pursuant to the Business Licence No. 110000410041863 dated 16 July 2008, Beijing Chong Yu Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$171,840,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shi Chong Gang Ao Tai Guo Yong (2002 Chu) Zi Di 10267 issued by The People's Government of Beijing dated 24 January 2003, the land use rights of the Development with a site area of 15,242.98 sq m were granted to Beijing Chong Yu Real Estate Development Co., Ltd. for land use rights terms expiring on 8 November 2033 for commercial use, 8 November 2043 for office use and 8 November 2063 for residential use.

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- (3) Pursuant to the Building Ownership Certificate No. Jing Feng Quan Zheng Shi Chong Gang Ao Tai Zi Di 10201 issued by Beijing Land Resources and Housing Administration Bureau date 24 January 2003, the title to the buildings with a total gross floor area of 156,199.78 sq m is held by Beijing Chong Yu Real Estate Development Co., Ltd..
- (4) Portion of the Development as mentioned in Note (3) is subject to mortgage.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
 - (i) Beijing Chong Yu Real Estate Development Co., Ltd. has legally obtained the land use rights and building ownership of the property. Beijing Chong Yu Real Estate Development Co., Ltd. is the sole owner of the property; and
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Yu Real Estate Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
120 Beijing Hua Mei Project Yuzhuang Village Gaoliying Town Shunyi District Beijing The PRC	Beijing Hua Mei Project (the "Development") comprises a site with an area of approximately 129,702.00 sq m and is planned to develop into a low-density residential development. Portion of Phase I of the Development is scheduled to be completed in December 2014 and the remaining phase of the development is pending for development. The property comprises the following approximate gross floor areas:	Portion of Phase I of the property is under development, while the remaining portion of the Development is pending for development. Description and tenure	RMB2,642,000,000 (75% interest attributable to the Group: RMB1,981,500,000)
	Gross Floor Area (sq m)		
	Phase I (Under development)		
	Residential 56,022.80		
	Commercial 2,938.00		
	Ancillary Facilities 6,409.00		
	65,369.80		
	Planned Remaining Phase		
	Residential 78,469.00		
	Ancillary Facilities 1,560.00		
	80,029.00		
	The land use rights of the Development have been granted for a term of 70 years for residential uses, 40 years for commercial uses and 50 years for composite uses.		

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Notes:

- (1) Pursuant to the Business Licence No. 110000450167439 dated 26 September 2006, Beijing New World Huamei Real Estate Development Co., Ltd., a subsidiary of the Company, was incorporated with a registered capital of RMB748,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shun Guo Yong (2011 Chu) Di 00195 issued by The People's Government of Beijing dated 26 December 2011, the land use rights of the Development with a site area of 59,001.8 sq m were granted to Beijing New World Huamei Real Estate Development Co., Ltd. for a land use rights term expiring on 2 December 2050 for commercial use, 2 December 2060 for composite use and 2 December 2080 for residential use.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Jing Shun Guo Yong (2011 Chu) Di 00196 issued by The People's Government of Beijing dated 26 December 2011, the land use rights of the Development with a site area of 70,728.4 sq m were granted to Beijing New World Huamei Real Estate Development Co., Ltd. for a land use rights term expiring on 2 December 2050 for commercial use, 2 December 2060 for composite use and 2 December 2080 for residential use.
- (4) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. Jing Di Chu (He) Zi (2010) Di 382 dated 3 December 2010 entered into between Beijing Land Resources Bureau and Beijing New World Huamei Real Estate Development Co., Ltd., the land use rights of a land with a total site area of 179,057.00 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:
- (i) Land Use : Residential, Commercial and Composite
- (ii) Land use term : 70 years for residential, 40 years for commercial and 50 years for composite
- (iii) Plot ratio : ≤1.1
- (iv) Total gross floor area : ≤200,012 sq m
- (v) Building Height Limit : 18 m
- (vi) Density : ≥30%
- (vii) Green area : ≥30%
- (viii) Land grant fee : RMB820,000,000.00
- (5) Pursuant to the Construction Land Use Planning Permit No. Di Zi Di 2011 Gui (Shun) Di Zi 0023 issued by Beijing Municipal Commission of Urban Planning dated 27 May 2011, the Development with a site area of 183,260.90 sq m was permitted to be developed.
- (6) Pursuant to 8 Construction Engineering Planning Permits issued by Beijing Planning Bureau, the property with a total gross floor area of 78,980.14 sq m was permitted to be constructed. Details of the Construction Engineering Planning Permits are listed as follows:

Permit No.	Gross Floor Area (sq m)	Date of Issuance
Jian Zi Di 2012 Gui (Shun) Jian Zi 0164	11,662.80	26 December 2012
Jian Zi Di 2012 Gui (Shun) Jian Zi 0165	6,003.39	26 December 2012
Jian Zi Di 2012 Gui (Shun) Jian Zi 0166	10,531.72	26 December 2012
Jian Zi Di 2012 Gui (Shun) Jian Zi 0167	10,840.00	26 December 2012
Jian Zi Di 2012 Gui (Shun) Jian Zi 0168	10,707.61	26 December 2012
Jian Zi Di 2012 Gui (Shun) Jian Zi 0169	10,287.56	26 December 2012
Jian Zi Di 2012 Gui (Shun) Jian Zi 0170	6,192.28	26 December 2012
Jian Zi Di 2012 Gui (Shun) Jian Zi 0171	7,418.05	26 December 2012
Jian Zi Di 2013 Gui (Shun) Jian Zi 0020	5,336.73	12 March 2013

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- (7) Pursuant to 2 Construction Works Commencement Permits both issued by Beijing Housing and Urban-Rural Development Committee dated 2 August 2013, construction works of portion of the property was permitted to be commenced and the details are listed as follows:

Permit Nos.	Date of Issuance	Gross Floor Area (sq m)
[2013] Shi Jian Zi 0527	2 August 2013	45,965.19
[2013] Shi Jian Zi 0528	2 August 2013	33,014.95

- (8) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB35,572,000 and RMB878,100,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB4,745,168,000.
- (9) Portion of the Development as mentioned in Note (2) is subject to a mortgage.
- (10) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Beijing New World Huamei Real Estate Development Co., Ltd. has legally obtained the land use rights of the property. Beijing New World Huamei Real Estate Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing New World Huamei Real Estate Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee;
 - (iii) Beijing New World Huamei Real Estate Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Beijing New World Huamei Real Estate Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Beijing New World Huamei Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) apart from the mortgage as mentioned in Note (8) above, the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014										
121 Tangshan New World Centre located at the east of Jianshe South Road and the south of Fenghuang Building Lunan District Tangshan Hebei Province The PRC	Tangshan New World Centre comprises two parcels of land with a total site area of approximately 31,630.29 sq m and is planned to develop into a residential/commercial composite development. The property is currently under development and is scheduled to complete in November 2014. The property comprises the following approximate gross floor areas upon completion:	The property is currently under development and is scheduled to complete in November 2014.	RMB1,064,000,000 (100% interest attributable to the Group: RMB1,064,000,000)										
	<p>Gross Floor Area (sq m)</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>Residential</td> <td style="text-align: right;">85,411.15</td> </tr> <tr> <td>Commercial</td> <td style="text-align: right;">39,271.64</td> </tr> <tr> <td>Office</td> <td style="text-align: right;">48,768.37</td> </tr> <tr> <td>Ancillary Facilities</td> <td style="text-align: right;"><u>73,579.51</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>247,030.67</u></td> </tr> </table>	Residential	85,411.15	Commercial	39,271.64	Office	48,768.37	Ancillary Facilities	<u>73,579.51</u>		<u>247,030.67</u>		
Residential	85,411.15												
Commercial	39,271.64												
Office	48,768.37												
Ancillary Facilities	<u>73,579.51</u>												
	<u>247,030.67</u>												
	<p>The property will comprise 1,115 car parking spaces with a total gross floor area of approximately 54,393.49 sq m upon completion.</p> <p>The land use rights of the property have been granted for a term expiring on 4 October 2080 for residential use and 4 October 2050 for commercial use.</p>												

Notes:

- (1) Pursuant to the Business Licence No. 130200400006713 dated 25 July 2013, Tang Shan New World Property Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$97,000,000.

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- (2) Pursuant to the State-owned Land Use Rights Certificate No. Ji Tang Guo Yong (2011) Di 5221 issued by The People's Government of Tangshan dated 21 March 2011, the land use rights of portion of the Development with a site area of 11,198.59 sq m were granted to Tang Shan New World Property Development Co., Ltd. for land use rights terms expiring on 4 October 2050 for commercial use and 4 October 2080 for residential use.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Ji Tang Guo Yong (2011) Di 5222 issued by The People's Government of Tangshan dated 21 March 2011, the land use rights of portion of the Development with a site area of 20,431.70 sq m were granted to Tang Shan New World Property Development Co., Ltd. for land use rights terms expiring on 4 October 2050 for commercial use and 4 October 2080 for residential use.
- (4) Pursuant to 2 Construction Land Use Planning Permits both issued by Tangshan Urban-Rural Planning Bureau, two parcels of land were permitted to be developed and details are listed as follows:

Permit No.	Location	Land Use	Site Area (sq m)	Date of Issuance
Di Zi Di 130201201104693	The east of Jianshe Road, the south of Fenghuang Building (Lot A-01)	Commercial and Residential	11,198.63	14 April 2011
Di Zi Di 130201201104694	The east of Jianshe Road, the south of Fenghuang Building (Lot A-02)	Commercial and Residential	20,432.41	14 April 2011

- (5) Pursuant to 2 Construction Engineering Planning Permits both issued by Tangshan Urban-Rural Planning Bureau, the Development was permitted to be constructed and details are listed as follows:

Permit No.	Location	Gross Floor Area (sq m)	Date of Issuance
Jian Zi Di 130201201202431	The east of Jianshe Road, the south of Fenghuang Building	202,536.38	29 March 2012
Jian Zi Di 130201201202446	The east of Jianshe Road, the north of Dazhao Park, the south of Fenghuang Building and the west of Jinianbei Plaza	100,830.51	15 May 2012

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- (6) Pursuant to 2 Construction Works Commencement Permits both issued by Tangshan Housing and Urban-Rural Development Bureau, construction works of the Development was permitted to be commenced and details are listed as follows:

Permit No.	Location	Gross Floor	
		Area (sq m)	Date of Issuance
Fang 2012054	The east of Jianshe Road, the north of Dazhao Park, the south of Fenghuang Building and the west of Jinianbei Plaza	176,440.69	30 August 2012
Fang 2012055	The east of Jianshe Road, the north of Dazhao Park, the south of Fenghuang Building and the west of Jinianbei Plaza	126,926.22	30 August 2012

- (7) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB519,424,617 and RMB465,979,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB1,824,814,000.
- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Tang Shan New World Property Development Co., Ltd. has legally obtained the land use rights of the property. Tang Shan New World Property Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Tang Shan New World Property Development Co., Ltd. according to relevant laws and regulations;
 - (iii) Tang Shan New World Property Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Tang Shan New World Property Development Co., Ltd. has obtained the State-owned Land Use Rights Certificates, Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Tang Shan New World Property Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
122 Langfang New World Centre located at the junction of Aimin East Road and Jianshe Road Langfang Hebei Province The PRC	Langfang New World Centre (the "Development") comprises four parcels of land with a total site area of approximately 95,597.99 sq m to be constructed in three phases, and is planned to develop into a residential/office/commercial composite development. The development is currently under development and is scheduled to complete in March 2016. The property comprises the following approximate gross floor areas upon completion:	The property is currently under development and is scheduled to complete in March 2016.	RMB1,517,000,000 (100% interest attributable to the Group: RMB1,517,000,000)
	Gross Floor Area (sq m)		
	Office	41,101.66	
	Commercial	60,678.75	
	Hotel	38,564.46	
	Residential	156,317.79	
	Ancillary Facilities	<u>59,975.90</u>	
		<u><u>356,638.56</u></u>	
	The property will comprise 2,305 car parking spaces with a total gross floor area of approximately 76,342.32 sq m upon completion. The land use rights of the development have been granted for a term of 40 years for commercial and financial uses and 70 years for residential use.		

Notes:

- (1) Pursuant to the Business Licence No. 131000400006328 dated 11 January 2013, Lang Fang New World Properties Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$102,300,000.

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- (2) Pursuant to 4 State-owned Land Use Rights Certificates issued by The People's Government of Langfang, the land use rights of the Development with a total site area of 95,597.99 sq m were granted to Lang Fang New World Properties Development Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Lang Guo Yong (2010) Di 02713	Commercial and Financial	27 October 2050	25,532.39	13 December 2010
Lang Guo Yong (2010) Di 02823	Commercial and Financial	27 October 2050	6,335.25	17 December 2010
Lang Guo Yong (2010) Di 02834	Commercial and Financial	27 October 2050	7,909.98	17 December 2010
Lang Guo Yong (2010) Di 02846	Residential	27 October 2080	55,820.37	17 December 2010

- (3) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. C131000120100049 dated 23 June 2010 entered into between Langfang Land Resources Bureau and Lang Fang New World Properties Development Co., Ltd., the land use rights of a land with a total site area of 25,532.00 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

(i)	Land Use	:	Commercial and Financial
(ii)	Land use term	:	40 years
(iii)	Plot ratio	:	≤4
(iv)	Building Height Limit	:	100 m
(v)	Density	:	25% to 50%
(vi)	Green area	:	15% to 30%
(vii)	Land grant fee	:	RMB102,368,100.00
(viii)	Agreed Construction Commencement Date	:	31 May 2011
(ix)	Agreed Construction Completion Date	:	30 November 2013

- (4) Pursuant to the Supplementary Agreement of Contract of the Grant of the State-owned Land Use Rights dated 6 July 2011 entered into between Langfang Land Resources Bureau and Lang Fang New World Properties Development Co., Ltd., amendments of the salient conditions as stipulated in Contract of the Grant of the State-owned Land Use Rights No. C131000120100049 have been made in the said agreement and are, *inter alia*, cited as follows:

(i)	Agreed Construction Commencement Date	:	30 November 2011
(ii)	Agreed Construction Completion Date	:	30 May 2014

- (5) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. C131000120100053 dated 23 June 2010 entered into between Langfang Land Resources Bureau and Lang Fang New World Properties Development Co., Ltd., the land use rights of a land with a total site area of 14,245.00 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

(i)	Land Use	:	Commercial and Financial
(ii)	Land use term	:	40 years
(iii)	Plot ratio	:	≤4
(iv)	Building Height Limit	:	100 m
(v)	Density	:	25% to 50%
(vi)	Green area	:	15% to 30%
(vii)	Land grant fee	:	RMB56,655,600.00
(viii)	Agreed Construction Commencement Date	:	1 October 2011
(ix)	Agreed Construction Completion Date	:	2 April 2014

APPENDIX II

PROPERTY VALUATION REPORT

- (6) Pursuant to the Supplementary Agreement of Contract of the Grant of the State-owned Land Use Rights dated 23 November 2011 entered into between Langfang Land Resources Bureau and Lang Fang New World Properties Development Co., Ltd., amendments of the salient conditions as stipulated in Contract of the Grant of the State-owned Land Use Rights No. C131000120100053 have been made in the said agreement and are, *inter alia*, cited as follows:

- (i) Agreed Construction Commencement Date : 1 January 2012
 (ii) Agreed Construction Completion Date : 2 July 2014

- (7) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. C131000120100057 dated 23 June 2010 entered into between Langfang Land Resources Bureau and Lang Fang New World Properties Development Co., Ltd., the land use rights of a land with a total site area of 55,820.00 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

- (i) Land Use : Residential
 (ii) Land use term : 70 years
 (iii) Plot ratio : ≤2.3
 (iv) Building Height Limit : 60 m
 (v) Density : 22% to 25%
 (vi) Green area : ≥30%
 (vii) Land grant fee : RMB251,200,000.00
 (viii) Agreed Construction Commencement Date : 31 May 2011
 (ix) Agreed Construction Completion Date : 31 May 2013

- (8) Pursuant to the Supplementary Agreement of Contract of the Grant of the State-owned Land Use Rights dated 6 July 2011 entered into between Langfang Land Resources Bureau and Lang Fang New World Properties Development Co., Ltd., amendments of the salient conditions as stipulated in Contract of the Grant of the State-owned Land Use Rights No. C131000120100057 have been made in the said agreement and are, *inter alia*, cited as follows:

- (i) Agreed Construction Commencement Date : 30 November 2011
 (ii) Agreed Construction Completion Date : 30 November 2013

- (9) Pursuant to 3 Construction Land Use Planning Permits issued by Langfang Urban-Rural Planning Bureau, the parcel of land was permitted to be developed and details are listed as follows:

Permit No.	Location	Land Use	Site Area (sq m)	Date of Issuance
Di Zi Di 131000201000040	Zone A	Commercial and office	25,532.00	21 September 2010
Di Zi Di 131000201000041	Zone B	Commercial and office	14,245.00	21 September 2010
Di Zi Di 131000201000056	Zone C	Residential	55,820.00	29 November 2010

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- (10) Pursuant to 3 Construction Engineering Planning Permits issued by Langfang Urban-Rural Planning Bureau, the property was permitted to be constructed and details are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Jian Zi Di 131000201200018	10 April 2012	167,725.63
Jian Zi Di 131000201200019	10 April 2012	36,615.88
Jian Zi Di 131000201200028	14 June 2012	234,837.56

- (11) Pursuant to 4 Construction Works Commencement Permits issued by Langfang Construction Bureau, the construction works of the property was permitted to be commenced and the details are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
131000S1106701 Zhuang	15 June 2012	N/A
131000S110680101	25 September 2012	36,615.88
131000S1106801 Zhuang	15 June 2012	N/A
131000S1200201Zhuang	27 September 2012	N/A

- (12) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB440,356,944 and RMB866,565,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB3,280,763,000.

- (13) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

- (i) Lang Fang New World Properties Development Co., Ltd. has legally obtained the land use rights of the property. Lang Fang New World Properties Development Co., Ltd. is the sole owner of the land use rights of the property;
- (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Lang Fang New World Properties Development Co., Ltd. according to relevant laws and regulations;
- (iii) Lang Fang New World Properties Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
- (iv) Lang Fang New World Properties Development Co., Ltd. has obtained the State-owned Land Use Rights Certificates, Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Lang Fang New World Properties Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
- (v) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
123 Langfang New World Garden located at the south of Xinao Yishuda Road and the west of Yinhe Road Langfang Hebei Province The PRC	Langfang New World Garden comprises two parcels of land with a total site area of approximately 133,855.72 sq m and is planned to develop into a residential/commercial development. The property is currently under development and is scheduled to complete in December 2016. The property comprises the following approximate gross floor areas upon completion:	The property is currently under development and is scheduled to complete in December 2016.	RMB742,000,000 (100% interest attributable to the Group: RMB742,000,000)
	Gross Floor Area (sq m)		
	Residential 250,463.00		
	Commercial 14,398.00		
	Ancillary Facilities <u>35,080.00</u>		
	<u>299,941.00</u>		
	The property will comprise 1,730 car parking spaces with a total gross floor area of approximately 67,104.00 sq m upon completion.		
	The land use rights of the property have been granted for a term of 70 years for residential use.		

Notes:

- (1) Pursuant to the Business Licence No. 131000400006310 dated 25 November 2011, Lang Fang Xin Zhong Properties Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$38,200,000.

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- (2) Pursuant to 2 State-owned Land Use Rights Certificates both issued by The People's Government of Langfang, the land use rights of the Development with a total site area of 133,855.72 sq m were vested in Lang Fang Xin Zhong Properties Development Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Lang Guo Yong (2011) Di 05984	14 December 2011	Residential	57,007.87	27 October 2080
Lang Guo Yong (2011) Di 05985	26 December 2011	Residential	76,847.85	27 October 2080

- (3) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. C131000120100051 dated 23 June 2010 entered into between Langfang Land Resources Bureau and Lang Fang Xin Zhong Properties Development Co., Ltd., the land use rights of a land with a total site area of 82,089.80 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

(i)	Land Use	:	Residential
(ii)	Land use term	:	70 years
(iii)	Plot ratio	:	1.5 to 2
(iv)	Building Height Limit	:	80 m
(v)	Density	:	22% to 26%
(vi)	Green area	:	≥35%
(vii)	Land grant fee	:	RMB329,131,900.00
(viii)	Agreed Construction Commencement Date	:	1 October 2011
(ix)	Agreed Construction Completion Date	:	2 April 2014

- (4) Pursuant to the Supplementary Agreement of Contract of the Grant of the State-owned Land Use Rights dated 19 January 2011 entered into between Langfang Land Resources Bureau and Lang Fang Xin Zhong Properties Development Co., Ltd., amendments of the salient conditions as stipulated in Contract of the Grant of the State-owned Land Use Rights No. C131000120100051 have been made in the said agreement and are, *inter alia*, cited as follows:

(i)	Total Site Area	:	7.684785 hectares (76,847.85 sq m)
(ii)	Total Gross Floor Area	:	153,695.7 sq m
(iii)	Land Grant Fee	:	RMB308,114,758.00

- (5) Pursuant to the Supplementary Agreement of Contract of the Grant of the State-owned Land Use Rights dated 23 November 2011 entered into between Langfang Land Resources Bureau and Lang Fang Xin Zhong Properties Development Co., Ltd., amendments of the salient conditions as stipulated in Contract of the Grant of the State-owned Land Use Rights No. C131000120100051 have been made in the said agreement and are, *inter alia*, cited as follows:

(i)	Agreed Construction Commencement Date	:	1 September 2012
(ii)	Agreed Construction Completion Date	:	2 March 2015

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- (6) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. C131000120100055 dated 23 June 2010 entered into between Langfang Land Resources Bureau and Lang Fang Xin Zhong Properties Development Co., Ltd., the land use rights of a land with a total site area of 51,125.70 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

(i)	Land Use	:	Residential
(ii)	Land use term	:	70 years
(iii)	Plot ratio	:	1.5 to 2.0
(iv)	Building Height Limit	:	80 m
(v)	Density	:	22% to 26%
(vi)	Green area	:	≤35%
(vii)	Land grant fee	:	RMB203,344,400.00
(viii)	Agreed Construction Commencement Date	:	31 May 2011
(ix)	Agreed Construction Completion Date	:	31 May 2013

- (7) Pursuant to the Supplementary Agreement of Contract of the Grant of the State-owned Land Use Rights dated 19 January 2011 entered into between Langfang Land Resources Bureau and Lang Fang Xin Zhong Properties Development Co., Ltd., amendments of the salient conditions as stipulated in Contract of the Grant of the State-owned Land Use Rights No. C131000120100055 have been made in the said agreement and are, *inter alia*, cited as follows:

(i)	Total Site Area	:	5.700787 hectares (57,007.87 sq m)
(ii)	Total Gross Floor Area	:	114,015.74 sq m
(iii)	Land Grant Fee	:	RMB226,739,802.00

- (8) Pursuant to the Supplementary Agreement of Contract of the Grant of the State-owned Land Use Rights dated 6 July 2011 entered into between Langfang Land Resources Bureau and Lang Fang Xin Zhong Properties Development Co., Ltd., amendments of the salient conditions as stipulated in Contract of the Grant of the State-owned Land Use Rights No. C131000120100055 have been made in the said agreement and are, *inter alia*, cited as follows:

(i)	Agreed Construction Commencement Date	:	31 March 2012
(ii)	Agreed Construction Completion Date	:	31 March 2014

- (9) Pursuant to 2 Construction Land Use Planning Permits both issued by Langfang Urban-Rural Planning Bureau, the Development was permitted to be developed. Details of the Construction Land Planning Permits are as follows:

Permit No.	Date of Issuance	Location	Site Area (sq m)
Di Zi Di 131000201100025	8 May 2011	The north of Beifeng Road and the west of Yinhe Road	76,847.85
Di Zi Di 131000201100010	30 March 2011	The north of Beifeng Road and the west of Yinhe Road	57,007.87

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- (10) Pursuant to 2 Construction Engineering Planning Permits both issued by Langfang Urban-Rural Planning Bureau, the Development was permitted to be constructed. Details of the Construction Engineering Planning Permits are as follows:

Permit No.	Date of Issuance	Location	Gross Floor Area (sq m)
Jian Zi Di 131000201300033	23 August 2013	The north of Beifeng Road and the west of Yinhe Road	109,868.36
Jian Zi Di 131000201300018	22 May 2013	The south of Yishu Main Road and the west of Yinhe Road	129,503.76

- (11) Pursuant to the Construction Works Commencement Permit no. 131000S130300101 issued by Langfang Construction Bureau dated 2 September 2013, the construction works of the Development with a gross floor area of 129,503.76 sq m was permitted to be commenced.
- (12) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB31,219,287 and RMB814,705,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB2,376,216,000.
- (13) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Lang Fang Xin Zhong Properties Development Co., Ltd. has legally obtained the land use rights of the property. Lang Fang Xin Zhong Properties Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Lang Fang Xin Zhong Properties Development Co., Ltd. according to relevant laws and regulations;
 - (iii) Lang Fang Xin Zhong Properties Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Lang Fang Xin Zhong Properties Development Co., Ltd. has obtained the State-owned Land Use Rights Certificates, Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permit. There will be no legal obstacle for Lang Fang Xin Zhong Properties Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014												
124 Tianjin Xin Hui Hua Ting (previously known as Tianjin Nanshi Development) located at the east of Rong Ye Da Street and the south of Guan Gou Da Street Heping District Tianjin The PRC	<p>Tianjin Xin Hui Hua Ting is a proposed commercial/residential composite development to be developed on a parcel of land with a site area of approximately 54,684.00 sq m.</p> <p>The property comprises portion of Tianjin Xin Hui Hua Ting. It is currently under development and is scheduled to be completed in 2014. Upon completion, the property will comprise the following approximate gross floor areas:</p> <table border="1"> <thead> <tr> <th></th> <th>Gross Floor Area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td>152,563.38</td> </tr> <tr> <td>Apartment</td> <td>38,123.72</td> </tr> <tr> <td>Clubhouse</td> <td>1,865.00</td> </tr> <tr> <td>Ancillary Facilities</td> <td><u>17,436.00</u></td> </tr> <tr> <td></td> <td><u>211,123.10</u></td> </tr> </tbody> </table> <p>The property will also comprise 1,486 car parking spaces with a total gross floor area of approximately 68,860.60 sq m upon completion.</p> <p>The land use rights of the property have been granted for two terms expiring on 17 December 2076 for residential and 17 December 2046 for commercial and serviced apartment use.</p>		Gross Floor Area (sq m)	Residential	152,563.38	Apartment	38,123.72	Clubhouse	1,865.00	Ancillary Facilities	<u>17,436.00</u>		<u>211,123.10</u>	The property is currently under development.	RMB3,135,000,000 (100% interest attributable to the Group: RMB3,135,000,000)
	Gross Floor Area (sq m)														
Residential	152,563.38														
Apartment	38,123.72														
Clubhouse	1,865.00														
Ancillary Facilities	<u>17,436.00</u>														
	<u>211,123.10</u>														

Notes:

- (1) Pursuant to the Business Licence No. 120000400080242 dated 28 March 2012, Tianjin New World Properties Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$91,000,000.

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(2) Pursuant to the Realty Title Certificate No. Fang Di Zheng Jin Zi Di 101051100002 issued by Tianjin Land Resources and Housing Administration Bureau dated 13 January 2011, the title to the portion of the Development with a site area of 54,684 sq m was vested in Tianjin New World Properties Development Co., Ltd. for residential, commercial and serviced apartment uses.

(3) Pursuant to the Construction Land Use Planning Permit No. 2010 He Ping Di Zheng 0030 issued by Tianjin Planning Bureau dated 1 September 2010, the Development with a site area of 54,684.70 sq m was permitted to be developed.

(4) Pursuant to 3 Construction Engineering Planning Permits issued by Tianjin Planning Bureau, the property was permitted to be constructed. Details of the Construction Engineering Planning Permits are listed as follows:

Permit No.	Gross Floor Area (sq m)	Date of Issuance
2011 He Ping Zhu Zheng 0006	84,687.05	3 November 2011
2011 He Ping Zhu Zheng 0007	99,428.60	3 November 2011
2011 He Ping Zhu Zheng 0008	114,742.02	30 November 2011

(5) Pursuant to two Construction Works Commencement Permits issued by Tianjin Urban-Rural Development and Traffic Committee, the construction works of the property was permitted to be commenced. The details are listed as follows:

Permit Nos.	Date of Issuance	Gross Floor Area (sq m)
12101080201201013	21 February 2012	155,870.00
12101020201109005	11 November 2011	148,771.00

(6) Pursuant to 9 Commodity Housing Pre-sale Permits issued by Tianjin Land Resources and Housing Administration Bureau, the pre-sale of portion of the property was permitted. Details of the Commodity Housing Pre-sale Permits are as follows:

Certificate No.	Date of Issuance	Block No.	Area (sq m)
Jin Guo Tu Fang Shou Xu Zi [2012] Di 0536-001	16 July 2011	Block 1	15,510.25
Jin Guo Tu Fang Shou Xu Zi [2012] Di 0336-001	17 May 2012	Block 2	14,498.83
Jin Guo Tu Fang Shou Xu Zi [2012] Di 0137-001	30 March 2012	Block 3	13,049.43
Jin Guo Tu Fang Shou Xu Zi [2012] Di 0138-001	30 March 2012	Block 4	13,049.43
Jin Guo Tu Fang Shou Xu Zi [2012] Di 0867-001	26 October 2012	Block 5	18,347.69
Jin Guo Tu Fang Shou Xu Zi [2013] Di 0618-001-002	9 August 2013	Blocks 6 and 9	28,782.17
Jin Guo Tu Fang Shou Xu Zi [2013] Di 0217-001	3 April 2013	Block 7	18,347.69
Jin Guo Tu Fang Shou Xu Zi [2013] Di 0218-001	3 April 2013	Block 8	17,294.60
Jin Guo Tu Fang Shou Xu Zi [2012] Di 0868-001	26 October 2012	Block 10	13,683.29

(7) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB1,004,741,000 and RMB714,939,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB4,408,000,000.

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- (8) As advised by the Group, residential portion of the property with a total gross floor area of 141,036.60 sq m have been pre-sold at a total consideration of RMB3,233,630,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.
- (9) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Tianjin New World Properties Development Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the property;
 - (ii) Tianjin New World Properties Development Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property;
 - (iii) Tianjin New World Properties Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permits and Construction Works Commencement Permits. Tianjin New World Properties Development Co., Ltd. is entitled to construct the property according the said permits;
 - (iv) Tianjin New World Properties Development Co., Ltd. has obtained the Commodity Housing Pre-sale Permits for portion of the property. Tianjin New World Properties Development Co., Ltd. is entitled to pre-sell such portion of the property according the said permits; and
 - (v) Tianjin New World Properties Development Co., Ltd. has obtained the Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Tianjin New World Properties Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
125 Tianjin Jin Mao Plaza located at the junction of Qingshanda Street and Fuanda Street Heping District Tianjin The PRC	<p>Tianjin Jin Mao Plaza comprises four blocks of 30 to 48-storey composite buildings completed in 2007.</p> <p>The property comprises various commercial units with a total gross floor area of approximately 2,117.45 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 25 October 2054 for commercial and servicing uses.</p>	<p>The property with a total gross floor area of approximately 2,117.45 sq m is subject to various tenancies with the last tenancy expiring in February 2025, yielding a total monthly rental of about RMB185,884, exclusive of management fee.</p>	<p>RMB44,700,000 (100% interest attributable to the Group: RMB44,700,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 120000400080242 dated 28 March 2012, Tianjin New World Properties Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$91,000,000.
- (2) Pursuant to two Realty Title Certificates both issued by Tianjin Land Resources and Housing Administration Bureau dated 6 January 2011, the title to portion of the development with a total gross floor area of 2,117.45 sq m were vested Tianjin New World Properties Development Co., Ltd. for non-residential use. Details of the Realty Title Certificates are as follows:

Certificate No.	Address	Land Use	Site Area (sq m)	Gross Floor Area (sq m)
Fang Di Zheng Jin Zi Di 101021100136	Unit 303	Non-residential	60.50	430.64
Fang Di Zheng Jin Zi Di 101021100137	Units 301 and 302	Non-residential	237.00	1,686.81

- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Tianjin New World Properties Development Co., Ltd. has legally obtained the land use rights and building ownership of the property and is the sole owner of the property;
 - (ii) Tianjin New World Properties Development Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
 - (iii) the property is free from mortgages and other encumbrances.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
126	Wuhan Tazi Lake Menghu Garden Jiangnan District Wuhan Hubei Province The PRC	Wuhan Tazi Lake Menghu Garden (the "Development") is a massive low-density residential development constructed in various phases, erected upon three parcels of irregular-shaped sites with a total site area of approximately 332,310.67 sq m.	The completed unsold Phases II and III of the development are currently vacant and the remaining portion of Phases IIIA and IIIC are currently pending for development.	RMB549,000,000 (100% interest attributable to the Group: RMB549,000,000)
		<p>Phase I of the development was complete in December 2006 and completely sold since completion. Phases II, IIIB and portion of Phases IIIA and IIIC of the development were complete in January 2007, June 2009, December 2013 and December 2013 respectively and have been for sale since completion. The remaining portion of Phases IIIA and IIIC are currently pending for development.</p> <p>The property comprises the unsold completed portion of Phases II and III, and the remaining portion of Phase III of the development. The property will comprise the following approximate gross floor areas upon full completion:</p>		
		<p style="text-align: center;">Gross Floor Area (sq m)</p>		
		<p>Phase II and Partial of Phases IIIA, IIIB and IIIC</p>		
		<p>Residential 20,970.11</p>		
		<p>Commercial 492.88</p>		
		<p style="text-align: center;"><u>21,462.99</u></p>		

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
		Gross Floor Area (sq m)	
		Remaining Portion of Phases IIIA and IIIC	
	Residential	38,872.02	
	Commercial	<u>2,164.09</u>	
		<u>41,036.11</u>	

The land use rights of the development have been granted, with the last land use rights term expiring on 19 December 2075.

Notes:

- (1) Pursuant to the Business Licence No. 420100400009585 dated 23 September 2011, Wuhan Xinhua Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$16,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Wu Guo Yong (2006) Di 216 issued by The People's Government of Wuhan dated 22 March 2006, the land use rights of the Development with a site area of 332,310.67 sq m were vested in Wuhan Xinhua Development Co., Ltd. for a land use rights term expiring on 19 December 2075 for residential and greenery use. The site area for residential and greenery uses are 269,888.44 sq m and 62,422.23 sq m respectively.
- (3) Pursuant to the Construction Land Use Planning Permit No. Wu Gui Di Zi (2002) 314 issued by Wuhan Land Planning Bureau dated 20 November 2002, the Development with a site area of approximately 391,082 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di Wu Gui Jian [2008] 304 issued by Wuhan Land Planning Bureau dated 14 November 2008, the property with a gross floor area of 124,823.36 sq m was permitted to be constructed.

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- (5) Pursuant to 46 Construction Works Completion Certificates issued by Wuhan Urban-Rural Development Committee, the construction of the property was completed. Details of the Building Completion Permits are as follows:

Permit No.	Date of Issuance	Block	Gross Floor Area (sq m)
21-10-0101	30 June 2010	3B-40	4,896.00
21-10-0099	30 June 2010	3B-37	3,288.00
21-12-0089	30 June 2012	3C-1	481.00
21-12-0090	30 June 2012	3C-2	481.00
21-12-0091	30 June 2012	3C-3	481.00
21-12-0092	30 June 2012	3C-4	663.00
21-12-0093	30 June 2012	3C-5	369.00
21-12-0094	30 June 2012	3C-6	481.00
21-12-0095	30 June 2012	3C-7	369.00
21-12-0096	30 June 2012	3C-8	368.00
21-12-0097	30 June 2012	3C-9	381.00
21-12-0098	30 June 2012	3C-10	369.00
21-12-0099	30 June 2012	3C-11	481.00
21-12-0100	30 June 2012	3C-12	369.00
21-12-0101	30 June 2012	3C-13	482.00
21-12-0102	30 June 2012	3C-14	482.00
21-12-0103	30 June 2012	3C-15	784.00
21-12-0104	30 June 2012	3C-16	369.00
21-12-0105	30 June 2012	3C-17	481.00
21-12-0106	30 June 2012	3C-18	369.00
21-12-0107	30 June 2012	3C-19	663.00
21-12-0108	30 June 2012	3C-20	381.00
21-12-0109	30 June 2012	3C-21	369.00
21-12-0110	30 June 2012	3C-22	381.00
21-12-0111	30 June 2012	3C-23	369.00
21-12-0112	30 June 2012	3C-24	369.00
21-12-0113	30 June 2012	3C-25	684.00
21-12-0114	30 June 2012	3C-26	532.00
21-12-0115	30 June 2012	3C-27	532.00
21-12-0116	30 June 2012	3C-28	532.00
21-12-0117	30 June 2012	3C-29	532.00
21-12-0118	30 June 2012	3C-30	532.00
21-12-0119	30 June 2012	3C-31	532.00
21-12-0120	30 June 2012	3C-32	532.00
21-12-0121	30 June 2012	3C-33	492.00
21-12-0122	30 June 2012	3C-34	492.00
21-12-0123	30 June 2012	3C-35	532.00
21-12-0124	30 June 2012	3C-36	532.00
21-12-0125	30 June 2012	3C-37	532.00
21-12-0126	30 June 2012	3C-38	532.00
21-12-0127	30 June 2012	3C-39	470.00
21-12-0128	30 June 2012	3C-40	470.00
21-12-0129	30 June 2012	3C-41	470.00
21-12-0130	30 June 2012	3C-42	470.00
21-12-0131	30 June 2012	3C-43	470.00
21-12-0173	26 December 2013	3B-39	4,996.00

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- (6) Pursuant to 48 Commodity Housing Title Proofs issued by Wuhan Real Estate Title Registration Centre, the property with a total gross floor area of 6,011.77 sq m was vested in Wuhan Xinhan Development Co., Ltd.. Details of the Commodity Housing Title Proofs are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2007013405	137.87	Residential	Level 1, Villa No. 89, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013406	137.87	Residential	Level 1, Villa No. 90, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013407	137.87	Residential	Level 2, Villa No. 91, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013408	137.85	Residential	Level 2, Villa No. 92, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013409	137.87	Residential	Level 3, Villa No. 93, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013410	137.85	Residential	Level 3, Villa No. 94, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013411	137.87	Residential	Level 4, Villa No. 95, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013412	137.85	Residential	Level 4, Villa No. 96, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013413	137.74	Residential	Level 1, Villa No. 97, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013414	137.97	Residential	Level 1, Villa No. 98, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013415	137.74	Residential	Level 2, Villa No. 99, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013416	137.97	Residential	Level 2, Villa No. 100, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013417	137.74	Residential	Level 3, Villa No. 101, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013418	137.97	Residential	Level 3, Villa No. 102, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013419	137.74	Residential	Level 4, Villa No. 103, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2007013420	137.97	Residential	Level 4, Villa No. 104, Block 38	2 July 2007
Wu Fang Shang Zheng Shi Zi Di 2011000109	92.89	Residential	Level 1, Villa No. 105, Block 48	19 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000110	89.93	Residential	Level 2, Villa No. 106, Block 48	19 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000111	58.56	Residential	Level 3, Villa No. 107, Block 48	19 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000101	92.89	Residential	Level 1, Villa No. 96, Block 47	19 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000102	89.93	Residential	Level 2, Villa No. 97, Block 47	19 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000103	58.56	Residential	Level 3, Villa No. 98, Block 47	19 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011008808	812.72	Residential	Levels 1 and 2, Villa No. 17, Block 17	16 June 2011

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011008794	488.43	Residential	Levels 1 and 3, Villa No. 3, Block 3	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008793	488.43	Residential	Levels 1 and 3, Villa No. 2, Block 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008766	92.15	Residential	Unit 404, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008765	46.92	Residential	Unit 403, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008764	46.92	Residential	Unit 402, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008763	92.15	Residential	Unit 401, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008773	51.17	Residential	Unit 503, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008751	88.98	Residential	Unit 201, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008752	46.92	Residential	Unit 202, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008755	88.98	Residential	Unit 301, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008756	51.17	Residential	Unit 302, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008757	51.17	Residential	Unit 303, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008758	88.98	Residential	Unit 304, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008740	46.92	Residential	Unit 903, Block 38 No. 1	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008724	88.98	Residential	Unit 801, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008725	46.92	Residential	Unit 802, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008726	46.92	Residential	Unit 803, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008767	92.15	Residential	Unit 401, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008768	46.92	Residential	Unit 402, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008769	46.92	Residential	Unit 403, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008770	92.15	Residential	Unit 404, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008759	88.98	Residential	Unit 301, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008760	51.17	Residential	Unit 302, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008761	51.17	Residential	Unit 303, Block 38 No. 2	16 June 2011
Wu Fang Shang Zheng Shi Zi Di 2011008762	88.98	Residential	Unit 304, Block 38 No. 2	16 June 2011

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- (7) Pursuant to the Construction Land Use Planning Permit No. Wu Gui Di Zi (2002) 314 issued by Wuhan Land Resources and Planning Bureau dated 20 November 2002, the Development with a site area of approximately 391,082 sq m was permitted to be developed.
- (8) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di Wu Gui Jian (2008) 304 issued by Wuhan Land Planning Bureau dated 14 November 2008, the property with a gross floor area of 124,823.36 sq m was permitted to be constructed.
- (9) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB137,420,000 and RMB162,476,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB881,000,000.
- (10) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Wuhan Xinhua Development Co., Ltd. has legally obtained the land use rights for residential use and the building ownership rights of the building as mentioned in Note (6) of the property and is the sole owner of such portion the property. Wuhan Xinhua Development Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the property;
 - (ii) Wuhan Xinhua Development Co., Ltd. has obtained the State-owned Land Use Rights Certificates. There will be no legal obstacle Wuhan Xinhua Development Co., Ltd. in obtaining the real estate title proof for portion of the property as mentioned in Note (5) after compliance with relevant regulations and procedures;
 - (iii) after the completion of the construction works of the property according to the State-owned Land Use Rights Certificates, Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits and compliance with relevant regulations and procedures, there will be no legal obstacle for Wuhan Xinhua Development Co., Ltd. in obtaining the building ownership certificate for the construction works; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
127 Wuhan Changqing Garden and Wuhan Changqing Nanyuan Dongxihu Hankou District Wuhan Hubei Province The PRC	<p>Wuhan Changqing Garden and Wuhan Changqing Nanyuan together is a massive Low-cost Community Housing Project constructed in various phases, erected upon 9 parcels of adjoining sites with a total site area of approximately 2,493,317.35 sq m.</p> <p>Phases I to V, District 5, 8 and 11 of Changqing Garden, and Phases I, II and III of Changqing Nanyuan of the development were complete in between 1995 to 2013, and have been for sale since completion. Phase IX Area 6 South District Phase 1 and North District of Changqing Garden of the development are currently under development and are scheduled to complete in June 2017, whereas the proposed remaining phases are currently pending for development.</p> <p>The property comprises the unsold completed portion, the portion which is under development and the planned remaining phases of the development. The property will comprise the following approximate gross floor areas upon full completion:</p>	Portion of the property is under development and the remaining portion of the property is currently vacant.	RMB4,345,000,000 (60% interest attributable to the Group: RMB2,607,000,000)
	<p>Gross Floor Area (sq m)</p>		
	<p>Unsold Completed Portion</p>		
	<p>Residential 9,237.77</p>		
	<p>Retail 34,180.17</p>		
	<p>Office 7,040.56</p>		
	<p>Ancillary</p>		
	<p>Facilities 1,759.19</p>		
	<p><u>52,217.69</u></p>		

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Description and tenure

**Gross Floor
Area**
(sq m)

Changqing Garden**Phase IX Area 6****South District****Phase I and****North District**

Residential	593,605.03
Retail	12,975.75
Ancillary Facilities	<u>11,207.21</u>

617,787.99

Changqing Nanyuan**Garden Phase III**

Residential	41,985.79
Retail	1,794.52
Clubhouse	1,413.23
Ancillary Facilities	<u>2,630.55</u>

47,824.89

Planned Remaining**Phases**

Residential	199,726.00
Retail	349,164.00
Office	<u>14,100.00</u>

562,990.00

The completed portion of the property also comprises 137 car parking spaces with a gross floor area of approximately 4,692.27 sq m. The portion under development of the property will comprise 3,388 car parking spaces with a gross floor area of approximately 135,534.05 sq m. The property will also comprise 6,702 car parking spaces with a gross floor area of approximately 268,100.00 sq m upon completion of the planned remaining phases.

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Description and tenure

Portion of the land use rights of the development have been granted for terms expiring on 8 October 2075, 8 October 2045 and 1 June 2049 for residential, commercial and other commercial services uses respectively.

Portion of the land use rights of the development have been allocated for developing residential and low-cost commodity housing project.

Notes:

- (1) Pursuant to the Business Licence No. 420100400009569 dated 27 October 2011, Wuhan New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB96,000,000.
- (2) Pursuant to 33 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of the Development with total site area of 656,754.66 sq m were granted to Wuhan New World Housing Development Limited for mixed residential and other commercial services uses. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Nature	Land Use	Site Area (sq m)	Expiry Date
Dong Guo Yong (2005) Di TD2005-056	9 January 2006	Granted	Mixed residential	123,804.15	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2005-055	9 January 2006	Granted	Mixed residential	156,545.58	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-027	19 May 2006	Granted	Mixed residential	3,933.24	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-023	19 May 2006	Granted	Mixed residential	269,155.91	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-024	19 May 2006	Granted	Mixed residential	77,906.57	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-030	19 May 2006	Granted	Mixed residential	6,585.66	Residential: 8 October 2075 Commercial: 8 October 2045
Dong Guo Yong (2005) Di TD2006-025	19 May 2006	Granted	Mixed residential	15,156.14	Residential: 8 October 2075 Commercial: 8 October 2045

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Certificate No.	Date of Issuance	Land Nature	Land Use	Site Area (sq m)	Expiry Date
Dong Guo Yong (2013) 130907480	11 September 2013	Granted	Other commercial services	1,682.50	01 June 2049
Dong Guo Yong (2013) 130907460	11 September 2013	Granted	Other commercial services	325.33	01 June 2049
Dong Guo Yong (2013) 130907461	11 September 2013	Granted	Other commercial services	48.05	01 June 2049
Dong Guo Yong (2013) 130907462	11 September 2013	Granted	Other commercial services	28.71	01 June 2049
Dong Guo Yong (2013) 130907463	11 September 2013	Granted	Other commercial services	73.90	01 June 2049
Dong Guo Yong (2013) 130907464	11 September 2013	Granted	Other commercial services	72.09	01 June 2049
Dong Guo Yong (2013) 130907465	11 September 2013	Granted	Other commercial services	110.79	01 June 2049
Dong Guo Yong (2013) 130907466	11 September 2013	Granted	Other commercial services	110.98	01 June 2049
Dong Guo Yong (2013) 130907467	11 September 2013	Granted	Other commercial services	96.63	01 June 2049
Dong Guo Yong (2013) 130907468	11 September 2013	Granted	Other commercial services	38.49	01 June 2049
Dong Guo Yong (2013) 130907469	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907470	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907471	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907472	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907473	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907474	11 September 2013	Granted	Other commercial services	17.37	01 June 2049
Dong Guo Yong (2013) 130907475	11 September 2013	Granted	Other commercial services	15.63	01 June 2049
Dong Guo Yong (2013) 130907476	11 September 2013	Granted	Other commercial services	13.03	01 June 2049
Dong Guo Yong (2013) 130907477	11 September 2013	Granted	Other commercial services	15.85	01 June 2049
Dong Guo Yong (2013) 130907478	11 September 2013	Granted	Other commercial services	17.17	01 June 2049
Dong Guo Yong (2013) 130907479	11 September 2013	Granted	Other commercial services	48.71	01 June 2049
Dong Guo Yong (2013) 130907481	11 September 2013	Granted	Other commercial services	241.21	01 June 2049
Dong Guo Yong (2013) 130907482	11 September 2013	Granted	Other commercial services	132.43	01 June 2049
Dong Guo Yong (2013) 130907483	11 September 2013	Granted	Other commercial services	320.54	01 June 2049
Dong Guo Yong (2013) 130907484	11 September 2013	Granted	Other commercial services	84.05	01 June 2049
Dong Guo Yong (2013) 130907485	11 September 2013	Granted	Other commercial services	87.10	01 June 2049

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- (3) Pursuant to 2 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of the Development with total site area of 2,115.03 sq m were allocated to Wuhan New World Housing Development Limited for commercial use. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Nature	Land Use	Site Area (sq m)	Expiry Date
Dong Guo Yong (2005) Di J24020140-1-2	29 December 2005	Allocated	Commercial	1,267.85	N/A
Dong Guo Yong (2005) Di J240208011	29 December 2005	Allocated	Commercial	847.18	N/A

- (4) Pursuant to 28 Building Ownership Certificates issued by Wuhan Urban-Rural Development Committee, the building ownership of the property with total gross floor area of 15,315.06 sq m was completed. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 200518838	7,040.56	Office	Block 40-B, Phase 2	25 July 2005
Wu Fang Quan Zheng Shi Zi Di 200518840	1,464.28	Commercial services	Restaurant, Phase 14	25 July 2005
Wu Fang Quan Zheng Shi Zi Di 2013017145	3,124.47	Commercial services	Unit 21, Levels 1–2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017125	604.12	Commercial services	Unit 1, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017126	89.23	Commercial services	Unit 2, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017127	53.32	Commercial services	Unit 3, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017128	137.23	Commercial services	Unit 4, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017129	133.76	Commercial services	Unit 5, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017130	205.73	Commercial services	Unit 6, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017131	206.09	Commercial services	Unit 7, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017132	179.44	Commercial services	Unit 8, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017133	71.48	Commercial services	Unit 9, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017134	32.25	Commercial services	Unit 10, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017135	32.25	Commercial services	Unit 11, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017136	32.25	Commercial services	Unit 12, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017137	32.25	Commercial services	Unit 13, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017138	32.25	Commercial services	Unit 14, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017139	32.25	Commercial services	Unit 15, Level 1, Phase 4	31 May 2013

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 2013017140	29.03	Commercial services	Unit 16, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017141	24.19	Commercial services	Unit 17, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017142	29.43	Commercial services	Unit 18, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017143	31.88	Commercial services	Unit 19, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017144	90.46	Commercial services	Unit 20, Level 1, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017146	447.91	Commercial services	Unit 1, Level 2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017147	245.92	Commercial services	Unit 2, Level 2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017148	595.22	Commercial services	Unit 3, Level 2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017149	156.07	Commercial services	Unit 4, Level 2, Phase 4	31 May 2013
Wu Fang Quan Zheng Shi Zi Di 2013017150	161.74	Commercial services	Unit 5, Level 2, Phase 4	31 May 2013

As advised by the Group, the office portion of the building with a gross floor area of 7,040.56 sq m is erected on the allocated land.

- (5) Pursuant to 59 Commodity Housing Title Proofs issued by Wuhan Real Estate Title Registration Centre, Wuhan New World Housing Development Limited is the legal owner of portion of the property with a gross floor area of 50,051.71 sq m for commercial services use. Details of the Commodity Housing Title Proofs are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011004261	38.27	Commercial services	Unit 12, Level 1, Block 22, Phase 5	21 April 2011
Wu Fang Shang Zheng Shi Zi Di 2013011678	107.66	Commercial services	Unit 2, Level 1, Block 29, Phase 3	3 April 2013
Wu Fang Shang Zheng Shi Zi Di 2013011747	66.51	Commercial services	Unit 6, Level 1, Block 30, Phase 3	3 April 2013
Wu Fang Shang Zheng Shi Zi Di 2011000025	3,062.44	Commercial services	Unit 1, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000027	74.17	Commercial services	Unit 2, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000004	73.72	Commercial services	Unit 3, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000039	260.85	Commercial services	Unit 12, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000044	887.09	Commercial services	Unit 1, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000016	1,959.12	Commercial services	Unit 1, Level 7, Block 1, District 8	11 January 2011

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011000040	172.96	Commercial services	Unit 15, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000005	73.72	Commercial services	Unit 4, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000006	73.72	Commercial services	Unit 5, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000007	38.66	Commercial services	Unit 6, Level 1, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000008	4,152.41	Commercial services	Unit 1, Level 2, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000009	4,106.78	Commercial services	Unit 1, Level 3, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000010	2,412.02	Commercial services	Unit 1, Level 4, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000011	1,192.35	Commercial services	Unit 2, Level 4, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000012	1,959.12	Commercial services	Unit 1, Level 5, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000013	1,192.34	Commercial services	Unit 2, Level 5, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000014	1,959.12	Commercial services	Unit 1, Level 6, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000015	1,192.34	Commercial services	Unit 2, Level 6, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000017	1,192.34	Commercial services	Unit 2, Level 7, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000018	1,959.12	Commercial services	Unit 1, Level 8, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000022	1,959.12	Commercial services	Unit 1, Level 10, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000023	1,192.34	Commercial services	Unit 2, Level 10, Block 1, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000028	456.38	Commercial services	Unit 1, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000029	366.30	Commercial services	Unit 2, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000030	531.88	Commercial services	Unit 3, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000031	336.29	Commercial services	Unit 4, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000032	356.50	Commercial services	Unit 5, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000033	354.91	Commercial services	Unit 6, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000034	359.27	Commercial services	Unit 7, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000035	473.36	Commercial services	Unit 8, Levels 1–2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000036	378.44	Commercial services	Unit 9, Levels 1–2, B lock 2, District 8	11 January 2011

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2011000037	232.08	Commercial services	Unit 10, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000038	239.51	Commercial services	Unit 11, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000041	320.29	Commercial services	Unit 16, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000042	296.16	Commercial services	Unit 17, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000043	89.53	Commercial services	Unit 18, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000045	979.88	Commercial services	Unit 2, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000046	944.93	Commercial services	Unit 3, Level 3, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000047	878.02	Commercial services	Unit 1, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000048	966.55	Commercial services	Unit 2, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000049	844.22	Commercial services	Unit 3, Level 4, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000052	638.09	Commercial services	Unit 1, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000053	222.38	Commercial services	Unit 2, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000054	308.35	Commercial services	Unit 3, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000055	375.29	Commercial services	Unit 4, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000056	84.19	Commercial services	Unit 5, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000057	640.70	Commercial services	Unit 6, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000058	394.34	Commercial services	Unit 7, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000059	258.52	Commercial services	Unit 8, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000060	718.58	Commercial services	Unit 9, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000061	514.33	Commercial services	Unit 10, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000062	922.36	Commercial services	Unit 11, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000063	846.88	Commercial services	Unit 12, Levels 1-2, Block 3, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000050	919.57	Commercial services	Unit 13, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000051	179.42	Commercial services	Unit 14, Levels 1-2, Block 2, District 8	11 January 2011
Wu Fang Shang Zheng Shi Zi Di 2011000064	2,265.92	Commercial services	Unit 1, Level 3, Block 3, District 8	11 January 2011

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- (6) Pursuant to 136 Commodity Housing Title Proofs dated 22 March 2006 issued by Wuhan Real Estate Title Registration Centre, Wuhan New World Housing Development Limited is the legal owner of portion of the property with a gross floor area of 4,670.33 sq m for other use.
- (7) Pursuant to 11 Construction Works Completion Certificates issued by Wuhan Urban-Rural Development Committee, the construction works of portion of the property was completed. Details of the Construction Works Completion Certificates are listed as follows:

Document No.	Gross Floor Area (sq m)	Location	Date of Issuance
21-12-0023	37,671.00	Block Z1, Zone B, District 8	28 June 2013
21-13-0024	27,122.00	Block Z2, Zone B, District 8	28 June 2013
21-13-0025	38,377.00	Block Z3, Zone B, District 8	28 June 2013
21-10-0052	15,925.00	Block 19, Zone 3, District 5	30 June 2011
21-11-0053	10,031.00	Block 31, Zone 3, District 5	30 June 2011
21-11-0054	10,031.00	Block 32, Zone 3, District 5	30 June 2011
21-11-0055	17,528.00	Block 34, Zone 3, District 5	30 June 2011
21-12-0026	21,040.00	Block 33, Zone 3, District 5	28 June 2013
21-13-0027	17,528.00	Block 35, Zone 3, District 5	28 June 2013
21-05-0107	7,328.00	Block 14, District 10	30 June 2005
21-05-0100	6,960.00	Block 4, District 10	30 June 2005

- (8) Pursuant to the Construction Land Use Planning Permit No. Dong Qui Di Zi (2005) 78 dated on 22 November 2005 issued by Wuhan Land Planning Bureau, portion of the Development with a site area of 792,664.00 sq m was permitted to be developed.
- (9) Pursuant to the Construction Engineering Planning Permit No. Wu Gui (Dong) Jian Di (2012) 107 dated 28 August 2012 issued by Wuhan Dongxiwu District Land Resources and Planning Bureau, portion of the property with an above ground gross floor area of 255,573.22 sq m and an under-ground gross floor area of 49,970.08 sq m were permitted to be constructed.
- (10) Pursuant to 2 Construction Works Commencement Permits issued by Wuhan Dongxiwu District Urban-Rural Development Bureau, the construction works of portion of the property was permitted to be commenced. Details of the Construction Works Commencement Permits are as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
4201122011112500214BJ4001	25 September 2012	50,525.70
4201122011112500214BJ4002	25 September 2012	45,176.09

- (11) Pursuant to the Commodity Housing Pre-Sale Permit No. [2013]109 dated 18 April 2013 issued by Wuhan Housing Security and Management Bureau, the pre-sale portion of the property with a gross floor area of 30,054.20 sq m was permitted.
- (12) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB512,459,000 and RMB3,706,973,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB11,965,000,000.
- (13) As advised by the Group, the office portion of the property with a total gross floor area of 80,789.60 sq m has been pre-sold at a total consideration of RMB749,620,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.

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- (14) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB75,500,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.
- (15) Portion of the property with a gross floor area of approximately 7,040.56 sq m is erected on allocated land and we have roughly estimated the land premium required of RMB3,700,000 for converting which from allocated nature to granted nature. During the course of our valuation, we have valued such portion of the property by assuming that the aforesaid conversion of land use rights to granted has been completed and have taken into account of the land premium in our valuation.
- (16) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Wuhan New World Housing Development Limited has legally obtained the land use rights of the granted land use rights of the property and is the sole owner of such portion of the property. Wuhan New World Housing Development Limited is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged portion of such portion of the property. Wuhan New World Housing Development Limited has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the mortgaged land use rights of the property;
 - (ii) Wuhan New World Housing Development Limited has legally obtained the land use rights of the allocated land use rights of the property and is the sole owner of such portion of the property. After obtaining the permit from the government, Wuhan New World Housing Development Limited is entitled to transfer such portion of the property. Wuhan New World Housing Development Limited is entitled to lease the property. However, Wuhan New World Housing Development Limited has to pay the land portion of the rental to the government;
 - (iii) Wuhan New World Housing Development Limited has legally obtained the building ownership rights of portion of the property as mentioned in Notes (4) to (6) and is the sole owner of such portion of the property;
 - (iv) for the buildings as mentioned in Note (16) (iii) erected on granted land, Wuhan New World Housing Development Limited is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the property;
 - (v) for the buildings as mentioned in Note (16) (iii) erected on allocated land, Wuhan New World Housing Development Limited is entitled to use such portion of the property. After obtaining the permit from the government, Wuhan New World Housing Development Limited is entitled to lease the property. However, Wuhan New World Housing Development Limited has to reimburse portion of the rental pertaining to the allocated land use rights to the government;
 - (vi) Wuhan New World Housing Development Limited has obtained the State-owned Land Use Rights Certificates. There will be no legal obstacle for Wuhan New World Housing Development Limited in obtaining the real estate title proof for portion of the property as mentioned in Note (7) after compliance with relevant regulations and procedures;
 - (vii) Wuhan New World Housing Development Limited has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Wuhan New World Housing Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (viii) Wuhan New World Housing Development Limited has obtained the Commodity Housing Pre-sale Permits for portion of the property and has the rights the pre-sell such portion of the property.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
128	Wuhan Guanggu New World located at the east of Guan Shan Da Dao and the south of Xiong Chu Da Dao Dong Hu Development Zone Wuhan Hubei Province The PRC	Wuhan Guanggu New World comprises 2 parcels of adjoining sites with a total site area of approximately 132,936.49 sq m. Phase I of the development was completed in December 2012 and has been for sale since completion. Phase II of the development is currently pending for development. The property comprises the unsold portion of Phase I and whole of Phase II of the development. It will comprise the following approximate gross floor areas upon completion:	The property is currently vacant.	RMB1,296,000,000 (100% interest attributable to the Group: RMB1,296,000,000)
		Gross Floor Area (sq m)		
		Phase I		
		Residential	37,571.79	
		Commercial	9,496.59	
		Ancillary Facilities	<u>36,336.52</u>	
			<u>83,404.90</u>	
		Phase II		
		Commercial	51,383.59	
		Office	127,164.04	
		Hotel	<u>59,141.59</u>	
			<u>237,689.22</u>	

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
	Phase I of the property also comprises 868 car parking spaces with a gross floor area of approximately 30,383.90 sq m and Phase II of the property will also comprises 2,222 car parking spaces with a gross floor area of approximately 92,951.60 sq m upon completion.		
	The land use rights of the development have been granted for two land use rights terms, expiring on 19 April 2080 for residential use and 19 April 2060 for commercial and finance uses.		

Notes:

- (1) Pursuant to the Business Licence No. 420100400014500 dated 13 March 2013, New World Goodtrade (Wuhan) Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$188,000,000.
- (2) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. E WH(DHK)-20-0000 dated 20 April 2010 entered into between Wuhan Land Resources and Planning Bureau and New World Goodtrade (Wuhan) Limited, the land use rights of a parcel of land with a site area of 132,936.44 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

(i)	Land Use	:	Residential and Commercial services
(ii)	Land use term	:	70 years for residential, 40 years for Commercial and financial
(iii)	Plot ratio	:	Ancillary facility portion ≤6 Residential portion ≤3
(iv)	Density	:	≤30%
(v)	Green area	:	≥35%
(vi)	Land grant fee	:	RMB750,800,000
(vii)	Commencement date	:	20 April 2011
(viii)	Completion date	:	31 December 2015
	For the 5-star hotel of the development		
(ix)	Number of rooms	:	≥350
	For the grade A office of the development		
(x)	Maximum building height	:	≤100 m
(xi)	Gross floor area	:	≤65,000 sq m
	For the shopping mall of the development		
(xii)	Gross floor area	:	≤45,000 sq m

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- (3) Pursuant to the State-owned Land Use Rights Certificate No. Wu Xin Guo Yong (2010) Di 050 issued by The People's Government of Wuhan dated 2 September 2010, the title to the land use rights of the Development with a site area of 39,729.84 sq m was vested in New World Goodtrade (Wuhan) Limited for a land use rights term expiring on 19 April 2060 for commercial and financial use.
- (4) Pursuant to the State-owned Land Use Rights Certificate No. Wu Xin Guo Yong (2010) Di 051 issued by The People's Government of Wuhan dated 2 September 2010, the title to the land use rights of the Development with a site area of 93,206.65 sq m was vested in New World Goodtrade (Wuhan) Limited for a land use rights term expiring on 19 April 2080 for residential use.
- (5) Pursuant to the Construction Land Use Planning Permit No. Di Zi Di Wu Gui (Dong Kai) Di [2010] 047 issued by Wuhan Land Resources and Planning Bureau dated 22 June 2010, the Development with a site area of approximately 163,400.17 sq m was permitted to be developed.
- (6) Pursuant to 20 Construction Works Completion Certificates issued by Wuhan Urban-Rural Development Committee, the construction of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Permit No.	Date of Issuance	Location	Building	Gross Floor Area (sq m)
15-12-157	29 June 2012	Guang Gu New World Centre Lot B	Block 1	13,091.30
15-12-158	29 June 2012	Guang Gu New World Centre Lot B	Block 2	13,251.82
15-12-581	31 December 2012	Guang Gu New World Centre Lot B	Block 3	13,251.82
15-12-582	31 December 2012	Guang Gu New World Centre Lot B	Block 4	13,168.44
15-12-159	29 June 2012	Guang Gu New World Centre Lot B	Block 5	28,484.00
15-12-160	29 June 2012	Guang Gu New World Centre Lot B	Block 6	14,900.00
15-12-583	31 December 2012	Guang Gu New World Centre Lot B	Block 7	14,900.00
15-12-584	31 December 2012	Guang Gu New World Centre Lot B	Block 8	28,484.00
15-12-161	29 June 2012	Guang Gu New World Centre Lot B	Block 9	28,484.00
15-12-162	29 June 2012	Guang Gu New World Centre Lot B	Block 10	14,900.00
15-12-575	31 December 2012	Guang Gu New World Centre Lot B	Block 11	14,900.00
15-12-576	31 December 2012	Guang Gu New World Centre Lot B	Block 12	28,484.00
15-12-163	29 June 2012	Guang Gu New World Centre Lot B	Block 13	9,150.73
15-12-164	29 June 2012	Guang Gu New World Centre Lot B	Block 14	15,172.72
15-12-577	31 December 2012	Guang Gu New World Centre Lot B	Block 15	15,172.72
15-12-579	31 December 2012	Guang Gu New World Centre Lot B	Kindergarten	1,888.80
15-12-586	31 December 2012	Guang Gu New World Centre Lot B	Basement	33,420.00
15-12-587	31 December 2012	Guang Gu New World Centre Lot B	Basement	33,320.00
15-12-585	31 December 2012	Guang Gu New World Centre Lot B	Retail and clubhouse	9,712.00
15-12-580	31 December 2012	Guang Gu New World Centre Lot B	Retail	2,839.60

- (7) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB220,967,000 and RMB961,607,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB3,180,000,000.

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- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Goodtrade (Wuhan) Limited has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) New World Goodtrade (Wuhan) Limited is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) New World Goodtrade (Wuhan) Limited has obtained the State-owned Land Use Rights Certificates. There will be no legal obstacle for New World Goodtrade (Wuhan) Limited in obtaining the real estate title proof for portion of the property as mentioned in Note (6) after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
129 The unsold portion of Wuhan New World Centre 332 Jiefang Avenue Hankou District Wuhan Hubei Province The PRC	<p>Wuhan New World Centre is a composite development complex erected upon two irregular-shaped sites with a total area of approximately 37,234.76 sq m and was completed in 2007.</p> <p>The property comprises the completed unsold residential portion of Phase I of the development with a total gross floor area of approximately 601.44 sq m.</p> <p>The land use rights of the property have been granted for a land use rights term expiring on 18 July 2071 for residential use.</p>	The property is currently vacant.	RMB9,000,000 (100% interest attributable to the Group: RMB9,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to 2 Proofs of Carving out of Land Use Rights for Transfer issued by Wuhan Land Resources Administration Bureau, the land use rights of the property have been carved out. Details of the Proofs are as follows:

Certificate No.	Land Nature	Address	Land Use	Land use Term	Date of Issuance
Wu Guo Yong 2001 Zi Di 0862/207	Granted	Unit 1 of Level 11/12	Residential	18 July 2071	14 January 2009
			Commercial	18 July 2041	2009
Wu Guo Yong 2001 Zi Di 0862/208	Granted	Unit 1 of Level 13/14	Residential	18 July 2071	14 January 2009
			Commercial	18 July 2041	2009

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- (3) Pursuant to 2 Commodity Housing Title Proofs issued by Wuhan Real Estate Title Registration Centre, the property with a total gross floor area of 610.44 sq m was vested in New World Development (Wuhan) Co., Ltd.. Details of the Commodity Housing Title Proofs are as follows:

Certificate No.	Gross Floor Area <i>(sq m)</i>	Land Use	Address	Date of Issuance
Wu Fang Shang Zheng Shi Zi Di 2008010047	305.22	Residential	Unit 1 on both Levels 13 and 14	29 April 2008
Wu Fang Shang Zheng Shi Zi Di 2008010042	305.22	Residential	Unit 1 on both Levels 11 and 12	29 April 2008

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights and the building ownership of the property and is the sole owner of the property;
 - (ii) New World Development (Wuhan) Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
130 Wuhan New World Centre Phase III 308 Jiefang Avenue Hankou District Wuhan Hubei Province The PRC	Wuhan New World Centre Phase III comprises a parcel of land with a total site area of approximately 18,611.65 sq m. The property is planned to develop into an office/ commercial building, comprising the following approximately gross floor areas upon completion:	The property is currently vacant.	RMB708,000,000 (100% interest attributable to the Group: RMB708,000,000)
	Gross Floor Area (sq m)		
	Office 58,720.00		
	Commercial 21,842.59		
	Ancillary Facilities <u>45,794.00</u>		
	<u>126,356.59</u>		
	The property will also comprise 186 car parking spaces with a total gross floor area of approximately 7,452.41 sq m upon completion.		
	The land use rights of the property have been granted for a land use rights term expiring on 2 May 2053 for commercial use.		

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.

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- (2) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. WH-2011-4 dated 12 January 2011 entered into between Wuhan Land Resources and Planning Bureau and New World Development (Wuhan) Co., Ltd., the land use rights of a parcel of land with a site area of 6,224.47 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:
- | | | | |
|-------|-------------------|---|--------------------------|
| (i) | Land use | : | Commercial and financial |
| (ii) | Land use term | : | 40 years |
| (iii) | Plot ratio | : | ≤8 |
| (iv) | Density | : | ≤40% |
| (v) | Land grant fee | : | RMB211,000,000 |
| (vi) | Commencement date | : | 12 October 2011 |
| (vii) | Completion date | : | 12 October 2014 |
- (3) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. WH-2013-B033 dated 3 May 2013 entered into between Wuhan Land Resources and Planning Bureau and New World Development (Wuhan) Co., Ltd., the land use rights of a parcel of land with a site area of 7,946.34 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:
- | | | | |
|-------|-------------------|---|---------------------|
| (i) | Land use | : | Commercial services |
| (ii) | Land use term | : | 40 years |
| (iii) | Plot ratio | : | ≤4.5 |
| (iv) | Density | : | ≤30% |
| (v) | Land grant fee | : | RMB205,000,000 |
| (vi) | Commencement date | : | 3 February 2014 |
| (vii) | Completion date | : | 3 February 2017 |
- (4) Pursuant to the State-owned Land Use Rights Certificate No. Wuhan Guo Yong (2013) Di 304 issued by The People's Government of Wuhan dated 24 October 2013, the title to the land use rights of the Development with a site area of 18,611.65 sq m was vested in New World Development (Wuhan) Co., Ltd. for a land use rights term expiring on 2 May 2053 for commercial use.
- (5) Pursuant to the Construction Land Use Planning Permit No. Di Zi Di Wu Gui Di [2013] 132 issued by Wuhan Land Resources and Planning Bureau dated 9 June 2013, the Development with a site area of approximately 7,946.34 sq m was permitted to be developed.
- (6) Pursuant to the Construction Land Use Planning Permit No. Di Zi Di Wu Gui Di [2011] 095 issued by Wuhan Land Resources and Planning Bureau dated 25 April 2011, the Development with a site area of approximately 6,224.47 sq m was permitted to be developed.
- (7) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB121,472,000 and RMB532,559,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB1,847,000,000.

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- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the property. New World Development (Wuhan) Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property;
 - (ii) New World Development (Wuhan) Co., Ltd. has to apply for the Construction Engineering Planning Permit and Construction Works Commencement Permit before commencing the construction of the property; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014												
131 Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	<p>Guiyang Jinyang Sunny Town (the "Development") is a proposed commercial/residential composite development to be developed in various phases, erected upon two irregular-shaped sites with a total site area of approximately 2,149,849.30 sq m.</p> <p>Portion of the development were complete in 2008, 2009, 2010, 2011, 2012 and 2013 respectively, and have been for sale since completion. Portion of the development is currently under development and will comprise residential, commercial, car park, clubhouse and ancillary facilities upon completion. The remaining portion of the development is currently pending for development.</p> <p>The property comprises the unsold completed portion, portion of the under development portion and the planned remaining phases of the development. The property will comprise the following approximate gross floor areas upon completion:</p> <table border="0"> <tr> <td colspan="2" style="text-align: right;">Gross Floor Area</td> </tr> <tr> <td colspan="2" style="text-align: right;"><i>(sq m)</i></td> </tr> <tr> <td colspan="2">Unsold Completed Portion</td> </tr> <tr> <td>Residential</td> <td style="text-align: right;">39,015.55</td> </tr> <tr> <td>Retail</td> <td style="text-align: right;"><u>8,206.37</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u><u>47,221.92</u></u></td> </tr> </table>	Gross Floor Area		<i>(sq m)</i>		Unsold Completed Portion		Residential	39,015.55	Retail	<u>8,206.37</u>		<u><u>47,221.92</u></u>	<p>Portion of the property is under development and the remaining portion of the property is currently vacant.</p>	<p>RMB4,757,000,000 (50% effective interest ^(note) attributable to the Group: RMB2,378,500,000)</p>
Gross Floor Area															
<i>(sq m)</i>															
Unsold Completed Portion															
Residential	39,015.55														
Retail	<u>8,206.37</u>														
	<u><u>47,221.92</u></u>														

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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Description and tenure

**Gross Floor
Area**
(sq m)

Under development

Residential	356,721.79
Retail	50,639.29
Clubhouse	<u>10,925.00</u>

418,285.59

Planned Remaining**Phases**

Residential	1,910,648.26
Office	579,835.00
Retail	270,770.00
Ancillary	20,302.00
Facilities	<u> </u>

2,781,555.26

The completed portion of the property also comprises 3,235 car parking spaces with a total gross floor area of approximately 138,347.64 sq m. The portion that is under development and the planned remaining phases of the property will also provide approximately 2,857 and 18,705 car parking spaces with a total gross floor area of approximately 128,567.67 sq m and 741,600.00 sq m respectively upon completion.

The land use rights of the development have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.

Notes:

- (1) Pursuant to the Business Licence No. 520100400043942 dated 19 October 2012, Guiyang New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$221,350,000.

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- (2) Pursuant to 6 State-owned Land Use Rights Certificates issued by Guiyang Land Resources Bureau, the land use rights of the Development were vested in Guiyang New World Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0098	8 April 2010	Commercial/	368,161.10	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 2550	8 April 2010	Commercial/	368,682.70	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 0100	8 April 2010	Commercial/	491,598.60	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2011) Di 5486	22 June 2011	Commercial/	439,131.30	19 May 2046
		Composite/		19 May 2056
		Residential		19 May 2076
Qian Zhu Gao Xin Guo Yong (2009) Di 1843	20 November 2009	Commercial/ Office	84,771.30	11 July 2057
Qian Zhu Gao Xin Guo Yong (2010) Di 0101	8 April 2010	Commercial/ Office	110,836.20	11 July 2057

- (3) Pursuant to 24 Construction Works Completion Certificates issued by Guiyang Housing and Urban-Rural Development Committee, the construction works of the property was completed. Details of the Construction Works Completion Certificates are listed as follows:

Document No.	Gross Floor Area (sq m)	Location	Date of Issuance
2008-30	15,182.05	Blocks 4–9, Phase IA	25 June 2008
2008-31	66,219.90	Blocks 35–40, Phase IA	25 June 2008
2008-83	19,376.87	Blocks 1–3 and 15–17, Phase IA	24 December 2008
2008-84	12,029.61	Blocks 18–21, Phase IA	24 December 2008
2008-85	11,817.73	Blocks 26–29, Phase IA	24 December 2008
2008-86	12,545.59	Blocks 24–25 and 32–34, Phase IA	24 December 2008
Jian 2012-83	35,357.23	Blocks 10–14, 22–23 and 30–31, Phase IA	25 June 2012
2009-86	28,056.80	Blocks 41–43, Phase IA	29 June 2009
2009-130	20,585.00	Block 50, Phase IA	30 August 2009
2009-158	22,648.20	Block 51, Phase IA	9 October 2009
2009-192	13,506.96	Block 56, Phase IA	7 December 2009
Jian 2010-75	10,334.10	Block 45, Phase IA	30 June 2010
Jian 2010-76	22,724.30	Blocks 46–47, Phase IA	30 June 2010
Jian 2010-77	21,605.40	Block 48, Phase IA	30 June 2010
Jian 2010-78	10,334.10	Block 44, Phase IA	30 June 2010
Jian 2010-309	65,086.84	Blocks 53–55, Phase IA	29 December 2010
N/A	21,420.34	Block 52, Phase IA	11 May 2010
2010-310	1,499.92	Relaxing and Culture Plaza	29 December 2010
2011-10	11,827.60	Blocks B3 and C, West Commercial Buildings	11 March 2011
2011-105	18,902.05	Block B, West Commercial Buildings	10 June 2011
2011-106	107,448.08	Blocks 1–3 and 5–6, Phase IB	29 June 2011

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Document No.	Gross Floor Area (sq m)	Location	Date of Issuance
2013-13	101,662.94	Blocks 1, 5-6 and First Commercial Centre, Phase 2D	15 March 2013
Jian 2013-53	134,380.00	Blocks 2-4, Phase 2Da	28 June 2013
Jian 2014-1	159,826.59	Blocks 1-4, Phase 2B	31 December 2013

- (4) Pursuant to the Construction Land Use Planning Permit No. Jing Yang (2006)-36 dated 9 August 2006 issued by Guiyang Planning Bureau, the Development with a site area of approximately 2,935.13 mu was permitted to be developed.
- (5) Pursuant to 2 Construction Engineering Planning Permits issued by Guiyang Planning Bureau, portion of the property was permitted to be constructed. Details are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Jian Zi Di 520000201024693	30 November 2010	81,663.53
Jian Zi Di 520000201024889	14 February 2011	80,787.31

- (6) Pursuant to 3 Construction Works Commencement Permits issued by Guiyang Housing and Urban-Rural Development Committee, the construction works of the property was permitted to be commenced and the details are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
520101201012270201	28 February 2011	30,507.26
520101201012270101	28 February 2011	51,156.27
520101201102220101	9 March 2011	70,584.50

- (7) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB1,054,581,000 and RMB8,755,107,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB21,940,000,000.
- (8) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB79,138,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.
- (9) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guiyang New World Real Estate Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Guiyang New World Real Estate Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged portion of the land use rights of the property;
 - (iii) Guiyang New World Real Estate Co., Ltd. has obtained the State-owned Land Use Rights Certificates. There will be no legal obstacle Guiyang New World Real Estate Co., Ltd. in obtaining the real estate title proof for portion of the property as mentioned in Note (3) after compliance with relevant regulations and procedures;

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- (iv) Guiyang New World Real Estate Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of portion of the property with a total gross floor area of 70,584.50 sq m. Guiyang New World Real Estate Co., Ltd. is entitled to construct such portion of the property according to the relevant permits;
- (v) Guiyang New World Real Estate Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of portion of the property with a construction scale of 81,663.53 sq m and Guiyang New World Real Estate Co., Ltd. is applying for changing the planning. Guiyang New World Real Estate Co., Ltd. is entitled to construct such portions of the property according to the new planning after the new planning has been approved; and
- (vi) Guiyang New World Real Estate Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guiyang New World Real Estate Co., Ltd. in obtaining the building ownership certificate after completion and compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014										
132 Changsha La Ville New World 139 Laodong East Road Yuhua District Changsha Hunan Province The PRC	<p>Changsha La Ville New World (the "Development") is a residential/commercial composite development comprising an irregular-shaped site with an area of approximately 375,515.66 sq m to be completed in phases.</p> <p>Phases I, IIB, IIIA and portion of Phase IIA of the development were complete in 2009, 2012 and 2013 and have been for sale since completion. The remaining portion of Phase IIA of the development is scheduled to complete in June 2014 while Phases IIIB, IIIC and IV are currently pending for development.</p> <p>The property comprises the unsold completed portion of Phases I and the planned Phases II, III and IV. The property will provide the following approximate gross floor areas upon completion:</p> <p style="text-align: right;">Gross Floor Area (sq m)</p> <p>Phases I, IIB, IIIA and portion of IIA</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential</td> <td style="text-align: right;">12,072.84</td> </tr> <tr> <td>Retail</td> <td style="text-align: right;">1,835.69</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: right;">192.32</td> </tr> <tr> <td>Facilities</td> <td style="text-align: right;">_____</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>14,100.85</u></td> </tr> </table>	Residential	12,072.84	Retail	1,835.69	Ancillary	192.32	Facilities	_____		<u>14,100.85</u>	<p>The unsold completed portion of Phases I, IIB, IIIA and portion of Phase IIA of the property is currently vacant. The remaining portion of Phase IIA of the property is scheduled to complete in June 2014 and the remaining portion of the property is pending for development.</p>	<p>RMB1,935,000,000 (47.5% effective interest <i>(note)</i> attributable to the Group: RMB919,125,000)</p>
Residential	12,072.84												
Retail	1,835.69												
Ancillary	192.32												
Facilities	_____												
	<u>14,100.85</u>												

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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PROPERTY VALUATION REPORT

Description and tenure

**Gross Floor
Area**
(sq m)

**The remaining portion of
Phase IIA (Under
development)**

Residential	55,316.00
Commercial	6,004.00
Ancillary	627.64
Facilities	_____
	<u>61,947.64</u>

**Phases IIIB, IIIC & IV
(Planned development)**

Residential	442,516.55
Commercial	41,685.12
Office	20,726.00
Ancillary	6,589.21
Facilities	_____
	<u>511,516.88</u>

The completed portion of the property also comprises 1,251 car parking spaces with a total gross floor area of approximately 52,077.84 sq m.

The remaining portion of Phase IIA of the property which is under development and the planned Phases IIIB, IIIC and IV of the property will also provide approximately 495 and 2,018 car parking spaces with a total gross floor area of approximately 20,870.00 sq m and 83,241.76 sq m respectively upon completion.

The land use rights of the development have been granted for residential use.

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Notes:

- (1) Pursuant to the Business Licence No. 430000400002634 dated 15 June 2012, Hunan Success New Century Investment Company Limited, a subsidiary of the Company, was incorporated with a registered capital of RMB680,000,000.
- (2) Pursuant to 16 State-owned Land Use Rights Certificates issued by Changsha Land Resources Bureau, the land use rights of the Development with a total site area of 375,515.66 sq m were granted to Hunan Success New Century Investment Company Limited for various land use rights terms. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Site Area (sq m)	Land Use and term	Date of Issuance
Chang Guo Yong (2012) 042521	6,805.80	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042522	15,603.49	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042523	35,465.72	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042524	38,138.28	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042525	25,833.90	Commercial: 16 February 2044 Residential: 16 February 2074	24 July 2012
Chang Guo Yong (2012) 042526	63,724.60	Commercial: 16 February 2044 Residential: 16 February 2074	24 July 2012
Chang Guo Yong (2012) 042527	19,899.28	Commercial: 16 February 2044 Residential: 16 February 2074	24 July 2012
Chang Guo Yong (2012) 042528	4,434.64	Commercial: 16 February 2044 Residential: 16 February 2074	24 July 2012
Chang Guo Yong (2012) 042529	26,107.43	Education: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042530	26,441.67	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042531	33,371.75	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042532	4,575.20	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042533	24,362.79	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042534	33,905.93	Commercial: 16 February 2044 Residential: 16 February 2074 Kindergarten: 16 February 2054	24 July 2012
Chang Guo Yong (2012) 042535	10,115.53	Commercial: 16 February 2044	24 July 2012
Chang Guo Yong (2012) 042536	6,729.65	Composite: 16 February 2054	24 July 2012

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- (3) Pursuant to 5 Building Ownership Certificates all by Changsha Housing Administration Bureau, the building ownership of portion of Phase I of the property with a total gross floor area of 431.97 sq m was vested in Hunan Success New Century Investment Company Limited for residential use. Details of the Building Ownership Certificates are as follows:

Certificate No.	Block No.	Gross Floor	
		Area (sq m)	Date of Issuance
Chang Fang Quan Zheng Yu Hua Zi Di 711004882	A7a-307	88.82	10 January 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711005134	B6-1003	92.29	10 January 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711005135	B6-1004	41.31	10 January 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711005230	B6-407	120.18	10 January 2011
Chang Fang Quan Zheng Yu Hua Zi Di 711005635	B8-705	89.37	10 January 2011

- (4) Pursuant to 19 Construction Works Completion Certificates all by Changsha Construction Committee, construction works of portion of the property was completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Block No.	Gross Floor Area (sq m)
2012-Bei 0482#	29 June 2012	1# kindergarten	2,937.58
2013-Bei 463	20 June 2013	2# kindergarten	2,595.59
09-Bei 206	25 June 2009	2# basement	24,843.84
2010-Bei 724#	14 September 2010	9# basement	8,983.02
2013-Bei 461	20 June 2013	A3	14,285.20
2013-Bei 462	20 June 2013	B2	12,924.60
2012-Bei 0442#	15 June 2012	C1	23,651.62
2012-Bei 0443#	15 June 2012	C2	23,499.79
2012-Bei 0444#	15 June 2012	D1	19,028.22
2012-Bei 0445#	15 June 2012	D2	19,028.22
2012-Bei 0446#	15 June 2012	D3	19,028.22
2012-Bei 0447#	15 June 2012	1# basement	17,474.19
2013-Bei 456	20 June 2013	A11	23,799.90
2013-Bei 457	20 June 2013	A12	23,774.31
2013-Bei 458	20 June 2013	A13	23,923.49
2013-Bei 459	20 June 2013	A14	23,774.31
2013-Bei 460	20 June 2013	A15	23,774.31
2012-Bei 1094	21 December 2012	B12	13,462.22
2013-Bei 464	20 June 2013	5# basement	46,739.68

- (5) Pursuant to the Construction Land Use Planning Permit No. Chu (2007) 0003 issued by Changsha Urban-Rural Development Committee dated 22 October 2007, the Development with a site area of approximately 447,521.50 sq m was permitted to be developed.
- (6) Pursuant to the Construction Engineering Planning Permit No. Jian 1 (2010) 0276 issued by Changsha Urban-Rural Planning Bureau dated 18 January 2011, the property with a total gross floor area of 109,797.24 sq m was permitted to be constructed.
- (7) Pursuant to the Construction Works Commencement Permit No. 430101201208130101 issued by Changsha Housing and Urban-Rural Development Committee dated 13 August 2012, the construction works of the property with a total gross floor area of 75,569.24 sq m was permitted to be commenced.

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- (8) Pursuant to 4 Commodity Housing Pre-sale Permits issued by Changsha Housing and Urban-Rural Development Committee, the pre-sale of portion of the property was permitted.

Permit Nos.	Date of Issuance	Gross Floor Area (sq m)
Chang Zhu Jian Wei Shou Xu Zi (2013) Di 0440	22 August 2013	21,316.37
Chang Zhu Jian Wei Shou Xu Zi (2013) Di 0373	8 July 2013	14,217.98
Chang Zhu Jian Wei Shou Xu Zi (2013) Di 0374	8 July 2013	12,695.38
Chang Zhu Jian Wei Shou Xu Zi (2013) Di 0441	22 August 2013	12,690.54

- (9) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB379,864,000 and RMB1,356,755,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB4,729,000,000.
- (10) As advised by the Group, residential portion of the property with a total gross floor area of 38,733.07 sq m have been pre-sold at a total consideration of RMB290,970,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.
- (11) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phase I of the property

- (i) Hunan Success New Century Investment Company Limited has legally obtained the land use rights of the property and the ownership of the building erected thereon. Hunan Success New Century Investment Company Limited is the sole owner of the property;
- (ii) Hunan Success New Century Investment Company Limited is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
- (iii) the property is free from mortgages and other encumbrances.

Phase II, III and IV of the property

- (iv) Hunan Success New Century Investment Company Limited has legally obtained the land use rights of the property. Hunan Success New Century Investment Company Limited is the sole owner of the land use rights of the property;
- (v) portion of the land use rights of the property is subject to mortgages;
- (vi) Hunan Success New Century Investment Company Limited is entitled to transfer, lease, mortgage or in other ways dispose of non-mortgaged portion of the land use rights of the property. Hunan Success New Century Investment Company Limited has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the mortgaged land use rights of the property;
- (vii) Hunan Success New Century Investment Company Limited has obtained the State-owned Land Use Rights Certificates. There will be no legal obstacle Hunan Success New Century Investment Company Limited in obtaining the real estate title proof for portion of the property as mentioned in Note (4) after compliance with relevant regulations and procedures;

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- (viii) Hunan Success New Century Investment Company Limited has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
- (ix) Hunan Success New Century Investment Company Limited has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Hunan Success New Century Investment Company Limited in obtaining the building ownership certificate after completion and compliance with relevant regulations and procedures;
- (x) Hunan Success New Century Investment Company Limited has the rights to pre-sell portion of the property; and
- (xi) the portions of Blocks A1, A2, A11, A12, B1 and B9 of the property can be transferred by Hunan Success New Century Investment Company Limited after obtaining the approval from the mortgagee.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
133 Guangzhou Dong Yi Garden Tianfu Road Tianhe District Guangzhou Guangdong Province The PRC	Guangzhou Dong Yi Garden (the "Development") is planned to develop into a large-scale composite development, comprising a parcel of land with a site area of approximately 61,784.00 sq m. Phases I, II, III and IV of the Development were complete in 1998, 2001, 2002 and 2006 respectively, and had been completely sold since completion. Phase V of the development is currently under development. The property comprises the planned Phase V of the Development, which will provide the following approximate gross floor areas upon completion:	The property is currently under construction and scheduled to be completed in June 2017	RMB296,000,000 (100% interest attributable to the Group: RMB296,000,000)
	Gross Floor Area (sq m)		
	Phase V		
	Residential 22,940.00		
	Ancillary Facilities <u>8,617.00</u>		
	<u><u>31,557.00</u></u>		
	The property will comprise 250 car parking spaces with a total gross floor area of approximately 13,189.00 sq m upon completion.		
	The land use rights of the Development have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from April 1999.		

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Notes:

- (1) Pursuant to the Business Licence No. 440101400067369 dated 9 May 2012, Guangzhou Xin Hua Chen Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB200,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 081 issued by The People's Government of Guangzhou dated 29 April 1999, the land use rights of the Development with a site area of 31,818 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 077 issued by The People's Government of Guangzhou dated 23 April 1999, the land use rights of the Development with a site area of 29,966 sq m were granted to Guangzhou Xin Hua Chen Real Estate Co., Ltd. for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (4) Pursuant to the Construction Land Use Planning Permit No. Sui Gui Di Huan Zheng Zi (1999) Di 106 issued by Guangzhou Urban Planning Bureau dated 30 August 1999, the Development with a site area of approximately 74,560.00 sq m was permitted to be developed.
- (5) Pursuant to the Construction Engineering Planning Permit No. Sui Gui Jian Zheng (2012) 2203 issued by Guangzhou Urban Planning Bureau dated 27 November 2012, the property with a gross floor area of 37,350.00 sq m was permitted to be constructed.
- (6) Pursuant to the Construction Works Commencement Permit No. 440106201304070101 issued by Guangzhou Tianhe District Construction and Water Supplies Bureau dated 7 April 2013, the construction works of the property with a gross floor area of 37,350.00 sq m was permitted to be commenced.
- (7) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB49,129,198 and RMB121,483,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB590,120,000.
- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has legally obtained the land use rights of the property. Guangzhou Xin Hua Chen Real Estate Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Chen Real Estate Co., Ltd. according to relevant laws and regulations;
 - (iii) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Guangzhou Xin Hua Chen Real Estate Co., Ltd. has obtained the State-owned Land Use Rights Certificate, Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guangzhou Xin Hua Chen Real Estate Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
134 Guangzhou New World Oriental Garden Zhongshan Avenue Tianhe District Guangzhou Guangdong Province The PRC	Guangzhou New World Oriental Garden (the "Development") is a 3-phase residential/commercial development comprising two irregular- shaped sites, site no. 2 and site no. 5, with a total site area of approximately 96,378.00 sq m. Phases I to III of the Development were completed from 2002 to 2012 and have been for sale since completion. The property comprises the unsold completed Phase III of the Development with a total gross floor area of 7,853.14 sq m. The land use rights of the Development is held for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses commencing from 2 June 1999.	The property is currently vacant.	RMB251,000,000 (100% interest attributable to the Group: RMB251,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400067336 dated 4 May 2012, Guangzhou Xin Hua Jian Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB244,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (1999) Zi Di Te 102 issued by Guangzhou Land Resources and Housing Administration Bureau dated 4 June 1999, the title to the land use rights of the Development with a site area of 96,378.00 sq m was vested in Guangzhou Xin Hua Jian Real Estate Co., Ltd. for land use rights term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.

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- (3) Pursuant to 61 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the title to portion of the development with a total gross floor area of 7,853.14 sq m was vested in Guangzhou Xin Hua Jian Real Estate Co., Ltd.. Details of the Realty Title Certificates are listed as follows:

Certificate Nos.	Expiry Date	Gross Floor Area (sq m)	Address	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120479461	2 June 2069	82.29	Unit 2605, No. 1 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479467	2 June 2069	82.29	Unit 2505, No. 1 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479470	2 June 2069	82.29	Unit 2405, No. 1 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479485	2 June 2069	82.29	Unit 2205, No. 1 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479382	2 June 2069	121.42	Unit 801, No. 3 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479386	2 June 2069	80.46	Unit 803, No. 3 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479383	2 June 2069	105.08	Unit 804, No. 3 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479384	2 June 2069	82.57	Unit 805, No. 3 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479385	2 June 2069	89.56	Unit 806, No. 3 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479117	2 June 2069	95.17	Unit 1502, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479076	2 June 2069	95.17	Unit 2402, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479113	2 June 2069	106.69	Unit 1501, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479054	2 June 2069	106.69	Unit 3004, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479057	2 June 2069	106.69	Unit 2904, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479058	2 June 2069	81.21	Unit 2903, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479056	2 June 2069	95.17	Unit 2902, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479062	2 June 2069	106.69	Unit 2804, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479118	2 June 2069	97.60	Unit 1506, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479115	2 June 2069	97.60	Unit 1505, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479114	2 June 2069	106.69	Unit 1504, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479116	2 June 2069	81.21	Unit 1503, No. 5 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479110	2 June 2069	106.69	Unit 1604, No. 5 Yizhi Street	Residential	N/A

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Certificate Nos.	Expiry Date	Gross Floor Area (sq m)	Address	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120478645	2 June 2069	125.17	Unit 803, No. 7 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478549	2 June 2069	125.18	Unit 3203, No. 7 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479042	2 June 2069	194.71	Unit 401, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479046	2 June 2069	194.71	Unit 201, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478701	2 June 2069	135.29	Unit 2402, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478702	2 June 2069	127.13	Unit 2403, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478699	2 June 2069	127.13	Unit 2503, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478696	2 June 2069	127.13	Unit 2603, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478693	2 June 2069	127.13	Unit 2703, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478690	2 June 2069	127.13	Unit 2803, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478687	2 June 2069	127.13	Unit 2903, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478683	2 June 2069	135.29	Unit 3002, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478679	2 June 2069	138.61	Unit 3101, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478680	2 June 2069	135.29	Unit 3102, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478681	2 June 2069	127.13	Unit 3103, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478677	2 June 2069	135.29	Unit 3202, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478678	2 June 2069	127.13	Unit 3203, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479044	2 June 2069	194.71	Unit 301, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479040	2 June 2069	194.71	Unit 501, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479034	2 June 2069	194.71	Unit 801, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479033	2 June 2069	163.87	Unit 802, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479010	2 June 2069	194.71	Unit 2001, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479011	2 June 2069	163.87	Unit 2002, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479000	2 June 2069	194.71	Unit 2501, No. 9 Yizhi Street	Residential	N/A

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Certificate Nos.	Expiry Date	Gross Floor Area (sq m)	Address	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120478988	2 June 2069	194.71	Unit 3101, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478989	2 June 2069	163.87	Unit 3102, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478987	2 June 2069	163.87	Unit 3202, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120479030	2 June 2069	194.71	Unit 1001, No. 9 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478741	2 June 2069	127.13	Unit 1103, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478684	2 June 2069	127.13	Unit 3003, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478732	2 June 2069	127.13	Unit 1403, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478729	2 June 2069	127.13	Unit 1503, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478726	2 June 2069	127.13	Unit 1603, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478720	2 June 2069	127.13	Unit 1803, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478717	2 June 2069	127.13	Unit 1903, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478714	2 June 2069	127.13	Unit 2003, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478716	2 June 2069	135.29	Unit 2102, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478711	2 June 2069	127.13	Unit 2103, No. 11 Yizhi Street	Residential	N/A
Yue Fang Di Quan Zheng Sui Zi Di 0120478705	2 June 2069	127.13	Unit 2303, No. 11 Yizhi Street	Residential	N/A

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Hua Jian Real Estate Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Hua Jian Real Estate Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Hua Jian Real Estate Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
135 Guangzhou Central Park-view Pearl River New Town Guangzhou Guangdong Province The PRC	<p>Guangzhou Central Park-view (the "Development") is a massive residential/commercial composite development comprising 12 parcels of adjoining sites (Lot Nos. L4-1 to L4-3, L4-5, L8-1 to L8-4 and L13-1 to L13-4) with a total site area of approximately 96,899.00 sq m.</p> <p>Phases I and II of the Development was complete in 2004 and 2012 respectively and has been for sale since completion.</p> <p>The property comprises the unsold completed portion of Phases I and II of the Development with a total gross floor area of 37,061.58 sq m.</p> <p>The land use rights of the Development have been granted for terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.</p>	The property is currently vacant	RMB2,591,000,000 (90.5% interest attributable to the Group: RMB2,344,855,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400010846 dated 2 September 2009, Guangzhou Xin Yi Development Limited, a subsidiary of the Company, was incorporated with a registered capital of HK\$286,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (2009) Di 1100048 issued by Guangzhou Land Resources and Housing Administration Bureau dated 2 June 2009, the land use rights of the Development with a site area of 96,899.00 sq m were granted to Guangzhou Xin Yi Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.

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- (3) Pursuant to 170 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the title to portion of the property with a gross floor area of 37,061.577 sq m were vested in Guangzhou Xin Yi Development Limited. Details of the Realty Title Certificates are as follows:

Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
05 Deng Ji Zi 81123	7 June 2069	92.557	No. 18 Qing Feng North Street	1803	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365187	7 June 2069	279.28	No. 23, Qing Feng South Street	1201	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120364924	7 June 2069	279.55	No. 21, Qing Feng South Street	1401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120364947	7 June 2069	299.87	No. 19, Qing Feng South Street	1601	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120364898	7 June 2069	179.79	No. 17, Qing Feng South Street	1803	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365121	7 June 2069	280.40	No. 13, Qing Feng South Street	301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365122	7 June 2069	304.11	No. 13 Qing Feng South Street	302	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365117	7 June 2069	280.40	No. 13, Qing Feng South Street	401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365119	7 June 2069	195.14	No. 13, Qing Feng South Street	404	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365114	7 June 2069	195.14	No. 13, Qing Feng South Street	504	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365099	7 June 2069	195.41	No. 13, Qing Feng South Street	904	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365030	7 June 2069	195.41	No. 13, Qing Feng South Street	1804	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365025	7 June 2069	195.41	No. 13, Qing Feng South Street	1904	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365022	7 June 2069	195.41	No. 13, Qing Feng South Street	2004	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365017	7 June 2069	195.41	No. 13, Qing Feng South Street	2104	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365015	7 June 2069	195.41	No. 13, Qing Feng South Street	2203	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365014	7 June 2069	195.41	No. 13, Qing Feng South Street	2204	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365010	7 June 2069	195.41	No. 13, Qing Feng South Street	2303	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365009	7 June 2069	195.41	No. 13, Qing Feng South Street	2304	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365007	7 June 2069	195.54	No. 13, Qing Feng South Street	2403	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365006	7 June 2069	195.54	No. 13, Qing Feng South Street	2404	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120364973	7 June 2069	415.77	No. 13, Qing Feng South Street	2501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365001	7 June 2069	196.62	No. 13, Qing Feng South Street	2504	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120364971	7 June 2069	196.62	No. 13, Qing Feng South Street	2603	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120364972	7 June 2069	196.62	No. 13, Qing Feng South Street	2604	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365335	7 June 2069	304.11	No. 11, Qing Feng South Street	301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365336	7 June 2069	280.40	No. 11, Qing Feng South Street	302	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365338	7 June 2069	195.14	No. 11, Qing Feng South Street	303	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365337	7 June 2069	195.14	No. 11, Qing Feng South Street	304	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365331	7 June 2069	304.11	No. 11, Qing Feng South Street	401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365334	7 June 2069	280.40	No. 11, Qing Feng South Street	402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365333	7 June 2069	195.14	No. 11, Qing Feng South Street	403	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365332	7 June 2069	195.14	No. 11, Qing Feng South Street	404	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365327	7 June 2069	304.11	No. 11, Qing Feng South Street	501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365330	7 June 2069	280.40	No. 11, Qing Feng South Street	502	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365328	7 June 2069	195.14	No. 11, Qing Feng South Street	503	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365329	7 June 2069	195.14	No. 11, Qing Feng South Street	504	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365325	7 June 2069	195.14	No. 11, Qing Feng South Street	603	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365315	7 June 2069	304.65	No. 11, Qing Feng South Street	801	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365317	7 June 2069	280.79	No. 11, Qing Feng South Street	802	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365318	7 June 2069	195.41	No. 11, Qing Feng South Street	803	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365316	7 June 2069	195.41	No. 11, Qing Feng South Street	804	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365291	7 June 2069	304.65	No. 11, Qing Feng South Street	1401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365292	7 June 2069	280.79	No. 11, Qing Feng South Street	1402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365294	7 June 2069	195.41	No. 11, Qing Feng South Street	1403	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365293	7 June 2069	195.41	No. 11, Qing Feng South Street	1404	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365287	7 June 2069	304.65	No. 11, Qing Feng South Street	1501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365290	7 June 2069	280.79	No. 11, Qing Feng South Street	1502	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365289	7 June 2069	195.41	No. 11, Qing Feng South Street	1503	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365288	7 June 2069	195.41	No. 11, Qing Feng South Street	1504	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365255	7 June 2069	304.65	No. 11, Qing Feng South Street	1801	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365258	7 June 2069	280.79	No. 11, Qing Feng South Street	1802	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365256	7 June 2069	195.41	No. 11, Qing Feng South Street	1803	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365257	7 June 2069	195.41	No. 11, Qing Feng South Street	1804	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365254	7 June 2069	280.79	No. 11, Qing Feng South Street	1902	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365243	7 June 2069	304.65	No. 11, Qing Feng South Street	2101	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365246	7 June 2069	280.79	No. 11, Qing Feng South Street	2102	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365244	7 June 2069	195.41	No. 11, Qing Feng South Street	2103	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365245	7 June 2069	195.41	No. 11, Qing Feng South Street	2104	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365242	7 June 2069	280.79	No. 11, Qing Feng South Street	2202	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365240	7 June 2069	195.41	No. 11, Qing Feng South Street	2203	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365241	7 June 2069	195.41	No. 11, Qing Feng South Street	2204	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365235	7 June 2069	304.65	No. 11, Qing Feng South Street	2301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365236	7 June 2069	195.41	No. 11, Qing Feng South Street	2303	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365237	7 June 2069	195.41	No. 11, Qing Feng South Street	2304	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365232	7 June 2069	195.54	No. 11, Qing Feng South Street	2403	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365233	7 June 2069	195.54	No. 11, Qing Feng South Street	2404	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365229	7 June 2069	428.32	No. 11, Qing Feng South Street	2501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365227	7 June 2069	415.77	No. 11, Qing Feng South Street	2502	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365228	7 June 2069	196.62	No. 11, Qing Feng South Street	2503	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365230	7 June 2069	196.62	No. 11, Qing Feng South Street	2504	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365226	7 June 2069	196.62	No. 11, Qing Feng South Street	2603	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365225	7 June 2069	196.62	No. 11, Qing Feng South Street	2604	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365300	7 June 2069	280.79	No. 11, Qing Feng South Street	1202	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365299	7 June 2069	304.65	No. 11, Qing Feng South Street	1201	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365234	7 June 2069	280.79	No. 11, Qing Feng South Street	2402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365231	7 June 2069	304.65	No. 11, Qing Feng South Street	2401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365326	7 June 2069	280.40	No. 11, Qing Feng South Street	602	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365166	7 June 2069	207.08	No. 9, Qing Feng South Street	301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365167	7 June 2069	224.00	No. 9, Qing Feng South Street	302	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365161	7 June 2069	207.08	No. 9, Qing Feng South Street	401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365165	7 June 2069	224.00	No. 9, Qing Feng South Street	402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365159	7 June 2069	207.08	No. 9, Qing Feng South Street	501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365160	7 June 2069	224.00	No. 9, Qing Feng South Street	502	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365157	7 June 2069	207.08	No. 9, Qing Feng South Street	601	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365158	7 June 2069	224.00	No. 9, Qing Feng South Street	602	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365155	7 June 2069	207.08	No. 9, Qing Feng South Street	701	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365156	7 June 2069	224.00	No. 9, Qing Feng South Street	702	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365149	7 June 2069	244.67	No. 9, Qing Feng South Street	1001	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365150	7 June 2069	259.07	No. 9, Qing Feng South Street	1002	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365147	7 June 2069	244.67	No. 9, Qing Feng South Street	1101	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365148	7 June 2069	259.07	No. 9, Qing Feng South Street	1102	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365141	7 June 2069	244.67	No. 9, Qing Feng South Street	1401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365142	7 June 2069	259.07	No. 9, Qing Feng South Street	1402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365138	7 June 2069	251.59	No. 9, Qing Feng South Street	1602	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365135	7 June 2069	207.08	No. 9, Qing Feng South Street	1701	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365136	7 June 2069	224.00	No. 9, Qing Feng South Street	1702	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365133	7 June 2069	207.08	No. 9, Qing Feng South Street	1801	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365134	7 June 2069	224.00	No. 9, Qing Feng South Street	1802	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365125	7 June 2069	244.67	No. 9, Qing Feng South Street	2201	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365126	7 June 2069	259.07	No. 9, Qing Feng South Street	2202	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365280	7 June 2069	225.18	No. 7, Qing Feng South Street	301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365281	7 June 2069	198.15	No. 7, Qing Feng South Street	302	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365282	7 June 2069	179.79	No. 7, Qing Feng South Street	303	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365278	7 June 2069	179.79	No. 7, Qing Feng South Street	403	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365275	7 June 2069	179.79	No. 7, Qing Feng South Street	503	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365272	7 June 2069	179.79	No. 7, Qing Feng South Street	603	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365269	7 June 2069	179.79	No. 7, Qing Feng South Street	703	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365266	7 June 2069	179.79	No. 7, Qing Feng South Street	803	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365263	7 June 2069	179.79	No. 7, Qing Feng South Street	903	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365207	7 June 2069	179.79	No. 7, Qing Feng South Street	1003	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365204	7 June 2069	179.79	No. 7, Qing Feng South Street	1103	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365192	7 June 2069	179.79	No. 7, Qing Feng South Street	1503	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365168	7 June 2069	259.07	No. 7, Qing Feng South Street	2201	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365277	7 June 2069	225.18	No. 7, Qing Feng South Street	401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365279	7 June 2069	198.15	No. 7, Qing Feng South Street	402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365274	7 June 2069	225.18	No. 7, Qing Feng South Street	501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365264	7 June 2069	236.92	No. 7, Qing Feng South Street	902	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365185	7 June 2069	252.77	No. 7, Qing Feng South Street	1601	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365190	7 June 2069	179.79	No. 7, Qing Feng South Street	1603	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365354	7 June 2069	171.82	No. 5, Qing Feng South Street	1402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365403	7 June 2069	199.21	No. 5, Qing Feng South Street	301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365404	7 June 2069	171.75	No. 5, Qing Feng South Street	302	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365401	7 June 2069	199.07	No. 5, Qing Feng South Street	401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365402	7 June 2069	171.75	No. 5, Qing Feng South Street	402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365351	7 June 2069	198.98	No. 5, Qing Feng South Street	1501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365352	7 June 2069	172.80	No. 5, Qing Feng South Street	1502	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365350	7 June 2069	299.87	No. 5, Qing Feng South Street	1601	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365377	7 June 2069	180.00	No. 3, Qing Feng South Street	301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365378	7 June 2069	172.89	No. 3, Qing Feng South Street	302	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365375	7 June 2069	180.00	No. 3, Qing Feng South Street	401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365376	7 June 2069	172.89	No. 3, Qing Feng South Street	402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365373	7 June 2069	180.00	No. 3, Qing Feng South Street	501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365374	7 June 2069	172.89	No. 3, Qing Feng South Street	502	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365371	7 June 2069	180.00	No. 3, Qing Feng South Street	601	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365372	7 June 2069	172.89	No. 3, Qing Feng South Street	602	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365349	7 June 2069	180.00	No. 3, Qing Feng South Street	701	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365370	7 June 2069	172.89	No. 3, Qing Feng South Street	702	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365347	7 June 2069	180.00	No. 3, Qing Feng South Street	801	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365348	7 June 2069	172.89	No. 3, Qing Feng South Street	802	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365345	7 June 2069	180.00	No. 3, Qing Feng South Street	901	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365346	7 June 2069	172.89	No. 3, Qing Feng South Street	902	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365343	7 June 2069	180.00	No. 3, Qing Feng South Street	1001	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365344	7 June 2069	172.89	No. 3, Qing Feng South Street	1002	Residential	N/A

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Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365342	7 June 2069	180.00	No. 3, Qing Feng South Street	1101	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365341	7 June 2069	172.89	No. 3, Qing Feng South Street	1102	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365339	7 June 2069	180.00	No. 3, Qing Feng South Street	1201	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365340	7 June 2069	173.27	No. 3, Qing Feng South Street	1202	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365163	7 June 2069	180.00	No. 3, Qing Feng South Street	1301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365164	7 June 2069	174.41	No. 3, Qing Feng South Street	1302	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365162	7 June 2069	279.55	No. 3, Qing Feng South Street	1401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365396	7 June 2069	180.00	No. 1, Qing Feng South Street	301	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365397	7 June 2069	185.23	No. 1, Qing Feng South Street	302	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365394	7 June 2069	180.00	No. 1, Qing Feng South Street	401	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365395	7 June 2069	185.23	No. 1, Qing Feng South Street	402	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365392	7 June 2069	180.00	No. 1, Qing Feng South Street	501	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365393	7 June 2069	185.23	No. 1, Qing Feng South Street	502	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365390	7 June 2069	180.00	No. 1, Qing Feng South Street	601	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365391	7 June 2069	185.23	No. 1, Qing Feng South Street	602	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365388	7 June 2069	180.00	No. 1, Qing Feng South Street	701	Residential	N/A

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PROPERTY VALUATION REPORT

Certificate No.	Expiry Date	Gross floor area (sq m)	Address	Unit	Use	Date of Issuance
Yue Fang Di Quan Zhang Sui Zi Di 0120365389	7 June 2069	185.23	No. 1, Qing Feng South Street	702	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365386	7 June 2069	180.00	No. 1, Qing Feng South Street	801	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365387	7 June 2069	185.23	No. 1, Qing Feng South Street	802	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365384	7 June 2069	180.00	No. 1, Qing Feng South Street	901	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365385	7 June 2069	185.23	No. 1, Qing Feng South Street	902	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365382	7 June 2069	180.00	No. 1, Qing Feng South Street	1001	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365383	7 June 2069	185.23	No. 1, Qing Feng South Street	1002	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365380	7 June 2069	180.00	No. 1, Qing Feng South Street	1101	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365381	7 June 2069	186.32	No. 1, Qing Feng South Street	1102	Residential	N/A
Yue Fang Di Quan Zhang Sui Zi Di 0120365379	7 June 2069	279.28	No. 1, Qing Feng South Street	1201	Residential	N/A

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Guangzhou Xin Yi Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Yi Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Yi Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014																
136 Guangzhou Covent Garden Fangcun Road West Liwan District Guangzhou Guangdong Province The PRC	<p>Guangzhou Covent Garden (the "Development") is a residential/commercial composite development to be constructed in phases. The Development is erected on three parcels of adjoining site with a total site area of approximately 311,652.00 sq m.</p> <p>Phases IA, IB(1), IID-G and IIC of the development were completed in 2005 to 2013. Phases IB(2), IC and IE are currently under development, and the remaining phases of the development are pending for future development.</p> <p>The property comprises the unsold completed portion, the portion that is under development and the planned remaining phases of the Development. The property will comprise the following approximate gross floor areas upon completion:</p>	Phases IB(2), IC and Phase IE of the property are under development and the remaining portion of the property is currently vacant.	RMB5,823,000,000 (100% interest attributable to the Group: RMB5,823,000,000)																
	<p>Gross Floor Area (sq m)</p> <p>Phases IA, IB(1), IID-G and IIC</p> <table> <tr> <td>Residential</td> <td style="text-align: right;">35,698.09</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: right;">43,349.15</td> </tr> <tr> <td>Facilities</td> <td style="text-align: right;">_____</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>79,047.24</u></td> </tr> </table> <p>Phases IB(2), IC and IE</p> <table> <tr> <td>Residential</td> <td style="text-align: right;">370,845.32</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: right;">2,288.40</td> </tr> <tr> <td>Facilities</td> <td style="text-align: right;">_____</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>373,133.72</u></td> </tr> </table>	Residential	35,698.09	Ancillary	43,349.15	Facilities	_____		<u>79,047.24</u>	Residential	370,845.32	Ancillary	2,288.40	Facilities	_____		<u>373,133.72</u>		
Residential	35,698.09																		
Ancillary	43,349.15																		
Facilities	_____																		
	<u>79,047.24</u>																		
Residential	370,845.32																		
Ancillary	2,288.40																		
Facilities	_____																		
	<u>373,133.72</u>																		

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PROPERTY VALUATION REPORT

Description and tenure

Gross Floor
Area
(sq m)

Planned Remaining

Phases	
Residential	319,094.75
Retail	38,587.00
Ancillary Facilities	22,878.44
	380,560.19

The property will comprise 505 car parking spaces with a total gross floor area of approximate 28,315.00 sq m upon the completion of the remaining phases. The land use rights of the development have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.

Notes:

- (1) Pursuant to the Business Licence No. 440101400034434 dated 27 June 2013, Guangzhou Fong Chuen New World Property Development Co., Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB330,000,000.

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PROPERTY VALUATION REPORT

- (2) Pursuant to 3 State-owned Land Use Rights Certificates issued by The People's Government of Guangzhou, the land use rights of the Development with total site area of 311,652.00 sq m were granted to Guangzhou Fong Chuen New World Property Development Co., Limited for land use rights terms of 40 years for commercial, recreational service, 50 years for other use and 70 years for residential uses respectively. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (2010) Di 01100094	City and township residential	40 years for commercial, recreational service, 50 years for other use and 70 years for residential uses respectively, commenced from 21 June 1999.	105,881.00	30 December 2010
Sui Fu Guo Yong (1999) Di Te 110	Composite	40 years for commercial, 50 years for others and 70 years for residential uses respectively.	134,960.00	21 June 1999
Sui Fu Guo Yong (1999) Di Te 109	Composite	40 years for commercial, 50 years for others and 70 years for residential uses respectively.	70,811.00	21 June 1999

- (3) Pursuant to 151 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area of 26,815.95 sq m was vested in Guangzhou Fong Chuen New World Property Development Co., Limited. Details of the Realty Title Certificates are as follows:

Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491523	70 years from 21 June 1999	207.90	Unit 2004, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491530	70 years from 21 June 1999	69.80	Unit 1802, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491529	70 years from 21 June 1999	107.77	Unit 1801, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491528	70 years from 21 June 1999	69.80	Unit 1902, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491527	70 years from 21 June 1999	210.12	Unit 1904, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491526	70 years from 21 June 1999	231.95	Unit 1903, No. 168 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491525	70 years from 21 June 1999	107.77	Unit 1901, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491524	70 years from 21 June 1999	239.85	Unit 2003, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491493	70 years from 21 June 1999	122.48	Unit 902, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491591	70 years from 21 June 1999	216.14	Unit 303, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491507	70 years from 21 June 1999	219.97	Unit 604, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491505	70 years from 21 June 1999	212.19	Unit 603, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491503	70 years from 21 June 1999	217.02	Unit 703, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491502	70 years from 21 June 1999	219.97	Unit 704, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491499	70 years from 21 June 1999	219.97	Unit 804, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491495	70 years from 21 June 1999	209.35	Unit 903, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491494	70 years from 21 June 1999	219.97	Unit 904, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491486	70 years from 21 June 1999	219.97	Unit 1104, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491485	70 years from 21 June 1999	122.48	Unit 1102, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491483	70 years from 21 June 1999	219.97	Unit 1204, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491482	70 years from 21 June 1999	122.48	Unit 1202, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491481	70 years from 21 June 1999	211.85	Unit 1203, No. 164 Yicai Road	Residential	9 October 2013

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PROPERTY VALUATION REPORT

Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491479	70 years from 21 June 1999	209.35	Unit 1303, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491478	70 years from 21 June 1999	219.97	Unit 1304, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491491	70 years from 21 June 1999	219.97	Unit 1004, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491489	70 years from 21 June 1999	209.35	Unit 1003, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491487	70 years from 21 June 1999	214.11	Unit 1103, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491477	70 years from 21 June 1999	122.48	Unit 1302, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491474	70 years from 21 June 1999	219.97	Unit 1404, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491473	70 years from 21 June 1999	122.48	Unit 1402, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491472	70 years from 21 June 1999	217.02	Unit 1403, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491471	70 years from 21 June 1999	219.97	Unit 1504, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491470	70 years from 21 June 1999	217.02	Unit 1503, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491590	70 years from 21 June 1999	239.85	Unit 302, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491589	70 years from 21 June 1999	177.57	Unit 301, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491588	70 years from 21 June 1999	69.80	Unit 402, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491587	70 years from 21 June 1999	208.35	Unit 404, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491586	70 years from 21 June 1999	233.83	Unit 403, No. 168 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491585	70 years from 21 June 1999	107.77	Unit 401, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491584	70 years from 21 June 1999	69.80	Unit 502, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491583	70 years from 21 June 1999	237.92	Unit 503, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491582	70 years from 21 June 1999	208.35	Unit 504, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491581	70 years from 21 June 1999	107.77	Unit 501, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491580	70 years from 21 June 1999	69.80	Unit 602, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491579	70 years from 21 June 1999	233.83	Unit 603, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491573	70 years from 21 June 1999	107.77	Unit 701, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491572	70 years from 21 June 1999	69.80	Unit 802, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491571	70 years from 21 June 1999	239.85	Unit 803, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491570	70 years from 21 June 1999	214.11	Unit 804, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491569	70 years from 21 June 1999	107.77	Unit 801, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491578	70 years from 21 June 1999	213.29	Unit 604, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491577	70 years from 21 June 1999	107.77	Unit 601, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491576	70 years from 21 June 1999	233.83	Unit 703, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491575	70 years from 21 June 1999	211.06	Unit 704, No. 168 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491574	70 years from 21 June 1999	69.80	Unit 702, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491565	70 years from 21 June 1999	107.77	Unit 901, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491564	70 years from 21 June 1999	210.12	Unit 1004, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491563	70 years from 21 June 1999	107.77	Unit 1001, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491562	70 years from 21 June 1999	231.95	Unit 1003, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491561	70 years from 21 June 1999	69.80	Unit 1002, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491560	70 years from 21 June 1999	213.29	Unit 1104, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491559	70 years from 21 June 1999	237.01	Unit 1103, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491568	70 years from 21 June 1999	231.95	Unit 903, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491567	70 years from 21 June 1999	214.11	Unit 904, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491566	70 years from 21 June 1999	69.80	Unit 902, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491554	70 years from 21 June 1999	234.76	Unit 1203, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491553	70 years from 21 June 1999	107.77	Unit 1201, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491552	70 years from 21 June 1999	216.14	Unit 1304, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491551	70 years from 21 June 1999	231.95	Unit 1303, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491376	70 years from 21 June 1999	214.11	Unit 1804, No. 166 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491375	70 years from 21 June 1999	208.24	Unit 1803, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491558	70 years from 21 June 1999	69.80	Unit 1102, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491557	70 years from 21 June 1999	107.77	Unit 1101, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491556	70 years from 21 June 1999	69.80	Unit 1202, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491555	70 years from 21 June 1999	208.35	Unit 1204, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491370	70 years from 21 June 1999	122.48	Unit 1902, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491368	70 years from 21 June 1999	213.29	Unit 2004, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491367	70 years from 21 June 1999	213.19	Unit 2003, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491446	70 years from 21 June 1999	122.48	Unit 2002, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491519	70 years from 21 June 1999	219.97	Unit 304, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491517	70 years from 21 June 1999	217.03	Unit 303, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491374	70 years from 21 June 1999	122.48	Unit 1802, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491373	70 years from 21 June 1999	122.48	Unit 1801, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491372	70 years from 21 June 1999	208.32	Unit 1903, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491371	70 years from 21 June 1999	210.12	Unit 1904, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491469	70 years from 21 June 1999	122.48	Unit 1502, No. 164 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491467	70 years from 21 June 1999	219.97	Unit 1604, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491466	70 years from 21 June 1999	211.14	Unit 1603, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491465	70 years from 21 June 1999	122.48	Unit 1602, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491463	70 years from 21 June 1999	215.13	Unit 1703, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491516	70 years from 21 June 1999	122.48	Unit 302, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491515	70 years from 21 June 1999	219.97	Unit 404, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491513	70 years from 21 June 1999	214.11	Unit 403, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491511	70 years from 21 June 1999	208.94	Unit 503, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491510	70 years from 21 June 1999	219.97	Unit 504, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491457	70 years from 21 June 1999	122.48	Unit 1802, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491455	70 years from 21 June 1999	211.14	Unit 1903, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491454	70 years from 21 June 1999	219.97	Unit 1904, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491451	70 years from 21 June 1999	219.97	Unit 2004, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491450	70 years from 21 June 1999	217.02	Unit 2003, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491522	70 years from 21 June 1999	69.80	Unit 2002, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491521	70 years from 21 June 1999	107.77	Unit 2001, No. 168 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491461	70 years from 21 June 1999	122.48	Unit 1702, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491459	70 years from 21 June 1999	219.97	Unit 1804, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491458	70 years from 21 June 1999	211.14	Unit 1803, No. 164 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491428	70 years from 21 June 1999	204.32	Unit 504, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491427	70 years from 21 June 1999	216.14	Unit 503, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491420	70 years from 21 June 1999	213.29	Unit 704, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491419	70 years from 21 June 1999	210.02	Unit 703, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491416	70 years from 21 June 1999	214.19	Unit 803, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491415	70 years from 21 June 1999	211.29	Unit 804, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491436	70 years from 21 June 1999	208.36	Unit 304, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491435	70 years from 21 June 1999	210.94	Unit 303, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491432	70 years from 21 June 1999	208.24	Unit 403, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491431	70 years from 21 June 1999	216.14	Unit 404, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491399	70 years from 21 June 1999	216.14	Unit 1204, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491395	70 years from 21 June 1999	208.35	Unit 1304, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491392	70 years from 21 June 1999	122.48	Unit 1402, No. 166 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491390	70 years from 21 June 1999	207.80	Unit 1403, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491388	70 years from 21 June 1999	213.29	Unit 1504, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491386	70 years from 21 June 1999	211.28	Unit 1503, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491412	70 years from 21 June 1999	216.14	Unit 904, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491408	70 years from 21 June 1999	210.02	Unit 1003, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491404	70 years from 21 June 1999	207.90	Unit 1104, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491403	70 years from 21 June 1999	216.14	Unit 1103, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491550	70 years from 21 June 1999	69.80	Unit 1302, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491549	70 years from 21 June 1999	107.77	Unit 1301, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491548	70 years from 21 June 1999	69.80	Unit 1402, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491544	70 years from 21 June 1999	208.35	Unit 1504, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491547	70 years from 21 June 1999	204.32	Unit 1404, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491384	70 years from 21 June 1999	211.06	Unit 1604, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491383	70 years from 21 June 1999	216.14	Unit 1603, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491382	70 years from 21 June 1999	122.48	Unit 1602, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491380	70 years from 21 June 1999	207.80	Unit 1703, No. 166 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491379	70 years from 21 June 1999	214.11	Unit 1704, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491378	70 years from 21 June 1999	122.48	Unit 1702, No. 166 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491543	70 years from 21 June 1999	231.95	Unit 1503, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491542	70 years from 21 June 1999	69.80	Unit 1502, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491541	70 years from 21 June 1999	107.77	Unit 1501, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491540	70 years from 21 June 1999	69.80	Unit 1602, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491539	70 years from 21 June 1999	213.29	Unit 1604, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491538	70 years from 21 June 1999	231.95	Unit 1603, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491546	70 years from 21 June 1999	239.85	Unit 1403, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491545	70 years from 21 June 1999	107.77	Unit 1401, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491535	70 years from 21 June 1999	237.01	Unit 1703, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491534	70 years from 21 June 1999	69.80	Unit 1702, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491533	70 years from 21 June 1999	107.77	Unit 1701, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491532	70 years from 21 June 1999	216.14	Unit 1804, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491531	70 years from 21 June 1999	234.76	Unit 1803, No. 168 Yicai Road	Residential	9 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120491537	70 years from 21 June 1999	107.77	Unit 1601, No. 168 Yicai Road	Residential	9 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120491536	70 years from 21 June 1999	211.28	Unit 1704, No. 168 Yicai Road	Residential	9 October 2013

- (4) Pursuant to 101 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area of 11,711.54 sq m was vested in Guangzhou Fong Chuen New World Property Development Co., Limited. Details of the Realty Title Certificates are as follows:

Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120492755	70 years from 21 June 1999	85.06	Unit 1504, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493058	70 years from 21 June 1999	138.36	Unit 306, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493040	70 years from 21 June 1999	132	Unit 406, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493043	70 years from 21 June 1999	137.10	Unit 506, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493034	70 years from 21 June 1999	137.10	Unit 606, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493030	70 years from 21 June 1999	138.36	Unit 706, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493015	70 years from 21 June 1999	139.12	Unit 906, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493335	70 years from 21 June 1999	133.45	Unit 3201, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493336	70 years from 21 June 1999	91.63	Unit 3202, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493340	70 years from 21 June 1999	87.90	Unit 3203, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493339	70 years from 21 June 1999	131.29	Unit 3205, No. 8 Yifeng Road	Residential	14 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120493341	70 years from 21 June 1999	136.20	Unit 3206, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493334	70 years from 21 June 1999	131.29	Unit 3305, No. 8 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492835	70 years from 21 June 1999	135.76	Unit 101, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492841	70 years from 21 June 1999	127.09	Unit 105, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492830	70 years from 21 June 1999	136.68	Unit 201, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492834	70 years from 21 June 1999	88.56	Unit 203, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492826	70 years from 21 June 1999	84.67	Unit 305, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492827	70 years from 21 June 1999	133.85	Unit 306, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492819	70 years from 21 June 1999	133.73	Unit 406, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492792	70 years from 21 June 1999	91.98	Unit 903, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492780	70 years from 21 June 1999	132.25	Unit 1106, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492770	70 years from 21 June 1999	136.03	Unit 1201, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492773	70 years from 21 June 1999	133.73	Unit 1206, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492769	70 years from 21 June 1999	127.09	Unit 1306, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492758	70 years from 21 June 1999	129.39	Unit 1401, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492762	70 years from 21 June 1999	132.25	Unit 1406, No. 6 Yifeng Road	Residential	14 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120492752	70 years from 21 June 1999	136.68	Unit 1501, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492753	70 years from 21 June 1999	91.85	Unit 1502, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492749	70 years from 21 June 1999	134.29	Unit 1606, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492745	70 years from 21 June 1999	133.73	Unit 1706, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492734	70 years from 21 June 1999	136.03	Unit 1801, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492739	70 years from 21 June 1999	84.67	Unit 1805, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492738	70 years from 21 June 1999	127.09	Unit 1806, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492728	70 years from 21 June 1999	134.45	Unit 1901, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492721	70 years from 21 June 1999	133.73	Unit 2106, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492710	70 years from 21 June 1999	135.76	Unit 2201, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492708	70 years from 21 June 1999	134.29	Unit 2306, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492698	70 years from 21 June 1999	129.39	Unit 2401, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492702	70 years from 21 June 1999	84.67	Unit 2405, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492701	70 years from 21 June 1999	133.36	Unit 2406, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492692	70 years from 21 June 1999	129.39	Unit 2501, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492697	70 years from 21 June 1999	133.36	Unit 2506, No. 6 Yifeng Road	Residential	14 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120492686	70 years from 21 June 1999	136.15	Unit 2601, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492691	70 years from 21 June 1999	84.67	Unit 2605, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492690	70 years from 21 June 1999	134.29	Unit 2606, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492680	70 years from 21 June 1999	129.39	Unit 2701, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492681	70 years from 21 June 1999	91.85	Unit 2702, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492682	70 years from 21 June 1999	91.98	Unit 2703, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492683	70 years from 21 June 1999	85.06	Unit 2704, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492685	70 years from 21 June 1999	84.67	Unit 2705, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492684	70 years from 21 June 1999	127.09	Unit 2706, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492674	70 years from 21 June 1999	140.87	Unit 2801, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492675	70 years from 21 June 1999	91.85	Unit 2802, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492679	70 years from 21 June 1999	87.98	Unit 2804, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492678	70 years from 21 June 1999	84.67	Unit 2805, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492677	70 years from 21 June 1999	132.05	Unit 2806, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492668	70 years from 21 June 1999	133.99	Unit 2901, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492669	70 years from 21 June 1999	91.85	Unit 2902, No. 6 Yifeng Road	Residential	14 October 2013

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Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120492672	70 years from 21 June 1999	88.31	Unit 2903, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492670	70 years from 21 June 1999	87.74	Unit 2904, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492671	70 years from 21 June 1999	84.67	Unit 2905, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492673	70 years from 21 June 1999	131.59	Unit 2906, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492647	70 years from 21 June 1999	133.99	Unit 3001, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492648	70 years from 21 June 1999	91.85	Unit 3002, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492665	70 years from 21 June 1999	88.31	Unit 3003, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492649	70 years from 21 June 1999	87.74	Unit 3004, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492667	70 years from 21 June 1999	84.67	Unit 3005, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492666	70 years from 21 June 1999	131.59	Unit 3006, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492663	70 years from 21 June 1999	140.18	Unit 3101, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492664	70 years from 21 June 1999	91.85	Unit 3102, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492650	70 years from 21 June 1999	88.31	Unit 3103, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492644	70 years from 21 June 1999	87.74	Unit 3104, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492646	70 years from 21 June 1999	84.67	Unit 3105, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492645	70 years from 21 June 1999	131.59	Unit 3106, No. 6 Yifeng Road	Residential	14 October 2013

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PROPERTY VALUATION REPORT

Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120492657	70 years from 21 June 1999	133.99	Unit 3201, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492658	70 years from 21 June 1999	91.85	Unit 3202, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492659	70 years from 21 June 1999	88.31	Unit 3203, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492662	70 years from 21 June 1999	87.74	Unit 3204, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492661	70 years from 21 June 1999	84.67	Unit 3205, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492660	70 years from 21 June 1999	131.59	Unit 3206, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492651	70 years from 21 June 1999	133.99	Unit 3301, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492652	70 years from 21 June 1999	91.85	Unit 3302, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492655	70 years from 21 June 1999	88.31	Unit 3303, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492653	70 years from 21 June 1999	87.74	Unit 3304, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492654	70 years from 21 June 1999	84.67	Unit 3305, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492656	70 years from 21 June 1999	131.59	Unit 3306, No. 6 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493210	70 years from 21 June 1999	133.92	Unit 2006, No. 4 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493202	70 years from 21 June 1999	133.92	Unit 2106, No. 4 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493124	70 years from 21 June 1999	131.13	Unit 3106, No. 4 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493108	70 years from 21 June 1999	133.53	Unit 3301, No. 4 Yifeng Road	Residential	14 October 2013

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PROPERTY VALUATION REPORT

Certificate No.	Expiry Date	Gross Floor Area (sq m)	Portion	Use	Date of Issuance
Yue Fang Di Quan Zheng Sui Zi Di 0120493113	70 years from 21 June 1999	131.13	Unit 3306, No. 4 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493105	70 years from 21 June 1999	141.12	Unit 101, No. 2 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492961	70 years from 21 June 1999	136.22	Unit 1501, No. 2 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492963	70 years from 21 June 1999	125.75	Unit 1502, No. 2 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120492965	70 years from 21 June 1999	84.64	Unit 1505, No. 2 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493389	70 years from 21 June 1999	125.75	Unit 3002, No. 2 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493386	70 years from 21 June 1999	127.73	Unit 3106, No. 2 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493377	70 years from 21 June 1999	125.75	Unit 3202, No. 2 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493157	70 years from 21 June 1999	125.75	Unit 3302, No. 2 Yifeng Road	Residential	14 October 2013
Yue Fang Di Quan Zheng Sui Zi Di 0120493159	70 years from 21 June 1999	121.03	Unit 3303, No. 2 Yifeng Road	Residential	14 October 2013

- (5) Pursuant to 2 Construction Land Use Planning Permits both issued by Guangzhou Urban Planning Bureau, the Development was permitted to be developed and the details are listed as follows:

Permit No.	Date of Issuance	Site Area (sq m)
(92) Sui Cheng Gui Di Zi Di 0043	21 August 1992	299,572.00
(92) Sui Cheng Gui Di Zi Di 0394	27 November 1992	77,334.00

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PROPERTY VALUATION REPORT

- (6) Pursuant to 5 Construction Engineering Planning Permits issued by Guangzhou Planning Bureau, the property was permitted to be constructed and the details are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Sui Gui Jian Zheng (2007) 4911	13 November 2007	87,950.00
Sui Gui Jian Zheng (2012) 2316	14 December 2012	131,432.70
Sui Gui Jian Zheng (2012) 2334	18 December 2012	141,610.20
Sui Gui Jian Zheng (2012) 1575	29 August 2012	101,071.70
Sui Gui Jian Zheng (2012) 1265	16 July 2012	275.20

- (7) Pursuant to 6 Construction Works Commencement Permits issued by Guangzhou Liwan Development and Garden Greenery Bureau, the construction works of the property was permitted to be commenced and the details are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
440103200907200101	20 July 2009	87,950.00
440103201209280101	28 September 2012	101,071.70
440103201306240101	24 June 2013	59,990.00
440103201304090101	9 April 2013	71,715.90
440103201304120101	12 April 2013	74,152.10
440103201304080101	8 April 2013	67,464.10

- (8) Pursuant to 3 Construction Works Completion Certificates issued by Guangzhou Liwan Development and Garden Greenery Bureau, the following construction works of the Development with a gross floor area of 244,299 sq m was completed and recorded. Details are as follows:

Record No.	Date of Issuance	Gross Floor Area (sq m)
Sui Li Jian Yan Bei 2011-008	18 May 2011	114,674
Sui Li Jian Yan Bei 2013-003	6 June 2013	43,500
Sui Li Jian Yan Bei 2013-002	31 May 2013	86,125

- (9) Pursuant to the Commodity Housing Pre-sale Permit No. Sui Fan Yu (Wan) Zi Di 20120606-1 issued by Guangzhou Land Resources and Housing Administration Bureau dated 22 November 2012, the portion of the property with a gross floor area of 43,604.85 sq m was permitted to pre-sell.

- (10) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB453,646,761 and RMB3,739,864,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB15,043,562,000.

- (11) As advised by the Group, residential portion of the property with a total gross floor area of 35,988.89 sq m, have been pre-sold at a total consideration of RMB787,940,587. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.

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- (12) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Guangzhou Fong Chuen New World Property Development Co., Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Fong Chuen New World Property Development Co., Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Fong Chuen New World Property Development Co., Limited according to relevant laws and regulations;
 - (iii) Guangzhou Fong Chuen New World Property Development Co., Limited has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Guangzhou Fong Chuen New World Property Development Co., Limited has obtained the State-owned Land Use Rights Certificate, Construction Land Use Planning Permit, Construction Engineering Planning Permit, Construction Works Commencement Permit and Construction Works Completion Certificates. There will be no legal obstacle for Guangzhou Fong Chuen New World Property Development Co., Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures;
 - (v) Guangzhou Fong Chuen New World Property Development Co., Limited has obtained the Commodity Housing Pre-sale Permit for portion of the property. Guangzhou Fong Chuen New World Property Development Co., Limited is entitled to pre-sell such portion of the property according to the said permit; and
 - (vi) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
137 Guangzhou Concord New World Garden Tianhebei Road Tianhe District Guangzhou Guangdong Province The PRC	<p>Guangzhou Concord New World Garden (the "Development") is a residential development erected on a parcel of land with a site area of approximately 53,436.00 sq m.</p> <p>Phases I and II of the Development were complete in 2002 and 2006 respectively, and have been for sale since completion.</p> <p>The property comprises 33 unsold completed car parking spaces of Phase II of the Development with a total gross floor area of approximately 405 sq m.</p> <p>The land use rights of the Development have been granted for a term of 70 years for residential uses, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.</p>	The property is currently vacant.	RMB5,000,000 (40% interest attributable to the Group: RMB2,000,000)

Notes:

- (1) Pursuant to the Business Licence No. Qi Zuo Yue Sui Zhong Zi Di 005363 dated 31 August 2005, Concord Properties Holding (Guangzhou) Limited, a jointly controlled entity of the Company was incorporated with a registered capital of HK\$100,000,000 for an operation period commencing from 3 August 1993 and expiring on 3 August 2008.
- (2) Pursuant to Realty Title Certificates No. 07 Deng Ji 01801224 dated 7 April 2008 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Concord Properties Holding (Guangzhou) Limited is the legal owner of buildings located at Nos. 96, 96-1 and 96-2, Tianrun Road, Tianhe District with a total gross floor area of 53,575.68 sq m for residential and non-residential uses, and for terms of 70 years for residential use, 40 years for commercial, tourist and entertainment uses and 50 years for other uses.

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PROPERTY VALUATION REPORT

- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Concord Properties Holding (Guangzhou) Limited has legally obtained the land use rights and the building ownership of the property. Concord Properties Holding (Guangzhou) Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Concord Properties Holding (Guangzhou) Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
138	Guangzhou Park Paradise Phase 2, 4 and remaining phases Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise (the "Development") is a massive residential/commercial composite development planned to be constructed into various phases. Phases 2A to E, and 4B to F of the development were completed from 2002 to 2013 and had been for sale since completion. Portion of Phase 4A is currently under development and is scheduled to complete in June 2014 and the remaining phases of the Development are pending for development. The property comprises the unsold portion of the completed phases, the portion that is under development and the planned remaining phases of the development. The Property will provide the following approximate gross floor areas upon completion: Gross Floor Area <i>(sq m)</i> Phase 2A to E, Phase 4B to F and portion of Phase 4A Residential 53,890.74 Commercial <u>4,192.37</u> <u>58,083.11</u>	Portion of Phase 4A of the property is under development and is scheduled to complete in June 2014 and the remaining phases of the property is currently pending for development. The unsold completed portion is currently vacant.	RMB4,422,000,000 (100% interest attributable to the Group: RMB4,422,000,000)

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PROPERTY VALUATION REPORT

Description and tenure

**Gross Floor
Area**
(sq m)

Portion of Phase 4A**(Under development)**

Residential	45,755.69
Ancillary	21,039.77
Facilities	<u> </u>
	<u>66,795.46</u>

District 1, 3 and**5 (Planned****Remaining Phases)**

Residential	263,675.00
Commercial	102,656.90
Hotel	59,229.00
Ancillary	70,002.80
Facilities	<u> </u>
	<u>495,563.70</u>

The property will provide 361 car parking spaces with a total gross floor area of approximately 4,728.64 sq m for the completed portion of the Development and 3,049 car parking spaces with a total gross floor area of 132,780.80 sq m upon the completion of the planned remaining phases of the Development.

The land use rights of the development is held for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.

Notes:

- (1) Pursuant to the Business Licence No. 440101400021383 dated 9 May 2013, Guangzhou Jixian Zhuang New World City Garden Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$24,000,000.

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- (2) Pursuant to the Business Licence No. 440101400007220 dated 7 August 2009, Guangzhou Xin Sui Tourism Centre Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of HK\$100,000,000.
- (3) Pursuant to 2 State-owned Land Use Rights Certificates both issued by Guangzhou Land Resources Bureau, the land use rights of the Development with a total site area of 526,484.983 sq m were granted to Guangzhou Jixian Zhuang New World City Garden Development Limited for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Site Area (sq m)	Date of Issuance
Sui Fu Guo Yong (1999) Zi Di Te 114	Composite	267,854.983	23 June 1999
Sui Fu Guo Yong (1999) Zi Di Te 115	Composite	258,630.00	23 June 1999

- (4) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Sui Fu Guo Yong (1999) Zi Di Te 112 and 113 both issued by Guangzhou Land Resources Bureau dated 23 June 1999, the land use rights of the Development with total site area of 409,801 sq m were granted to Guangzhou Xin Sui Tourism Centre Ltd. for composite use for a land use rights term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.
- (5) Pursuant to 355 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the building ownership of the property with a total gross floor area of 4,646.97 sq m was vested in Guangzhou Jixian Zhuang New World City Garden Development Limited and Guangzhou Xin Sui Tourism Centre Ltd. for car parking use.

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- (6) Pursuant to 179 Realty Title Certificates issued by Guangzhou Land Resources and Housing Administration Bureau, the title to portion of the development with a total gross floor area of 28,550.34 sq m was vested in Guangzhou Jixian Zhuang New World City Garden Development Limited and Guangzhou Xin Sui Tourism Centre Ltd..

Certificate No.	Gross floor area (sq m)	Address	Use
07 Deng Ji 01801415	106.9346	Unit. 101, No. 17 Jishan Road	Residential
08 Deng Ji 01808126	137.83	Unit. 02, No. 82 Jijun Road (2D2 — SP1)	Residential and Non-residential
Fang Di Quan Zheng Sui Zi Di 0120163729	115.08	Unit. 101, No. 4 Jijun Road	Commercial
Fang Di Quan Zheng Sui Zi Di 0120163746	1,294.56	Unit. 101, No. 12 Jijun Road	Commercial
Fang Di Quan Zheng Sui Zi Di 0120184327	296.42	Unit. 102, No. 76 Jijun Road	Commercial
Fang Di Quan Zheng Sui Zi Di 0120185280	261.52	Unit. 110, No. 70 Jijun Road	Commercial
Fang Di Quan Zheng Sui Zi Di 0120185209	14.47	Unit. 101, No. 48 Jijun Road	Commercial
Fang Di Quan Zheng Sui Zi Di 0120185227	29.04	Unit. 101, No. 56 Jijun Road	Commercial
Fang Di Quan Zheng Sui Zi Di 0120185233	48.74	Unit. 101, No. 52 Jijun Road	Commercial
Fang Di Quan Zheng Sui Zi Di 0120185235	24.83	Unit. 101, No. 54 Jijun Road	Commercial
10 Deng Ji 01424885	92.8027	Unit. 504, No. 18 Jishan Road	Residential
10 Deng Ji 01510364	128.2968	Unit. 704, No. 22 Jishan Road	Residential
12 Deng Ji 01349078	98.7201	Unit. 301, No. 11 Jicheng Road	Residential
Fang Di Quan Zheng Sui Zi Di 0120342541	100.55	Unit. 304, No. 11 Jicheng Road	Residential
Fang Di Quan Zheng Sui Zi Di 0120342638	85.52	Unit. 303, No. 13 Jicheng Road	Residential
Fang Di Quan Sui Zi Di 0120342498	292.19	Unit. 101, No. 1 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342486	163.67	Unit. 101, No. 3 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342487	52	Unit. 102, No. 3 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342493	46.6	Unit. 103, No. 3 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342494	75.0473	Unit. 104, No. 3 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342495	186.16	Unit. 105, No. 3 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342682	35.96	Unit. 101, No. 5 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342683	263.01	Unit. 102, No. 5 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342684	87.48	Unit. 103, No. 5 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342681	83.69	Unit. 104, No. 5 Jicheng Road	Commercial

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Certificate No.	Gross floor area (sq m)	Address	Use
Fang Di Quan Sui Zi Di 0120342686	63.38	Unit. 105, No. 5 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342685	238.02	Unit. 106, No. 5 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342675	24.46	Unit. 101, No. 7 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342676	143.12	Unit. 102, No. 7 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342677	37.94	Unit. 103, No. 7 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342674	37.72	Unit. 104, No. 7 Jicheng Road	Commercial
Fang Di Quan Sui Zi Di 0120342678	176.1	Unit. 105, No. 7 Jicheng Road	Commercial
Yue Fang Di Quan Zheng Sui Zi Di 0120431413	239.63	Unit. 402, No. 93, Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431415	140.8	Unit. 302, No. 93, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431417	140.8	Unit. 202, No. 93, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431416	142.98	Unit. 201, No. 93, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431419	131.4	Unit. 102, No. 93, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431418	133.59	Unit. 101, No. 93, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452665	238.08	Unit. 602, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452664	240.07	Unit. 601, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452667	140.01	Unit. 502, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452666	141.21	Unit. 501, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452669	140.01	Unit. 402, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452668	141.21	Unit. 401, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452671	140.01	Unit. 302, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452670	141.21	Unit. 301, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452673	140.01	Unit. 202, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452672	141.21	Unit. 201, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452675	130.67	Unit. 102, No. 29 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452674	131.87	Unit. 101, No. 29 Baishun East Road	Residential

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Certificate No.	Gross floor area (sq m)	Address	Use
Yue Fang Di Quan Zheng Sui Zi Di 0120452653	237.82	Unit. 602, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452652	237.82	Unit. 601, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452655	139.91	Unit. 502, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452654	139.91	Unit. 501, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452657	139.91	Unit. 402, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452656	139.91	Unit. 401, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452659	139.91	Unit. 302, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452658	139.91	Unit. 301, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452661	139.91	Unit. 202, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452660	139.91	Unit. 201, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452662	130.67	Unit. 102, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452663	130.67	Unit. 101, No. 27 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431404	239.63	Unit. 401, No. 91, Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431407	142.98	Unit. 302, No. 91, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431409	142.98	Unit. 202, No. 91, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431408	140.8	Unit. 201, No. 91, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431411	133.59	Unit. 102, No. 91, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431410	131.4	Unit. 101, No. 91, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431245	242.72	Unit. 502, No. 83, Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431253	133.1	Unit. 102, No. 83, Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431344	122.86	Unit. 302, No. 75 Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431343	107.09	Unit. 301, No. 75 Baishun North Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452905	237.83	Unit. 502, No. 19 Baishun East Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452904	242	Unit. 501, No. 19 Baishun East Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452906	140.16	Unit. 402, No. 19 Baishun East Road	Residential

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Certificate No.	Gross floor area (sq m)	Address	Use
Yue Fang Di Quan Zheng Sui Zi Di 0120452907	142.23	Unit. 401, No. 19 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452909	140.15	Unit. 302, No. 19 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452908	142.23	Unit. 301, No. 19 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452911	140.15	Unit. 202, No. 19 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452910	142.23	Unit. 201, No. 19 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452913	130.84	Unit. 102, No. 19 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452912	132.93	Unit. 101, No. 19 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452915	242	Unit. 502, No. 17 Baishun East Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452917	142.23	Unit. 402, No. 17 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452916	140.15	Unit. 401, No. 17 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452919	142.23	Unit. 302, No. 17 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452918	140.15	Unit. 301, No. 17 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452921	142.23	Unit. 202, No. 17 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452920	140.15	Unit. 201, No. 17 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452923	132.93	Unit. 102, No. 17 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452922	130.84	Unit. 101, No. 17 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431532	243.21	Unit. 401, No. 15 Baishun East Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431525	243.21	Unit. 402, No. 13 Baishun East Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120431524	239.21	Unit. 401, No. 13 Baishun East Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452628	175.61	Unit. 902, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452627	175.46	Unit. 901, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452630	163.03	Unit. 702, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452629	162.88	Unit. 701, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452632	134.59	Unit. 602, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452631	134.44	Unit. 601, No. 7 Baishun East Road	Residential

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Certificate No.	Gross floor area (sq m)	Address	Use
Yue Fang Di Quan Zheng Sui Zi Di 0120452634	163.03	Unit. 402, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452633	162.88	Unit. 401, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452636	134.59	Unit. 302, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452635	134.44	Unit. 301, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452638	201.08	Unit. 102, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452637	215.78	Unit. 101, No. 7 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452677	241.24	Unit. 602, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452676	237.98	Unit. 601, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452679	141.74	Unit. 502, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452678	139.91	Unit. 501, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452681	141.74	Unit. 402, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452680	139.91	Unit. 401, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452683	141.74	Unit. 302, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452682	139.91	Unit. 301, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452685	141.74	Unit. 202, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452684	139.91	Unit. 201, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452687	132.5	Unit. 102, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452686	130.67	Unit. 101, No. 25 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452595	175.14	Unit. 702, No. 17 Huixian Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452594	175.29	Unit. 701, No. 17 Huixian Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452599	161.65	Unit. 402, No. 17 Huixian Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452603	201.82	Unit. 102, No. 17 Huixian Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452602	216.79	Unit. 101, No. 17 Huixian Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452613	216.65	Unit. 102, No. 15 Huixian Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452612	201.82	Unit. 101, No. 15 Huixian Road (Duplex)	Residential

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Certificate No.	Gross floor area (sq m)	Address	Use
Yue Fang Di Quan Zheng Sui Zi Di 0120434182	177.58	Unit. 602, No. 109 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434181	177.74	Unit. 601, No. 109 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434184	163.48	Unit. 402, No. 109 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434183	163.63	Unit. 401, No. 109 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434186	136.06	Unit. 302, No. 109 Baishun North Road (Including Mezzanine)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434185	136.22	Unit. 301, No. 109 Baishun North Road (Including Mezzanine)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434188	218.75	Unit. 102, No. 109 Baishun North Road (Including Mezzanine)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434187	203.92	Unit. 101, No. 109 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434174	177.58	Unit. 602, No. 107 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434173	177.58	Unit. 601, No. 107 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434176	163.48	Unit. 402, No. 107 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434175	163.48	Unit. 401, No. 107 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434178	136.06	Unit. 302, No. 107 Baishun North Road (Including Mezzanine)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434177	136.06	Unit. 301, No. 107 Baishun North Road (Including Mezzanine)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434180	203.76	Unit. 102, No. 107 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434179	218.75	Unit. 101, No. 107 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434166	177.74	Unit. 602, No. 105 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434165	177.58	Unit. 601, No. 105 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434168	163.63	Unit. 402, No. 105 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434167	163.48	Unit. 401, No. 105 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434169	136.06	Unit. 301, No. 105 Baishun North Road (Including Mezzanine)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434172	218.49	Unit. 102, No. 105 Baishun North Road (Duplex)	Residential

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Certificate No.	Gross floor area (sq m)	Address	Use
Yue Fang Di Quan Zheng Sui Zi Di 0120434171	203.76	Unit. 101, No. 105 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434199	177.82	Unit. 602, No. 99 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434201	163.3	Unit. 402, No. 99 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434203	136.01	Unit. 302, No. 99 Baishun North Road (Including Mezzanine)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120434205	204.14	Unit. 102, No. 99 Baishun North Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452618	162.98	Unit. 702, No. 11 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452619	134.59	Unit. 601, No. 11 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452620	134.44	Unit. 602, No. 11 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452622	162.88	Unit. 402, No. 11 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452625	215.93	Unit. 101, No. 11 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452626	200.93	Unit. 102, No. 11 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452624	134.44	Unit. 302, No. 11 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452623	134.59	Unit. 301, No. 11 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452640	175.46	Unit. 902, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452639	175.46	Unit. 901, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452642	162.88	Unit. 702, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452641	162.88	Unit. 701, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452644	134.44	Unit. 602, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452643	134.44	Unit. 601, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452646	162.88	Unit. 402, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452645	162.88	Unit. 401, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452648	134.44	Unit. 302, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452647	134.44	Unit. 301, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452650	215.78	Unit. 102, No. 9 Baishun East Road	Residential

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Certificate No.	Gross floor area (sq m)	Address	Use
Yue Fang Di Quan Zheng Sui Zi Di 0120452649	200.93	Unit. 101, No. 9 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120452592	216.65	Unit. 101, No. 13 Huixian Road (Duplex)	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120411424	97.03	Unit. 203, No. 8 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120411425	97.28	Unit. 204, No. 8 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120411765	93.67	Unit. 301, No. 14 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120411766	94.03	Unit. 302, No. 14 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120411768	82.14	Unit. 303, No. 14 Baishun East Road	Residential
Yue Fang Di Quan Zheng Sui Zi Di 0120411767	80.42	Unit. 304, No. 14 Baishun East Road	Residential

- (7) Pursuant to 2 Construction Land Use Planning Permits Nos. Sui Gui De Zheng Zi (1997) Di 145 and Sui Gui De Zheng (2004) 348 issued by Guangzhou Urban Planning Bureau dated 5 September 1997 and 29 October 2004 respectively, the Development with a total site area of approximately 1,021,658 sq m was permitted to be developed.
- (8) Pursuant to 2 Construction Engineering Planning Permit Nos. Sui Gui Jian Zheng (2010) 1720 and Sui Gui Jian Zheng (2010) 1827 issued by Guangzhou Urban Planning Bureau dated 10 June 2010 and 23 June 2010 respectively, the property with a total gross floor area of 54,474.60 sq m was permitted to be constructed.
- (9) Pursuant to 2 Construction Works Commencement Permit Nos. 44011201006300501 and 44011201106090101 issued by Guangzhou Baiyun District Construction Bureau dated 30 June 2010 and 9 June 2011 respectively, the construction works of the property with a total gross floor area of 136,802 sq m was permitted to be commenced.
- (10) Pursuant to 5 Construction Works Completion Certificates Nos. Sui (Yun) Jian Yan Bei 2012-009, 2012-014, 2012-10, 2013-015 and 2013-023 issued by Guangzhou Baiyun District Construction Bureau dated 20 June 2012, 30 November 2012, 29 June 2012, 5 July 2013 and 30 September 2013 respectively, the construction of portion of the property with a total gross floor area of 274,095.94 sq m was completed.
- (11) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB308,296,000 and RMB2,479,140,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB9,181,320,000; and
- (12) As advised by the Group, residential portion of the property with a total gross floor area of 11,215.91 sq m have been pre-sold at a total consideration of RMB247,100,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.

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- (13) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Guangzhou Jixian Zhuang New World City Garden Development Limited and Guangzhou Xin Sui Tourism Centre Ltd. have legally obtained the land use rights and the building ownership of the property. Guangzhou Jixian Zhuang New World City Garden Development Limited and Guangzhou Xin Sui Tourism Centre Ltd. are the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Jixian Zhuang New World City Garden Development Limited and Guangzhou Xin Sui Tourism Centre Ltd. according to relevant laws and regulations;
 - (iii) Guangzhou Jixian Zhuang New World City Garden Development Limited and Guangzhou Xin Sui Tourism Centre Ltd. have obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Guangzhou Jixian Zhuang New World City Garden Development Limited and Guangzhou Xin Sui Tourism Centre Ltd. have obtained the State-owned Land Use Rights Certificates, Construction Land Use Planning Permit, Construction Engineering Planning Permit, Construction Works Commencement Permit and Construction Works Completion Certificates. There will be no legal obstacle for Guangzhou Jixian Zhuang New World City Garden Development Limited and Guangzhou Xin Sui Tourism Centre Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014																				
139 Guangzhou Xintang New World Garden Huayuan East Road Xintang Town Zengcheng District Guangzhou Guangdong Province The PRC	<p>Guangzhou Xintang New World Garden (the "Development") is planned to develop into a massive residential development, erected on an irregular-shaped site with a site area of 350,799.96 sq m.</p> <p>Phases 1 to 5B of the Development were completed from 2005 to 2013 and have been for sale since completion. Phase 5C of the Development is currently under development and is scheduled to complete in November 2014.</p> <p>The property comprises the unsold completed portion of Phases 1 to 3, 5A to 5B and Phase 5C is under development. The property will provide the following approximate gross floor areas upon completion:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">Gross Floor Area</th> </tr> <tr> <th colspan="2" style="text-align: center;"><i>(sq m)</i></th> </tr> </thead> <tbody> <tr> <td colspan="2">Phase 1 to 3, 5A to 5B</td> </tr> <tr> <td style="text-align: right;">Residential</td> <td style="text-align: right;">4,568.23</td> </tr> <tr> <td colspan="2">Portion of Phase 5C</td> </tr> <tr> <td colspan="2" style="text-align: center;">(Under development)</td> </tr> <tr> <td style="text-align: right;">Residential</td> <td style="text-align: right;">87,195.00</td> </tr> <tr> <td style="text-align: right;">Ancillary</td> <td style="text-align: right;">3,782.00</td> </tr> <tr> <td style="text-align: right;">Facilities</td> <td style="text-align: right;">_____</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>90,977.00</u></td> </tr> </tbody> </table> <p>The land use rights of the Development have been granted for two terms of 70 years, expiring on 9 April 2063 and 29 December 2074 respectively for commercial/residential uses.</p>	Gross Floor Area		<i>(sq m)</i>		Phase 1 to 3, 5A to 5B		Residential	4,568.23	Portion of Phase 5C		(Under development)		Residential	87,195.00	Ancillary	3,782.00	Facilities	_____		<u>90,977.00</u>	Phase 5C of the property is under development and is scheduled to complete in November 2014 and the remaining portion of the property is currently vacant.	RMB485,000,000 (62.5% interest attributable to the Group: RMB303,125,000)
Gross Floor Area																							
<i>(sq m)</i>																							
Phase 1 to 3, 5A to 5B																							
Residential	4,568.23																						
Portion of Phase 5C																							
(Under development)																							
Residential	87,195.00																						
Ancillary	3,782.00																						
Facilities	_____																						
	<u>90,977.00</u>																						

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Notes:

- (1) Pursuant to the Business Licence No. 440101400010959 dated 3 April 2013, Guangzhou Hemsell Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB79,597,000.
- (2) Pursuant to the Business Licence No. 440101400010942 dated 25 May 2011, Guangzhou Bosson Real Estate Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB50,003,000.
- (3) Pursuant to the State-owned Land Use Rights Certificate No. Zeng Guo Yong (2001) Zi Di C0200797 issued by Zengcheng Land Resources and Housing Administration Bureau dated 24 July 2011, the land use rights of the Development with a site area of 122,622.60 sq m were granted to Guangzhou Hemsell Real Estate Development Co., Ltd. for residential and commercial uses.
- (4) Pursuant to the State-owned Land Use Rights Certificate No. Zeng Guo Yong (2006) Di B0401403 issued by Zengcheng Land Resources and Housing Administration Bureau dated 29 April 2006, the land use rights of the Development with a site area of 74,352.33 sq m were granted to Guangzhou Hemsell Real Estate Development Co., Ltd. for residential use.
- (5) Pursuant to 3 State-owned Land Use Rights Certificates issued by Zengcheng Land Resources and Housing Administration Bureau, the land use rights of the Development with a total site area of 153,825.03 sq m were granted to Guangzhou Bosson Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Zeng Guo Yong (2006) Di B0401404	Residential	9 April 2063	86,576.40	29 April 2006
Zeng Guo Yong (2008) Di C0400297	Residential	29 December 2074	65,221.30	17 July 2008
Zeng Guo Yong (2008) Di B0401647	Residential	9 April 2063	2,027.33	24 December 2008

- (6) Pursuant to the Realty Title Certificate No. Yue Fang Zi Di 4018124 issued by The People's Government of Zengcheng dated 20 December 2004, it is certificate that Guangzhou Hemsell Real Estate Development Co., Ltd. is legal owner of buildings located at Guangzhou Xintang New World Garden, Xizhou Village, Xintang Town with a gross floor area of 2,035.82 sq m for Club House and Restaurant uses.

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- (7) Pursuant to 3 Initial Registration for Building Ownership issued by Guangzhou Land Resources and Housing Administration Bureau, it is certificate that Guangzhou Bosson Real Estate Co., Ltd. is the legal owner of buildings located at Blocks 11–13, Wanxiangyuan, No. 6 Huayuan East Road. Details are listed as follows:

Document No.	Location	Date of Issuance
11 Deng Ji 12374577	Block 11, Wanxiangyuan, No. 6 Huayuan East Road	10 January 2012
11 Deng Ji 12374809	Block 12, Wanxiangyuan, No. 6 Huayuan East Road	9 January 2012
11 Deng Ji 12374907	Block 13, Wanxiangyuan, No. 6 Huayuan East Road	9 January 2012

- (8) Pursuant to 3 Construction Land Use Planning Permits both issued by Zengcheng Planning Bureau, the Development was permitted to be developed. Details of the Construction Land Use Planning Permits listed as follows:

Permit No.	Site Area (sq m)	Date of Issuance
Zeng Gui Di Zheng (2005) 256	65,221.30	15 June 2005
Zeng Gui Di Zheng (2005) 375	86,576.40	3 August 2005
Di Zi Di 440183200800136	2,027.33	8 December 2008

- (9) Pursuant to 5 Construction Engineering Planning Permits issued by Zengcheng Urban-Rural Planning Bureau, the Development was permitted to be constructed. Details of the Construction Engineering Planning Permits are listed as follows:

Permit No.	Gross Floor Area (sq m)	Date of Issuance
Jian Zi Di 440183200900455	21,215.00	24 September 2009
Jian Zi Di 440183200900454	32,005.00	24 September 2009
Jian Zi Di 440183200900448	11,325.00	24 September 2009
Jian Zi Di 440183200900453	12,341.00	24 September 2009
Jian Zi Di 440183200900452	10,308.00	24 September 2009

- (10) Pursuant to the Construction Works Commencement Permit No. 440125201210260401 issued by Zengcheng Construction Bureau dated 25 October 2012, the construction works of the property with a gross floor area of 87,195.00 sq m was permitted to be commenced.

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- (11) Pursuant to 9 Construction Works Completion Certificates issued by Zengcheng Construction Bureau, the construction works of the property was completed. Details of the Construction Works Completion Certificates are listed as follows:

Document No.	Gross Floor Area (sq m)	Location	Date of Issuance
Sui Jian Kai Yan Zi Di 50005	23,758.67	Blocks 1 to 9, Jiahuiyuan, Phase I	22 December 2000
Sui Jian Kai Yan Zi Di (Zeng) 50009	23,205.00	Blocks 10 to 16, Jiahuiyuan, Phase I	10 December 2001
Sui Jian Kai Yan Zi Di (Zeng) 50010	23,205.00	Blocks 10 to 16, Jiahuiyuan, Phase I	10 December 2001
Sui Jian Kai Yan Zi Di (Zeng) 50011	12,486.40	Blocks A to C, Hanlinxuan	10 December 2001
Sui Yan Jian she-1-16	30,217.00	Blocks 9, 10, 20, 21–22, 30–36, Jiahuayuan	24 February 2004
Sui Yan Jian She-1-16	24,609.00	Basement (East Zone)	30 December 2011
Sui Yan Jian She-1-16	24,199.00	Basement (West Zone)	30 December 2011
Sui Yan Jian She-1-16	19,010.00	Blocks 37–39 Residential buildings, Phase X,	28 June 2013

- (12) Pursuant to the Commodity Housing Pre-sale Permit No. Zeng Cheng Fang Yu (Wang) Zi Di 20130554 issued by Zengcheng Land Resources and Housing Administration Bureau dated 26 September 2013, the portion of the property with a gross floor area of 20,814.47 sq m was permitted to pre-sell.

- (13) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB168,995,230 and RMB284,419,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB924,284,000; and

- (14) As advised by the Group, residential portion of the property with a total gross floor area of 6,196.20 sq m have been pre-sold at a total consideration of RMB77,750,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.

- (15) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phase 1 to 3, 5A to 5B of the property

- (i) Guangzhou Hemsell Real Estate Development Co., Ltd. and Guangzhou Bosson Real Estate Co., Ltd. have legally obtained the land use rights and building ownership of the property. Guangzhou Hemsell Real Estate Development Co., Ltd. and Guangzhou Bosson Real Estate Co., Ltd. are the sole owner of the property;
- (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Hemsell Real Estate Development Co., Ltd. and Guangzhou Bosson Real Estate Co., Ltd. according to relevant laws and regulations;

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- (iii) Guangzhou Hemsell Real Estate Development Co., Ltd. and Guangzhou Bosson Real Estate Co., Ltd. have obtained the State-owned Land Use Rights Certificates and Construction Works Completion Certificates. There will be no legal obstacle for Guangzhou Hemsell Real Estate Development Co., Ltd. and Guangzhou Bosson Real Estate Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (iv) the property is free from mortgages and other encumbrances.

Portion of Phase 5C of the property

- (v) Guangzhou Bosson Real Estate Co., Ltd. has legally obtained the land use rights of the property. Guangzhou Bosson Real Estate Co., Ltd. is the sole owner of the land use rights of the property;
- (vi) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Bosson Real Estate Co., Ltd. according to relevant laws and regulations;
- (vii) Guangzhou Bosson Real Estate Co., Ltd. has obtained the State-owned Land Use Rights Certificate, Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guangzhou Bosson Real Estate Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (viii) Guangzhou Bosson Real Estate Co., Ltd. has obtained the Commodity Housing Pre-sale Permits for portion of the property. Guangzhou Bosson Real Estate Co., Ltd. is entitled to pre-sale such portion of the property according to the said permits; and
- (ix) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
140 Guangzhou Park Paradise Area 6 Yongtai Cun Baiyun District Guangzhou Guangdong Province The PRC	Guangzhou Park Paradise Area 6 comprises an irregular-shaped site with a total site area of approximately 90,846.00 sq m and is proposed to develop into a residential development. The property is currently under development and will comprise the following approximate gross floor areas upon full completion:	The property is currently under development and scheduled to be completed in June 2015	RMB1,932,000,000 (100% interest attributable to the Group: RMB1,932,000,000)
	Gross Floor Area (sq m)		
	Residential	142,838.90	
	Ancillary Facilities	21,738.50	
		<u>164,577.40</u>	
	The property will comprise 1,071 car parking spaces with a gross floor area of approximately 41,528.70 sq m upon completion.		
	The land use rights of the property have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.		

Notes:

- (1) Pursuant to the Business Licence No. 440101400081427 dated 9 June 2011, Guangzhou Yibo Real Estate Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB392,500,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (2008) Di 01100198 issued by Guangzhou Land Resources and Housing Administration Bureau dated 31 October 2008, the land use rights of the Development with site area of 90,846.00 sq m were granted to Guangzhou Yibo Real Estate Development Co., Ltd. expiring on 27 March 2077 for residential use, 27 March 2047 for commercial use and 27 March 2057 for other uses.

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- (3) Pursuant to the Construction Land Use Planning Permit No. Di Zi Di Jian Sui Gui De Zheng (2006) 1490 issued by Guangzhou Urban Planning Bureau dated 23 November 2006, the Development with a site area of approximately 134,989.00 sq m was permitted to be developed.
- (4) Pursuant to 13 Construction Engineering Planning Permits issued by Guangzhou Urban Planning Bureau, the property with a total gross floor area of 163,236.10 sq m (above ground) and 42,697.40 (below ground) was permitted to be constructed. Details of the Construction Engineering Planning Permits are listed as follows:

Permit No.	Gross Floor Area (sq m)	Date of Issuance
Sui Gui Jian Zheng (2011) 1276	280.50 (above ground)	24 June 2011
Sui Gui Jian Zheng (2011) 1277	2,167.40 (above ground)	27 June 2011
Sui Gui Jian Zheng (2011) 1279	1,882.60 (above ground) 1,168.60 (below ground)	27 June 2011
Sui Gui Jian Zheng (2011) 1289	1,523.30 (above ground)	27 June 2011
Sui Gui Jian Zheng (2011) 2872	17,895.00 (above ground) 8,808.90 (below ground)	28 June 2011
Sui Gui Jian Zheng (2011) 2880	25,339.80 (above ground) 12,614.60 (below ground)	28 June 2011
Sui Gui Jian Zheng (2011) 2879	22,727.90 (above ground)	28 June 2011
Sui Gui Jian Zheng (2011) 2878	17,985.30 (above ground)	28 June 2011
Sui Gui Jian Zheng (2011) 1288	4,560.70 (above ground)	28 June 2011
Sui Gui Jian Zheng (2011) 1296	A1: 4,334.00 (above ground) 9,438.00 (below ground) A2: 4,335.40 (above ground)	31 December 2011
Sui Gui Jian Zheng (2011) 1308	A3: 4,336.80 (above ground) A5: 4,004.70 (above ground) A6: 4,245.10 (above ground) A7: 4,604.00 (above ground)	31 December 2011
Sui Gui Jian Zheng (2011) 1292	A8: 6,843.00 (above ground) 10,622.30 (below ground) A9: 6,770.00 (above ground) A10: 6,847.70 (above ground)	31 December 2011
Sui Gui Jian Zheng (2011) 1293	A11, A12 & A13: 22,552.90 (above ground)	31 December 2011

- (5) Pursuant to 5 Construction Works Commencement Permits issued by Guangzhou Baiyun District Construction Bureau, the construction works of the property with a total gross floor area of 205,932.40 was permitted to be commenced. Details of the Construction Works Commencement Permits are listed as follows:

Permit No.	Gross Floor Area (sq m)	Date of Issuance
440111201206300201	47,740.40	30 June 2011
440111201202210101	63,130.00	30 June 2011
440111201202210101	35,343.00	21 February 2012
440111201202210201	53,635.00	21 February 2012
440111201203300101	6,084.00	30 March 2012

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- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB622,215,741 and RMB200,034,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB2,686,230,000; and
- (7) As advised by the Group, residential portion of the property with a total gross floor area of 6,804.12 sq m have been pre-sold at a total consideration of RMB 135,857,365. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.
- (8) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Guangzhou Yibo Real Estate Development Co., Ltd. has legally obtained the land use rights of the property. Guangzhou Yibo Real Estate Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Yibo Real Estate Development Co., Ltd. according to relevant laws and regulations;
 - (iii) Guangzhou Yibo Real Estate Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iv) Guangzhou Yibo Real Estate Development Co., Ltd. has obtained the State-owned Land Use Rights Certificates, Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Guangzhou Yibo Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
141 Shenzhen New World Signature Hill located at the east of Road No. 3 of Xi Cheng Xin An Jie Dao Baoan District Shenzhen Guangdong Province The PRC	Shenzhen New World Signature Hill (the "Development") comprises two parcels of irregular-shaped sites with a total site area of approximately 112,000.96 sq m and is proposed to develop into a residential development. The property is currently under development and will comprise the following approximate gross floor areas upon completion:	The property is currently under development and scheduled to be completed in August 2014	RMB3,488,000,000 (100% interest attributable to the Group: RMB3,488,000,000)
	Gross Floor Area (sq m)		
	Residential 58,113.00		
	Clubhouse <u>580.80</u>		
	<u>58,693.80</u>		
	The land use rights of the property have been granted for a term of 70 years commencing from 17 September 1997 for residential use.		

Notes:

- (1) Pursuant to the Business Licence No. 440301502019415 dated 10 August 2011, Shenzhen Top One Real Estate Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB150,000,000.
- (2) Pursuant to State-owned Land Use Rights Certificate No. Shen Fang Di Zi Di 5000443122 issued by Shenzhen Real Estate Title Registration Centre dated 27 June 2010, the land use rights of the Development with a total site area of 40,659.74 sq m were granted to Shenzhen Top One Real Estate Development Co., Ltd. for a land use rights term of 70 years commencing from 17 September 1997 for residential use.
- (3) Pursuant to State-owned Land Use Rights Certificate No. Shen Fang Di Zi Di 5000443124 issued by Shenzhen Real Estate Title Registration Centre dated 27 June 2010, the land use rights of the Development with a total site area of 71,341.22 sq m were granted to Shenzhen Top One Real Estate Development Co., Ltd. for a land use rights term of 70 years commencing from 17 September 1997 for residential use.
- (4) Pursuant to two Construction Land Use Planning Permits Nos. Shen Gui Xu HQ-2009-0014 and Shen Gui Xu HQ-2009-0015 both issued by Shenzhen Planning Bureau dated 17 July 2009, the Development with a total site area of approximately 112,000.95 sq m was permitted to be developed.

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- (5) Pursuant to two Construction Engineering Planning Permits Nos. Shen Gui Tu Jian Xu Zi Nos. BA-2010-0147 and BA-2011-0063 both issued by Shenzhen Planning and Land Resources Committee Baoan Administrative Bureau dated 15 December 2010 and 17 May 2011 respectively, the property was permitted to be constructed with a total planned gross floor area of 80,056.28 sq m.
- (6) Pursuant to two Construction Works Commencement Permits Nos. 44030020110139001 and 44030020110515001 both issued by Shenzhen Housing and Construction Bureau dated 23 March 2011 and 31 December 2011 respectively, the construction works of the property with a total gross floor area of 80,056.28 sq m was permitted to be commenced.
- (7) Portion of the Development as mentioned in Note (3) is subject to mortgage.
- (8) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB579,251,946 and RMB9,151,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB3,788,163,000; and
- (9) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) except for the police and post offices which belong to the government and the mortgaged portion under the parcel of land stipulated under State-owned Land Use Rights Certificate Nos. Shen Fang Di Zi Di 5000443124 and 5000443122 respectively, Shenzhen Top One Real Estate Development Co., Ltd. has legally obtained the land use rights of the property. Shenzhen Top One Real Estate Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) Shenzhen Top One Real Estate Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iii) Shenzhen Top One Real Estate Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Shenzhen Top One Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
 - (iv) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Shenzhen Top One Real Estate Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee; and
 - (v) apart from the mortgaged portion as mentioned in Note (7), the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014										
142 Shenzhen New World Yi Shan Garden Haishan Road Shatoujiao Yantian District Shenzhen Guangdong Province The PRC	<p>Shenzhen New World Yi Shan Garden (the "Development") is a 3-phase commercial/residential composite development constructed upon an irregular-shaped site with an area of approximately 89,350.00 sq m.</p> <p>Phases I and II of the Development were complete in March 2002 and June 2004 respectively, and have been for sale since completion. Phase III of the Development is currently under development and is scheduled to complete in June 2014.</p> <p>The property comprises Phase III of the development that is currently under development. The property will comprise the following approximate gross floor areas upon completion:</p>	Phase III of the development is currently under development and is scheduled to complete in June 2014.	RMB2,030,000,000 (100% interest attributable to the Group: RMB2,030,000,000)										
	<p style="text-align: right;">Gross Floor Area (sq m)</p> <table border="0"> <tr> <td>Phase III</td> <td></td> </tr> <tr> <td>Residential</td> <td style="text-align: right;">95,686.17</td> </tr> <tr> <td>Clubhouse</td> <td style="text-align: right;">72.23</td> </tr> <tr> <td>Ancillary Facilities</td> <td style="text-align: right;">2,985.24</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>98,743.64</u></td> </tr> </table>	Phase III		Residential	95,686.17	Clubhouse	72.23	Ancillary Facilities	2,985.24		<u>98,743.64</u>		
Phase III													
Residential	95,686.17												
Clubhouse	72.23												
Ancillary Facilities	2,985.24												
	<u>98,743.64</u>												
	<p>The land use rights of the Development have been granted for a term of 70 years commencing from 2 August 1993 for commercial/residential uses.</p>												

Notes:

- (1) Pursuant to the Business Licence No. 440301501126481 dated 3 April 2013, Shenzhen Topping Real Estate Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated.

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- (2) Pursuant to the Realty Title Certificate No. Shen Fang Di Ji Di 7000001331 issued by The People's Government of Shenzhen dated 21 April 1999, the title to portion of the development with a site area of 89,350 sq m was vested in Shenzhen Topping Real Estate Development Co., Ltd. for a term of 70 years commencing from 2 August 1993 for commercial/residential uses.
- (3) Pursuant to the Construction Land Use Planning Permit No. Shen Gui Tu Gui Xu Zi 07-2002-0009 issued by Shenzhen Planning and Land Resources Bureau dated 1 February 2002, the Development with a site area of approximately 89,350 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Shen Gui Tu Jian Xu Zi BH-2011-0004 issued by Shenzhen Planning and Land Resources Bureau dated 25 March 2011, the property with gross floor area of 134,067.69 sq m was permitted to be constructed.
- (5) Pursuant to the Construction Works Commencement Permit No. 44030020090516001 issued by Shenzhen Housing and Construction Bureau dated 14 October 2009, the construction works of the property with gross floor area of 134,067.69 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB480,381,456 and RMB94,350,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB2,392,624,000; and
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Shenzhen Topping Real Estate Development Co., Ltd. has legally obtained the land use rights of the property. Shenzhen Topping Real Estate Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) Shenzhen Topping Real Estate Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
 - (iii) Shenzhen Topping Real Estate Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Shenzhen Topping Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
 - (iv) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Shenzhen Topping Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
143 Zhaoqing New World Garden Zhongtiaohong Lake West Zhaoqing Guangdong Province The PRC	Zhaoqing New World Garden (the "Development") is a residential development comprising an irregular-shaped site with an area of approximately 137,339.95 sq m to be constructed in phases. Phases I, II, IV and portion of Phase III of the development were complete from 2003 to 2013 and have been for sale since completion, the remaining phases are under development and is scheduled to complete in August 2015. The property comprises the following approximate gross floor areas:	The unsold completed portion of Phases I, III and IV of the property is currently vacant, and Phase III(2) of the property is under development and is scheduled to complete in August 2015.	RMB708,000,000 (100% interest attributable to the Group: RMB708,000,000)
	Gross Floor Area (sq m)		
	Phase I, II, III and IV		
	Residential 16,664.00		
	Commercial <u>124.00</u>		
	<u>16,788.00</u>		
	Gross Floor Area (sq m)		
	Phase III(2) (Under Development)		
	Residential 112,160.55		
	Commercial 1,628.96		
	Ancillary Facilities <u>2,813.79</u>		
	<u>116,603.30</u>		

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Description and tenure

The unsold completed Phases I, III and IV of the property comprise 494 unsold car parking spaces with a total gross floor area of approximately 13,650.55 sq m. Phases III(2) of the property will comprise 414 car parking spaces with a total gross floor area of approximately 20,220.41 sq m upon completion.

The land use rights of the development have been granted for terms of 70 years for residential use and 40 years for commercial use.

Notes:

- (1) Pursuant to the Business Licence No. 441200400006947 dated 21 June 2013, Zhaoqing New World Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$13,750,000.
- (2) Pursuant to 3 State-owned Land Use Rights Certificates issued by The People's Government of Zhaoqing, the land use rights of the Development with a total site area of 82,602.61 sq m were granted to Zhaoqing New World Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Site Area <i>(sq m)</i>	Land Use	Expiry Date	Date of Issuance
Zhao Guo Yong (2003) Zi Di 00280	29,127.53	Residential	19 December 2068	19 March 2003
Zhao Guo Yong (2003) Zi Di 01097	10,055.08	Residential	24 December 2068	12 December 2003
Zhao Guo Yong (2003) Zi Di 00272	43,420.00	Commercial and Residential	Commercial: 24 December 2038 Residential: 24 December 2068	20 March 2003

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- (3) Pursuant to 4 Commodity Housing Title Proofs issued by The People's Government of Zhaoqing, it is certified that Zhaoqing New World Property Development Limited is the legal owner of the property. Details of the Commodity Housing Title Proofs are as follows:

Document No.	Gross Floor		Land Use	Expiry Date	Date of Issuance
	Area	(sq m)			
Deng Ji Zi Hao Di 00316	43,151.1267		Residential	24 December 2068	21 August 2003
Deng Ji Zi Hao Di Zhao Duan Shang 00816	17,655.37		Residential and Commercial	24 December 2068	6 June 2012
Deng Ji Zi Hao Di Zhao Duan Shang 00817	38,948.11		Residential and Commercial	24 December 2068	5 June 2012
Deng Ji Zi Hao Di Zhao Duan Shang 00815	17,655.37		Residential and Commercial	24 December 2068	6 June 2012

- (4) Pursuant to Construction Land Use Planning Permit No. (96) Zhao Gui Hu Zi 232 issued by Zhaoqing Urban-Rural Planning Bureau dated 26 December 1996, the Development with a total site area of approximately 32,456.00 sq m was permitted to be developed.
- (5) Pursuant to Construction Engineering Planning Permit No. Zhao Cheng Gui Jian Zi Di (2006) 136 issued by Zhaoqing Urban-Rural Planning Bureau dated 28 September 2006, the property with total gross floor area of 215,693.00 sq m was permitted to be constructed.
- (6) Pursuant to Construction Works Commencement Permit No. 2012028 issued by Zhaoqing Housing and Urban-Rural Development Bureau dated 26 July 2012 respectively, the construction works of the property with a total gross floor area of 124,275.00 sq m was permitted to be commenced.
- (7) Pursuant to the 7 Construction Works Completion Certificates issued by Zhaoqing Urban-Rural Planning Bureau, the construction works of the property with a total gross floor area of 144,235.25 sq m was completed. Details are listed as follows:

Certificate No.	Date of Issuance	Address	Construction Scale (sq m)
Zhao Gui Jian Yan Zheng Zi (2011) Di 068	31 December 2011	Phase III — Zone DE (Tower A, B, C and Basement)	91,418.00
N/A	29 November 2013	Zone A (Tower A and Basement)	18,753.74 (Tower A: 10,985.34; Basement: 7,768.4)
N/A	29 November 2013	Zone A (Tower B)	10,467.78
N/A	29 November 2013	Zone A (Tower C)	4,777.32
N/A	29 November 2013	Zone A (Tower D)	4,696.37
N/A	29 November 2013	Zone A (Tower E)	4,705.65
N/A	29 November 2013	Zone A (Tower F-P)	9,416.39

- (8) Pursuant to Commodity Housing Pre-sale Permit No. Zhao Yu Xu Zi Di 2013098 dated 28 August 2013 issued by Zhaoqing Housing and Urban-Rural Development Bureau, the portion of the property with total gross area of 34,708.82 sq m was permitted to pre-sell.

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- (9) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB158,457,635 and RMB173,629,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB1,076,569,000; and
- (10) As advised by the Group, residential portion of the property with a total gross floor area of 15,670.87 sq m have been pre-sold at a total consideration of RMB105,800,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation; and:
- (11) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phases I, III and IV of the property

- (i) Zhaoqing New World Property Development Limited has legally obtained the land use rights and the building ownership of the property. Zhaoqing New World Property Development Limited is the sole owner of the property;
- (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Zhaoqing New World Property Development Limited according to relevant laws and regulations;
- (iii) Zhaoqing New World Property Development Limited has obtained Construction Work Completion Certificates for portion of the Development at Phase III and IV of the property. There will be no legal obstacle for Zhaoqing New World Property Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (iv) the property is free from mortgages and other encumbrances.

Phases III(2) of the property

- (v) Zhaoqing New World Property Development Limited has legally obtained the land use rights of the property. Zhaoqing New World Property Development Limited is the sole owner of the land use rights of the property;
- (vi) Zhaoqing New World Property Development Limited has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
- (vii) Zhaoqing New World Property Development Limited has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations. There will be no legal obstacle for Zhaoqing New World Property Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (viii) Zhaoqing New World Property Development Limited has obtained the Commodity Housing Pre-sale Permits for portion of the property. Zhaoqing New World Property Development Limited is entitled to pre-sale such portion of the property according to the said permits; and
- (ix) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014														
144 Real Estate Portion of Canton First Estate No. 333 Golf Road Nanhai Gaoxin District Foshan Guangdong Province The PRC	<p>Canton First Estate (also known as “Foshan Golf and Country Club”) (the “Development”) comprises an irregular-shape site with a total site area of approximately 3,018,766.90 sq m.</p> <p>The Development comprises (i) a 18-holes golf course with a driving range and other ancillary facilities completed in 1997; (ii) a residential portion completed in 2001 that was completely sold; (iii) a remaining residential portion which is currently pending for development and planned to be completed in phases; and (iv) a plot of land for landscaping and ancillary use of the golf course.</p> <p>The property comprises phase I of the property which is currently under development, and the remaining phases of the property comprise of residential portion and a hotel pending for development.</p> <p>The property shall comprise the following approximate gross floor areas upon full completion:</p> <p>Phase I (Currently Under Development)</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;">Gross Floor Area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td style="text-align: right;"><u>189,756.24</u></td> </tr> </tbody> </table> <p>Remaining Phases (Pending for Development)</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;">Gross Floor Area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td style="text-align: right;">839,456.00</td> </tr> <tr> <td>Hotel</td> <td style="text-align: right;">56,733.00</td> </tr> <tr> <td>Ancillary Facilities</td> <td style="text-align: right;"><u>28,621.00</u></td> </tr> <tr> <td>Total:</td> <td style="text-align: right;"><u><u>924,900.00</u></u></td> </tr> </tbody> </table>		Gross Floor Area (sq m)	Residential	<u>189,756.24</u>		Gross Floor Area (sq m)	Residential	839,456.00	Hotel	56,733.00	Ancillary Facilities	<u>28,621.00</u>	Total:	<u><u>924,900.00</u></u>	Phase I of the property is currently under development and the remaining phases of the property are pending for development.	RMB4,393,000,000 (84.8% interest attributable to the Group: RMB3,725,264,000)
	Gross Floor Area (sq m)																
Residential	<u>189,756.24</u>																
	Gross Floor Area (sq m)																
Residential	839,456.00																
Hotel	56,733.00																
Ancillary Facilities	<u>28,621.00</u>																
Total:	<u><u>924,900.00</u></u>																

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
	The land use rights of the Development have been granted for residential use and golf course and ancillary uses.		

Notes:

- (1) Pursuant to the Business Licence No. 440600000026708 dated 8 December 2011, Foshan Da Hao Hu Real Estate Development Co., Ltd., a subsidiary of the Company, was incorporated with a registered capital of RMB1,278,558,000.
- (2) Pursuant to the Business Licence No. 440600000026693 dated 8 December 2011, Foshan Country Real Estate Development Co., Ltd., a subsidiary of the Company, was incorporated with a registered capital of RMB638,030,000.
- (3) Pursuant to 11 State-owned Land Use Rights Certificates issued by The People's Government of Foshan, the land use rights of the Development with a total site area of 530,890.80 sq m were granted to Foshan Da Hao Hu Real Estate Development Co., Ltd.. Details of State-owned Land Use Rights Certificates are as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Fo Fu Nan Guo Yong (2011) Di 0715831	Residential	30 July 2070	64,849.50	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715835	Residential	29 July 2070	74,516.10	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715824	Residential	26 January 2064	42,778.90	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715825	Residential	28 January 2071	16,753.00	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715826	Residential	21 June 2070	41,991.20	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715834	Residential	26 January 2064	47,721.50	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715837	Residential	28 January 2071	7,769.40	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715839	Residential	21 June 2070	52,748.70	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715841	Residential	30 July 2070	8,396.40	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715842	Residential	26 January 2064	65,719.80	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715844	Residential	30 July 2070	107,646.30	1 December 2011

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- (4) Pursuant to 6 State-owned Land Use Rights Certificates issued by The People's Government of Foshan, the land use rights of the Development with a total site area of 264,925.40 sq m were granted to Foshan Country Real Estate Development Co., Ltd.. Details of State-owned Land Use Rights Certificates are as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Fo Fu Nan Guo Yong (2011) Di 0715811	Residential	26 January 2064	117,575.70	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715812	Residential	22 June 2070	31,200.00	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715814	Residential	30 July 2070	50,406.40	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715816	Residential	27 January 2064	22,349.40	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715817	Residential	22 June 2070	24,006.10	1 December 2011
Fo Fu Nan Guo Yong (2011) Di 0715819	Residential	30 July 2070	19,387.80	1 December 2011

- (5) Pursuant to 83 Construction Engineering Planning Permits issued by Foshan Land Resources and Planning Bureau, the property was permitted to be constructed. Details of Construction Engineering Planning Permits are as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Jian Zi Di 440605201201189	12 October 2012	1,308.94
Jian Zi Di 440605201201190	12 October 2012	1,322.96
Jian Zi Di 440605201201191	12 October 2012	1,326.22
Jian Zi Di 440605201201192	12 October 2012	1,326.92
Jian Zi Di 440605201201193	12 October 2012	1,325.11
Jian Zi Di 440605201360156	1 April 2013	1,469.38
Jian Zi Di 440605201360157	1 April 2013	1,470.23
Jian Zi Di 440605201360158	1 April 2013	1,470.23
Jian Zi Di 440605201360077	31 January 2013	1,471.69
Jian Zi Di 440605201201194	12 October 2012	1,494.78
Jian Zi Di 440605201201315	13 November 2012	1,468.44
Jian Zi Di 440605201201314	13 November 2012	1,468.44
Jian Zi Di 440605201201316	13 November 2012	1,468.44
Jian Zi Di 440605201201317	13 November 2012	1,468.44
Jian Zi Di 440605201200912	26 July 2012	2,683.96
Jian Zi Di 440605201200913	26 July 2012	2,444.91
Jian Zi Di 440605201200984	13 August 2012	1,672.51
Jian Zi Di 440605201200914	26 July 2012	2,528.89
Jian Zi Di 440605201200915	26 July 2012	1,639.36
Jian Zi Di 440605201200916	26 July 2012	1,790.98
Jian Zi Di 440605201200985	13 August 2012	2,434.23
Jian Zi Di 440605201200986	13 August 2012	1,728.33
Jian Zi Di 440605201200917	26 July 2012	1,671.21
Jian Zi Di 440605201200987	13 August 2012	1,672.16
Jian Zi Di 440605201200918	26 July 2012	1,691.49
Jian Zi Di 440605201201195	12 October 2012	1,468.44
Jian Zi Di 440605201201196	12 October 2012	1,468.44
Jian Zi Di 440605201201197	12 October 2012	1,469.13

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Permit No.	Date of Issuance	Gross Floor Area (sq m)
Jian Zi Di 440605201201198	12 October 2012	1,469.62
Jian Zi Di 440605201201199	12 October 2012	1,471.52
Jian Zi Di 440605201201200	12 October 2012	1,468.44
Jian Zi Di 440605201201201	12 October 2012	1,468.44
Jian Zi Di 440605201201250	25 October 2012	1,904.44
Jian Zi Di 440605201200963	7 August 2012	1,942.84
Jian Zi Di 440605201360159	2 April 2013	2,366.82
Jian Zi Di 440605201200964	7 August 2012	1,558.19
Jian Zi Di 440605201201251	25 October 2012	2,308.40
Jian Zi Di 440605201201058	29 August 2012	1,940.23
Jian Zi Di 440605201201204	15 October 2012	2,015.55
Jian Zi Di 440605201201059	29 August 2012	1,555.90
Jian Zi Di 440605201201205	15 October 2012	2,428.91
Jian Zi Di 440605201201060	29 August 2012	1,711.50
Jian Zi Di 440605201201206	15 October 2012	2,409.32
Jian Zi Di 440605201201207	15 October 2012	1,498.20
Jian Zi Di 440605201201252	25 October 2012	2,313.17
Jian Zi Di 440605201201253	25 October 2012	2,281.38
Jian Zi Di 440605201201254	25 October 2012	2,308.40
Jian Zi Di 440605201201208	15 October 2012	2,015.17
Jian Zi Di 440605201360064	28 January 2013	1,738.19
Jian Zi Di 440605201201255	25 October 2012	2,398.79
Jian Zi Di 440605201360065	28 January 2013	1,910.41
Jian Zi Di 440605201201209	15 October 2012	1,801.00
Jian Zi Di 440605201360066	28 January 2013	1,912.23
Jian Zi Di 440605201201210	15 October 2012	1,801.00
Jian Zi Di 440605201360067	28 January 2013	1,917.68
Jian Zi Di 440605201201211	15 October 2012	1,801.00
Jian Zi Di 440605201360068	28 January 2013	1,917.68
Jian Zi Di 440605201201212	15 October 2012	1,801.00
Jian Zi Di 440605201201061	29 August 2012	1,886.68
Jian Zi Di 440605201201062	29 August 2012	1,392.51
Jian Zi Di 440605201201064	29 August 2012	1,408.00
Jian Zi Di 440605201201063	29 August 2012	1,408.00
Jian Zi Di 440605201201065	29 August 2012	1,714.74
Jian Zi Di 440605201201256	25 October 2012	1,151.63
Jian Zi Di 440605201201213	15 October 2012	1,460.26
Jian Zi Di 440605201201214	15 October 2012	1,455.92
Jian Zi Di 440605201201215	15 October 2012	2,159.48
Jian Zi Di 440605201201216	15 October 2012	1,455.92
Jian Zi Di 440605201201217	15 October 2012	2,308.47
Jian Zi Di 440605201360160	2 April 2013	786.67
Jian Zi Di 440605201201257	25 October 2012	1,914.77
Jian Zi Di 440605201201258	25 October 2012	1,711.50
Jian Zi Di 440605201201259	25 October 2012	1,291.92
Jian Zi Di 440605201201260	25 October 2012	1,914.78
Jian Zi Di 440605201360161	2 April 2013	2,162.41
Jian Zi Di 440605201201261	25 October 2012	1,391.02
Jian Zi Di 440605201360073	29 January 2013	455.33
Jian Zi Di 440605201360074	29 January 2013	256.53
Jian Zi Di 440605201201066	30 August 2012	18,979.00

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Permit No.	Date of Issuance	Gross Floor Area (sq m)
Jian Zi Di 440605201201067	30 August 2012	17,246.79
Jian Zi Di 440605201201068	30 August 2012	19,286.01
Jian Zi Di 440605201201069	30 August 2012	14,776.32
Jian Zi Di 440605201201070	30 August 2012	17,132.94

- (6) Pursuant to 83 Construction Works Commencement Permits issued by Foshan Nanhai District Land Development and Water Supplies Bureau, the construction works of the property was permitted to be commenced. Details of Construction Works Commencement Permits are as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
440622201307190101-00	19 July 2013	1,308.94
440622201307190201-00	19 July 2013	1,322.96
440622201307190301-00	19 July 2013	1,326.22
440622201307190401-00	19 July 2013	1,326.92
440622201307190501-00	19 July 2013	1,325.11
440622201307190601-00	19 July 2013	1,469.38
440622201307190701-00	19 July 2013	1,470.23
440622201307190801-00	19 July 2013	1,470.23
440622201307190901-00	19 July 2013	1,471.69
440622201307191001-00	19 July 2013	1,494.78
440622201307191101-00	19 July 2013	1,468.44
440622201307191201-00	19 July 2013	1,468.44
440622201307191301-00	19 July 2013	1,468.44
440622201307191401-00	19 July 2013	1,468.44
440622201307191501-00	19 July 2013	2,683.96
440622201307191601-00	19 July 2013	2,444.91
440622201307191701-00	19 July 2013	1,672.51
440622201307191801-00	19 July 2013	2,528.89
440622201307191901-00	19 July 2013	1,639.36
440622201307192001-00	19 July 2013	1,790.98
440622201307192101-00	19 July 2013	2,434.23
440622201307192201-00	19 July 2013	1,728.33
440622201307192301-00	19 July 2013	1,671.21
440622201307192401-00	19 July 2013	1,672.16
440622201307192501-00	19 July 2013	1,691.49
440622201307192601-00	19 July 2013	1,468.44
440622201307192701-00	19 July 2013	1,468.44
440622201307192801-00	19 July 2013	1,469.13
440622201307192901-00	19 July 2013	1,469.62
440622201307193001-00	19 July 2013	1,471.52
440622201307193101-00	19 July 2013	1,468.44
440622201307193201-00	19 July 2013	1,468.44
440622201307194101-00	19 July 2013	1,904.44
440622201307194201-00	19 July 2013	1,942.84
440622201307194301-00	19 July 2013	2,366.82
440622201307194401-00	19 July 2013	1,558.19
440622201307194501-00	19 July 2013	2,308.40
440622201307194601-00	19 July 2013	1,940.23
440622201307194701-00	19 July 2013	2,015.55

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Permit No.	Date of Issuance	Gross Floor Area (sq m)
440622201307194801-00	19 July 2013	1,555.90
440622201307194901-00	19 July 2013	2,428.91
440622201307195001-00	19 July 2013	1,711.50
440622201307195101-00	19 July 2013	2,409.32
440622201307193301-00	19 July 2013	1,498.20
440622201307195201-00	19 July 2013	2,313.17
440622201307195301-00	19 July 2013	2,281.38
440622201307195401-00	19 July 2013	2,308.40
440622201307195501-00	19 July 2013	2,015.17
440622201307193401-00	19 July 2013	1,738.19
440622201307195601-00	19 July 2013	2,398.79
440622201307193501-00	19 July 2013	1,910.41
440622201307195701-00	19 July 2013	1,801.00
440622201307195801-00	19 July 2013	1,912.23
440622201307195901-00	19 July 2013	1,801.00
440622201307196001-00	19 July 2013	1,917.68
440622201307196101-00	19 July 2013	1,801.00
440622201307196201-00	19 July 2013	1,917.68
440622201307196301-00	19 July 2013	1,801.00
440622201307196401-00	19 July 2013	1,886.68
440622201307196501-00	19 July 2013	1,392.51
440622201307196601-00	19 July 2013	1,408.00
440622201307196701-00	19 July 2013	1,408.00
440622201307196801-00	19 July 2013	1,714.74
440622201307196901-00	19 July 2013	1,151.63
440622201307197001-00	19 July 2013	1,460.26
440622201307197101-00	19 July 2013	1,455.92
440622201307197201-00	19 July 2013	2,159.48
440622201307197301-00	19 July 2013	1,455.92
440622201307197401-00	19 July 2013	2,308.47
440622201307197501-00	19 July 2013	786.67
440622201307197601-00	19 July 2013	1,914.77
440622201307197701-00	19 July 2013	1,711.50
440622201307197801-00	19 July 2013	1,291.92
440622201307197901-00	19 July 2013	1,914.78
440622201307198001-00	19 July 2013	2,162.41
440622201307198101-00	19 July 2013	1,391.02
440622201307198201-00	19 July 2013	455.33
440622201307198301-00	19 July 2013	256.53
440622201211160200	16 November 2012	18,979.00
440522201211160500	16 November 2012	17,246.79
440522201211160100	16 November 2012	19,286.01
440522201211160400	16 November 2012	14,776.32
440522201211160300	16 November 2012	17,132.94

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- (7) Pursuant to 10 Foshan Commodity Housing Pre-sale Permits issued by Foshan Housing and Urban-Rural Development Committee, the pre-sale of portion of the property was permitted.

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Nan Fang Yu Zi Di 2013018902	18 September 2013	7,045.55
Nan Fang Yu Zi Di 2013018802	18 September 2013	10,467.52
Nan Fang Yu Zi Di 2013018702	18 September 2013	6,073.20
Nan Fang Yu Zi Di 2013014302	15 August 2013	4,657.42
Nan Fang Yu Zi Di 2013014502	16 August 2013	10,788.59
Nan Fang Yu Zi Di 2013016302	6 September 2013	13,024.33
Nan Fang Yu Zi Di 2013016402	6 September 2013	13,262.92
Nan Fang Yu Zi Di 2013021102	30 September 2013	10,720.70
Nan Fang Yu Zi Di 2013016602	6 September 2013	11,023.81
Nan Fang Yu Zi Di 2013016502	6 September 2013	13,005.84

- (8) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB2,002,095,146 and RMB4,174,888,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB12,698,390,000; and
- (9) As advised by the Group, residential portion of the property with a total gross floor area of 19,232.25 sq m have been pre-sold at a total consideration of RMB272,216,090. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.
- (10) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB13,000,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.
- (11) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Foshan Da Hao Hu Real Estate Development Co., Ltd. and Foshan Country Real Estate Development Co., Ltd. have legally obtained the land use rights and the building ownership of the property. Foshan Da Hao Hu Real Estate Development Co., Ltd. and Foshan Country Real Estate Development Co., Ltd. are the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Foshan Da Hao Hu Real Estate Development Co., Ltd. and Foshan Country Real Estate Development Co., Ltd. according to relevant laws and regulations;
 - (iii) Foshan Da Hao Hu Real Estate Development Co., Ltd. and Foshan Country Real Estate Development Co., Ltd. have obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;

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- (iv) Foshan Da Hao Hu Real Estate Development Co., Ltd. and Foshan Country Real Estate Development Co., Ltd. have obtained the State-owned Land Use Rights Certificates, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Foshan Da Hao Hu Real Estate Development Co., Ltd. and Foshan Country Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (v) Foshan Da Hao Hu Real Estate Development Co., Ltd. has obtained the Commodity Housing Pre-sale Permits for portion of the property. Foshan Da Hao Hu Real Estate Development Co., Ltd. is entitled to pre-sell such portion of the property according the said permits; and
- (vi) the property is free from mortgages and other encumbrances.

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	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
145	Huizhou Changhuyuan Changhuling Dongping Huizhou Guangdong Province The PRC	Huizhou Changhuyuan (the "Development") is a low-cost Community Housing Project with ancillary facilities erected on an irregular-shaped site with a site area of approximately 212,705.40 sq m.	Phase IV of the property is currently under development. The unsold completed portion of the property is currently vacant.	RMB153,000,000 (62.5% interest attributable to the Group: RMB95,625,000)
		<p>Phases I to III of the Development were completed from 1998 to 2013 and have been for sale since completion. Phase IV of the development is scheduled to be completed in December 2017.</p> <p>The property comprises the unsold completed portion of Phase III of the Development, and Phase IV of the Development which is under development. The property will provide the following approximate gross floor areas upon completion:</p>		
		<p style="text-align: center;">Gross Floor Area (sq m)</p>		
		<p>Phase III Residential 12,084.35</p>		
		<p>Phase IV Residential 101,906.00</p>		
		<p>Phase IV of the property will comprise 900 car parking spaces with a total gross floor area of approximately 45,000.00 sq m upon completion.</p>		
		<p>The land use rights of the development have been granted for a term of 70 years commencing from 19 June 1996 for residential uses.</p>		

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Notes:

- (1) Pursuant to the Business Licence No. 441300400033061 dated 28 February 2011, Huizhou New World Housing Development Limited, a jointly controlled entity of the Company, was incorporated with a registered capital of RMB80,000,000.
- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by The People's Government of Huizhou, the land use rights of the Development with a site area of 212,705.40 sq m were granted to Huizhou New World Housing Development Limited. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Site Area (sq m)	Land Use	Expiry Date	Date of Issuance
Hui Fu Guo Yong (2005) Di 13020700013	54,904.00	Residential	28 January 2075	3 February 2005
Hui Fu Guo Yong (2005) Di 13020700354	39,581.00	Commercial and Residential	20 May 2075	13 June 2006
Hui Fu Guo Yong (2009) Di 13020700128	3,055.90	Commercial and Residential	Commercial: 19 June 2036 Residential: 19 June 2066	12 March 2009
Hui Fu Guo Yong (2007) Di 13020701312	54,443.00	Residential	10 January 2076	8 November 2007
Hui Fu Guo Yong (96) Zi Di 13020800122	10,016.00	Subsidized housing	19 June 2066	N/A
Hui Fu Guo Yong (96) Zi Di 13020800121	47,637.00	Subsidized housing	19 June 2066	N/A
Hui Fu Guo Yong (96) Zi Di 13020700092	3,068.50	Residential	21 March 2075	13 April 2005

- (3) Pursuant to the Construction Works Completion Certificate issued by Huizhou Housing and Urban-Rural Planning and Development Bureau dated 29 May 2013, the construction works of the property with a total gross floor area of 157,608 sq m was completed.
- (4) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB1,381,057 and RMB364,960,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB819,520,000.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phase III of the property

- (i) Huizhou New World Housing Development Limited has legally obtained the land use rights and the building ownership of the property. Huizhou New World Housing Development Limited is the sole owner of the property;
- (ii) Huizhou New World Housing Development Limited has obtained the State-owned Land Use Rights Certificates and Construction Works Completion Certificates. There will be no legal obstacle for Huizhou New World Housing Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
- (iii) the property is free from mortgages and other encumbrances.

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Phase IV of the property

- (iv) Huizhou New World Housing Development Limited has legally obtained the land use rights of the property. Huizhou New World Housing Development Limited is the sole owner of the land use rights of the property;
- (v) the property can be legally transferred, leased, mortgaged or handled in other ways by Huizhou New World Housing Development Limited according to relevant laws and regulations; and
- (vi) the property is free form mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
146 Huiyang Palm Island Resort (Real Estate Portion) No. 1 Tuhu Golf Road Danshui Town Huiyang, Huizhou Guangdong Province The PRC	<p>Huiyang Palm Island Resort (the "Development") is a golf course/residential development comprising a total site area of approximately 1,259,901.00 sq m.</p> <p>The Development comprises a 27-holes golf course with driving range, an operating hotel with 20-guest rooms and various phases of residential developments. Phases I, II, III, IV and V of the Development were complete in 2001, 2002, 2002, 2004 and 2007 respectively and have been for sale since completion. Phase VI of the Development is currently under development and the remaining phase of the Development is currently pending for development.</p> <p>The Residential portion of the Development comprises an irregular-shaped site with a total site area of 268,233.53 sq m.</p> <p>The property comprises the unsold completed portion of Phases I and V, the under development Phase VI and the proposed remaining phase of the residential portion of the development, which will provide the following approximate gross floor areas upon completion:</p>	<p>Phase VI is currently under development.</p> <p>The remaining phases of the property are currently vacant.</p>	<p>RMB823,000,000 (59% interest attributable to the Group: RMB485,570,000)</p>
	<p>Gross Floor Area (sq m)</p>		
	<p>Phases I and V</p>		
	<p>Residential <u>3,035.95</u></p>		

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Description and tenure

	Gross Floor Area (sq m)
Phase VI	
Residential	<u>17,036.85</u>
Remaining Phases	
Residential	408,166.61
Commercial	<u>22,126.08</u>
Total:	<u>430,292.69</u>

The land use rights of the Development have been granted for commercial and residential uses with a land use rights term expiring on 1 March 2064.

Notes:

- (1) Pursuant to the Business Licence No. Qi Du Yue Hui Zong Fu Zi Di 005974 dated 10 June 2007, Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$20,820,000.

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- (2) Pursuant to 6 State-owned Land Use Rights Certificates issued by Huiyang Land Resources Bureau, the land use rights of the Development with a total site area of 189,045.60 sq m were granted to Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd.. Details of the State-owned Land Use Rights Certificates are listed as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Hui Yang Guo Yong (99) Zi Di 13210100414	Commercial and Residential	1 March 2064	37,736.57	18 June 1999
Hui Yang Guo Yong (99) Zi Di 13210100415	Commercial and Residential	1 March 2064	77,919.00	18 June 1999
Hui Yang Guo Yong (99) Zi Di 13210100417	Commercial and Residential	1 March 2064	33,228.40	18 June 1999
Hui Yang Guo Yong (2007) Di 0102164	Commercial and Residential	1 March 2064	29,597.00	25 December 2007
Hui Yang Guo Yong (2012) Di 0101784	Commercial and Residential	1 June 2082	7,163.00	17 July 2012
Hui Yang Guo Yong (2012) Di 0101783	Commercial and Residential	1 June 2082	3,401.63	17 July 2012

- (3) Pursuant to 10 Realty Title Certificates issued by Huiyang Housing Administration Bureau, it is certified that Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. is the legal owner of portion of the property with a total gross floor area of 1,518.62 sq m. Details are listed as follows:

Certificate No.	Gross Floor Area (sq m)	Address	Date of Issuance
Deng Ji Zi Hao Di 50178	183.03	Unit A, Level 2, No. 26 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50203	107.35	Unit B, Level 6, No. 50 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50207	157.90	Unit B, Level 2, No. 50 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50206	145.47	Unit A, Level 3, No. 50 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50213	163.81	Unit B, Level 2, No. 52 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50162	164.02	Unit B, Level 2, No. 36 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50120	164.02	Unit A, Level 2, No. 36 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50189	104.94	Unit A, Level 5, No. 32 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50194	164.04	Unit B, Level 2, No. 32 Zaolin Path	7 December 2007
Deng Ji Zi Hao Di 50193	164.04	Unit A, Level 2, No. 32 Zaolin Path	7 December 2007

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- (4) Pursuant to 2 Construction Land Use Planning Permits issued by Huiyang Planning and Land Resources Bureau both dated 10 June 1999, the Development with a total site area of 10,303.60 sq m was permitted to be developed. Details of the Construction Land Use Planning Permits are as follows:

Certificate No.	Date of Issuance	Address	Site Area (sq m)
SY99-0155	10 June 1999	Zone E, No. 1 Tuhu Golf Road, Danshui Town	7,163.00
SY99-0156	10 June 1999	Zone F, No. 1 Tuhu Golf Road, Danshui Town	3,140.60

- (5) Pursuant to 4 Construction Engineering Planning Permits issued by Huiyang Housing and Urban-Rural Planning Bureau, the property was permitted to be constructed. Detail of Construction Engineering Planning Permits are listed as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Jian Zi Di 441303201010428	23 August 2010	7,400.00
Jian Zi Di 441303201010429	23 August 2010	2,270.00
Jian Zi Di 441303201010430	23 August 2010	8,825.00
Jian Zi Di 441303201010431	23 August 2010	1,095.00

- (6) Pursuant to the Construction Works Commencement Permit No. 442521201109210101 issued by Huiyang Housing and Urban-Rural Planning Bureau dated 21 September 2011, the construction works of the property with gross floor area of 17,531.00 sq m was permitted to be commenced.
- (7) Pursuant to the Commodity Housing Pre-sale Permit No. Hui Yang Fang Yu Xu Zi (2012) Di 035 dated 10 September 2012 issued by Huiyang Housing Administration Bureau, portion of the property with gross floor area of 17,036.85 was permitted to pre-sell.
- (8) Properties specified in State-owned Land Use Rights Certificates Nos. Hui Yang Guo Yong (99) Zi Di 13210100414, Hui Yang Guo Yong (99) Zi Di 13210100417, Hui Yang Guo Yong (2007) Di 0102164 and Hui Yang Guo Yong (2012) Di 0101784 are subject to mortgage.
- (9) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB182,320,000 and RMB1,777,678,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB4,487,461,000.
- (10) As advised by the Group, residential portion of the property with a total gross floor area of 6,907.65 sq m have been pre-sold at a total consideration of RMB126,800,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.
- (11) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB130,000,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.

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- (12) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phases I and V of the property

- (i) Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. has legally obtained the land use rights and building ownership of Phases I and V of the property. Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. is the sole owner of the property;
- (ii) Phases I and V of the property can be legally transferred, leased, mortgaged or handled in other ways by Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. according to relevant laws and regulations; and
- (iii) Phases I and V of the property is free from mortgages and other encumbrances.

Phase VI of the property

- (iv) Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. has legally obtained the land use rights of Phase VI of the property. Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. is the sole owner of land use rights of the property;
- (v) Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property and the construction is complied with relevant regulations;
- (vi) Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (vii) Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. has obtained the Commodity Housing Pre-sale Permits for portion of the property. Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. is entitled to pre-sell such portion of the property according the said permits;
- (viii) Phase VI of the property is subject to various mortgages; and
- (ix) Phase VI of the property can be legally transferred, leased, mortgaged or handled in other ways by Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

Remaining Phases of the property

- (x) Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. has legally obtained the land use rights of the remaining phases of the property. Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. is the sole owner of land use rights of the property;
- (xi) the remaining phase of the property is subject to various mortgages; and
- (xii) the remaining phase of the property can be legally transferred, leased, mortgaged or handled in other ways by Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
147 Huiyang Hu Xia Liao Development Hu Xia Liao Section Dan Shui Tuhu Huiyang, Huizhou Guangdong Province The PRC	Huiyang Hu Xia Liao Development (the "Development") comprises a parcel of irregular-shaped site with a site area of approximately 108,478.00 sq m and is proposed to develop into a residential development. The property is currently pending for development and will comprise a gross floor area of approximately 162,717.00 sq m upon completion. The land use rights of the property have been granted for residential use for a land use rights term expiring on 28 February 2080.	The property is currently vacant and pending for development.	RMB337,000,000 (87.7% interest attributable to the Group: RMB295,549,000)

Notes:

- (1) Pursuant to the Business Licence No. 441381000039595 dated 18 January 2010, Huizhou Guangxin Property Development Limited, a subsidiary of the Company, was incorporated with a registered capital of RMB1,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Hui Yang Guo Yong (2010) Di 0101342 issued by The People's Government of Huiyang dated 2 August 2010, the land use rights of the property with a site area of 108,478 sq m were granted to Huizhou Guangxin Property Development Limited for a land use rights term expiring on 28 February 2080 for residential use.
- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Huizhou Guangxin Property Development Limited has legally obtained the land use rights of the property. Huizhou Guangxin Property Development Limited is the sole owner of the land use rights of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Huizhou Guangxin Property Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
148 Car Park Portion of Shanghai Zhongshan Square 977 Hongqiao Road Changning District Shanghai The PRC	<p>Shanghai Zhongshan Square (the "Development") is a commercial/residential/office composite development with clubhouse and carparking facilities, to be completed in phases, erected on two roughly rectangular shaped sites with a total site area of approximately 33,372.29 sq m.</p> <p>The property comprises 413 unsold car parking spaces of Phase I of the Development, with a gross floor area of 24,488.88 sq m, completed in 1999.</p> <p>The land use rights of the Development have been granted under two land use rights terms, expiring on 22 January 2044 for office use and 22 January 2064 for residential use.</p>	The property is currently vacant.	RMB103,250,000 (100% interest attributable to the Group: RMB103,250,000)

Notes:

- (1) Pursuant to the Business Licence No. 310000400080207 (Shi Ju) dated 10 October 2009, Shanghai Trio Property Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$81,000,000.
- (2) Pursuant to the Realty Title Certificate No. Hu Fang Di Chang Zi (1999) Di 002029 dated 14 May 1999 issued by Shanghai Planning, Land and Resources Administration Bureau, the title to the property with a total gross floor area of 17,201.29 sq m was vested in Shanghai Trio Property Development Co., Ltd. for a land use rights term expiring on 22 January 2064 for residential use.
- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Shanghai Trio Property Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Shanghai Trio Property Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Shanghai Trio Property Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
149 Units 204 and 301 at Hong Qiao Fu Di (previously known as Shanghai Zhongshan Square — Residential Units with Sunlight Issue) Changning District Shanghai The PRC	<p>Hong Qiao Fu Di is a residential development located at 255 Nong of An Shun Road, completed in 2008. Zhonghua Xin Cun is a residential development situated at Zhongshan West Road, Changning District.</p> <p>The property comprises two residential units of Hong Qiao Fu Di. The approximate gross floor areas of the property are listed in the following:</p>	The property is currently vacant.	RMB11,980,000 (100% interest attributable to the Group: RMB11,980,000)
	<p>Gross Floor Area (sq m)</p>		
	<p>Building No. 4 of Hong Qiao Fu Di</p>		
	Unit No. 204, Level 2	193.72	
	Unit No. 301, Level 3	164.55	
	The land use rights of the property have been granted for a land use rights term expiring on 23 June 2068 for residential use.		

Notes:

- (1) Pursuant to the Business Licence No. 310000400080207 (Shi Ju) dated 10 October 2009, Shanghai Trio Property Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$81,000,000.

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- (2) Pursuant to 2 Realty Title Certificates issued by Shanghai Planning, Land and Resources Administration Bureau, the title of the property was vested in Shanghai Trio Property Development Co., Ltd.. Details of the Realty Title Certificates are as follows:

Certificate No.	Date of Issuance	Expiry Date	Gross		Use
			floor area (sq m)	Portion	
Hu Fang Di Chang Zi (2008) Di 015309	10 November 2008	23 June 2068	193.72	Room 204	Residential
Hu Fang Di Chang Zi (2013) Di 017022	27 November 2013	23 June 2068	164.55	Room 301	Residential

- (3) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Shanghai Trio Property Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Shanghai Trio Property Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Shanghai Trio Property Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014						
150	<p>The remaining portion of Shenyang New World Garden Heping District Shenyang Liaoning Province The PRC</p> <p>Shenyang New World Garden (the "Development") comprises 5 parcels of adjoining sites with a total site area of approximately 1,742,000.00 sq m and is proposed to develop into a self-contained residential zone in several phases.</p> <p>Phase 1D of the Development was completed in June 2008 and had been completely sold since completion; Phases 2A and 2B of the Development were completed in December 2010 and December 2013 respectively and had been for sale since completion. The remaining phases of the Development are currently pending for development.</p> <p>The property comprises the unsold portion of Phases 2A and 2B, and the planned remaining phases of the Development. The property will comprise the following approximate gross floor areas upon full completion:</p>	<p>The property is currently vacant and is pending for development.</p>	<p>RMB5,813,000,000</p> <p>See Note 10 (100% interest attributable to the Group: RMB5,813,000,000)</p>						
	<p>Gross Floor Area (sq m)</p>								
	<p>Phase 2A and Phase 2B</p>								
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Residential</td> <td style="text-align: right;">344,540.83</td> </tr> <tr> <td>Commercial</td> <td style="text-align: right;"><u>8,392.52</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u><u>352,933.55</u></u></td> </tr> </table>	Residential	344,540.83	Commercial	<u>8,392.52</u>		<u><u>352,933.55</u></u>		
Residential	344,540.83								
Commercial	<u>8,392.52</u>								
	<u><u>352,933.55</u></u>								

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
		Gross Floor Area (sq m)	
	Remaining Phases		
	Residential	1,091,620.00	
	Commercial	112,303.00	
	Office	73,260.00	
	Ancillary Facilities	<u>16,000.00</u>	
		<u>1,293,183.00</u>	

The remaining phases of the property will also provide approximately 6,793 car parking spaces covering a total gross floor area of approximately 339,667.00 sq m upon completion.

The land use rights of the Development have been granted for a term of 50 years expiring on 8 June 2048 for composite uses.

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.

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- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development were granted to New World (Shenyang) Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
Shen Yang Guo Yong (2002) Zi Di 0231	2 August 2002	Composite	382,921.5	8 June 2048	Phase 1
Shen Yang Guo Yong (2011) Zi Di 0017	1 February 2011	Composite	237,517.7	8 June 2048	Phase 2A
Shen Yang Guo Yong (2011) Zi Di 0018	1 February 2011	Composite	208,973.9	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0019	1 February 2011	Composite	74,874.6	8 June 2048	Phase 2B
Shen Yang Guo Yong (2011) Zi Di 0105	24 June 2011	Composite	159,229	8 June 2048	Phase 3
Shen Yang Guo Yong (2011) Zi Di 0106	24 June 2011	Composite	158,033.1	8 June 2048	Phase 3
Shen Yang Guo Yong (2002) Zi Di 0103	24 June 2011	Composite	89,177.3	8 June 2048	Phase 3

- (3) Pursuant to the State-owned Land Use Rights Certificates of Phases 1 and 2A, portions of the land have been carved out and the remaining site area of these two certificates were 173,283.88 sq m and 194,014 sq m respectively.
- (4) Pursuant to the State-owned Land Use Rights Certificates of Phases 2 and 3, portions of the land with a total site area of 152,875.6 sq m are designed for road and green area use.
- (5) Pursuant to 133 Initial Registration for Building Ownership issued by Shenyang Urban-Rural Development Committee, portion of the Development with a total gross floor area of 50,337.61 sq m was certificated to be completed. Details of the Initial Registration for Building Ownership are as follows:

Address	Gross Floor Area (sq m)	Use	Date of Issuance
Unit 27-1, 7-7 South Sanhao Street	165.63	Residential	14 March 2012
Unit 27-2, 7-7 South Sanhao Street	103.73	Residential	14 March 2012
Unit 27-3, 7-7 South Sanhao Street	165.63	Residential	14 March 2012
Unit 1-1, 7-8 South Sanhao Street	153.64	Residential	14 March 2012
Unit 1-3, 7-8 South Sanhao Street	158.74	Residential	14 March 2012
Unit 15-2, 7-8 South Sanhao Street	103.73	Residential	14 March 2012
Unit 15-3, 7-8 South Sanhao Street	165.63	Residential	14 March 2012
Unit 33-1, 7-8 South Sanhao Street	166.24	Residential	14 March 2012
Unit 33-3, 7-8 South Sanhao Street	166.24	Residential	14 March 2012
Unit 33-2, 7-9 South Sanhao Street	103.73	Residential	14 March 2012
Unit 1-3-3, 7-13 South Sanhao Street	136.91	Residential	14 March 2012
Unit 3-1, 7-14 South Sanhao Street	147.96	Residential	14 March 2012
Unit 3-3, 7-15 South Sanhao Street	147.86	Residential	14 March 2012
Unit 30-1, 7-23 South Sanhao Street	450.82	Residential	10 May 2012
Unit 30-2, 7-23 South Sanhao Street	450.82	Residential	10 May 2012
Unit 18-2, 7-3 South Sanhao Street	269.17	Residential	10 May 2012
Unit 30-1, 7-3 South Sanhao Street	497.20	Residential	10 May 2012
Unit 30-2, 7-3 South Sanhao Street	497.20	Residential	10 May 2012
Unit 4-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012

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Address	Gross Floor Area (sq m)	Use	Date of Issuance
Unit 5-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 7-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 9-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 10-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 13-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 13-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 14-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 14-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 15-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 15-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 16-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 17-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 18-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 18-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 19-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 20-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 21-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 21-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 22-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 22-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 23-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 23-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 24-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 24-2, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 25-1, 7-4 South Sanhao Street	269.17	Residential	10 May 2012
Unit 26-1, 7-4 South Sanhao Street	269.65	Residential	10 May 2012
Unit 27-2, 7-4 South Sanhao Street	269.65	Residential	10 May 2012
Unit 28-1, 7-4 South Sanhao Street	269.65	Residential	10 May 2012
Unit 29-1, 7-4 South Sanhao Street	269.65	Residential	10 May 2012
Unit 30-1, 7-4 South Sanhao Street	497.20	Residential	10 May 2012
Unit 30-2, 7-4 South Sanhao Street	497.20	Residential	10 May 2012
Unit 30-1, 7-5 South Sanhao Street	441.38	Residential	10 May 2012
Unit 30-2, 7-5 South Sanhao Street	441.38	Residential	10 May 2012
Unit 23-1, 7-6 South Sanhao Street	240.35	Residential	10 May 2012
Unit 30-1, 7-6 South Sanhao Street	441.59	Residential	10 May 2012
Unit 30-2, 7-6 South Sanhao Street	441.59	Residential	10 May 2012
Unit 30-1, 7-18 South Sanhao Street	341.64	Residential	10 May 2012
Unit 30-2, 7-18 South Sanhao Street	338.62	Residential	10 May 2012
Unit 3-1, 7-19 South Sanhao Street	299.89	Residential	01 June 2012
Unit 3-2, 7-9 South Sanhao Street	299.89	Residential	01 June 2012
Unit 30-2, 7-19 South Sanhao Street	564.62	Residential	01 June 2012
Unit 13-1, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 12-2, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 3-1, 7-21 South Sanhao Street	300.92	Residential	10 May 2012
Unit 3-2, 7-21 South Sanhao Street	300.92	Residential	10 May 2012
Unit 4-1, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 4-2, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 5-2, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 6-1, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 6-2, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 7-1, 7-21 South Sanhao Street	305.07	Residential	10 May 2012

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Address	Gross Floor Area (sq m)	Use	Date of Issuance
Unit 17-1, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 24-2, 7-21 South Sanhao Street	305.07	Residential	10 May 2012
Unit 30-2, 7-21 South Sanhao Street	563.61	Residential	10 May 2012
Unit 4-1, 7-22 South Sanhao Street	190.39	Residential	10 May 2012
Unit 5-1, 7-22 South Sanhao Street	190.39	Residential	10 May 2012
Unit 15-1, 7-22 South Sanhao Street	190.39	Residential	10 May 2012
Unit 15-2, 7-22 South Sanhao Street	188.90	Residential	10 May 2012
Unit 17-1, 7-22 South Sanhao Street	190.39	Residential	10 May 2012
Unit 19-1, 7-22 South Sanhao Street	190.39	Residential	10 May 2012
Unit 22-2, 7-22 South Sanhao Street	188.90	Residential	10 May 2012
Unit 23-1, 7-22 South Sanhao Street	190.39	Residential	10 May 2012
Unit 26-2, 7-22 South Sanhao Street	189.51	Residential	10 May 2012
Unit 28-2, 7-22 South Sanhao Street	189.51	Residential	10 May 2012
Unit 29-2, 7-22 South Sanhao Street	189.51	Residential	10 May 2012
Unit 30-1, 7-22 South Sanhao Street	336.15	Residential	10 May 2012
Unit 30-2, 7-22 South Sanhao Street	333.18	Residential	10 May 2012
Unit 15-1, 7-27 South Sanhao Street	98.36	Residential	26 August 2011
Unit 15-2, 7-27 South Sanhao Street	95.16	Residential	26 August 2011
Unit 15-3, 7-27 South Sanhao Street	101.84	Residential	26 August 2011
Unit 15-6, 7-27 South Sanhao Street	98.36	Residential	26 August 2011
Unit 19-3, 7-27 South Sanhao Street	101.84	Residential	26 August 2011
Unit 1-8-3, 7-29 South Sanhao Street	113.76	Residential	26 August 2011
Unit 2, 69-18 South Sanhao Street	483.11	Residential	04 November 2013
Unit 1, 69-1 South Sanhao Street	481.94	Residential	04 November 2013
Unit 1, 69-8 South Sanhao Street	533.87	Residential	04 November 2013
Unit 1, 69-10 South Sanhao Street	533.87	Residential	04 November 2013
Unit 2, 69-10 South Sanhao Street	533.87	Residential	04 November 2013
Unit 1, 69-14 South Sanhao Street	547.14	Residential	04 November 2013
Unit 2, 69-14 South Sanhao Street	547.14	Residential	04 November 2013
Unit 2, 89-3 South Sanhao Street	483.11	Residential	04 November 2013
Unit 1, 89-12 South Sanhao Street	991.66	Residential	04 November 2013
Unit 2, 89-12 South Sanhao Street	991.66	Residential	04 November 2013
Unit 1, 89-13 South Sanhao Street	991.66	Residential	04 November 2013
Unit 2, 89-13 South Sanhao Street	991.66	Residential	04 November 2013
Unit 1, 89-14 South Sanhao Street	991.66	Residential	04 November 2013
Unit 2, 89-14 South Sanhao Street	991.66	Residential	04 November 2013
Unit 1, 89-25 South Sanhao Street	654.10	Residential	04 November 2013
Unit 2, 89-25 South Sanhao Street	654.10	Residential	04 November 2013
Unit 1, 89-24 South Sanhao Street	654.10	Residential	04 November 2013
Unit 2, 89-24 South Sanhao Street	654.10	Residential	04 November 2013
Unit 1, 89-22 South Sanhao Street	712.86	Residential	04 November 2013
Unit 2, 89-22 South Sanhao Street	712.86	Residential	04 November 2013
Unit 1, 89-19 South Sanhao Street	675.84	Residential	04 November 2013
Unit 2, 89-19 South Sanhao Street	1,037.93	Residential	04 November 2013
Unit 1, 89-18 South Sanhao Street	675.84	Residential	04 November 2013
Unit 2, 89-18 South Sanhao Street	1,037.93	Residential	04 November 2013
Unit 1, 89-17 South Sanhao Street	945.94	Residential	04 November 2013
Unit 1, 89-16 South Sanhao Street	945.94	Residential	04 November 2013
Unit 2, 89-16 South Sanhao Street	945.94	Residential	04 November 2013
Unit 1, 89-15 South Sanhao Street	679.89	Residential	04 November 2013
Unit 1, 69-6 South Sanhao Street	533.87	Residential	04 November 2013

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Address	Gross Floor Area (sq m)	Use	Date of Issuance
Unit 2, 69-9 South Sanhao Street	533.87	Residential	04 November 2013
Unit 1, 89-1 South Sanhao Street	481.94	Residential	04 November 2013
Unit 2, 89-1 South Sanhao Street	481.94	Residential	04 November 2013
Unit 2, 7-12 South Sanhao Street	309.39	Retail	14 March 2012
Unit 3, 7-12 South Sanhao Street	324.27	Retail	14 March 2012
Unit 4, 7-13 South Sanhao Street	234.91	Retail	14 March 2012
Unit 8, 7 South Sanhao Street	347.75	Retail	26 August 2012
Unit 7, 7 South Sanhao Street	283.03	Retail	26 August 2012
Unit 6, 7 South Sanhao Street	152.12	Retail	26 August 2012
Unit 4, 7 South Sanhao Street	333.23	Retail	26 August 2012
Unit 16, 7 South Sanhao Street	338.54	Retail	26 August 2012
Unit 15, 7 South Sanhao Street	344.65	Retail	26 August 2012

- (6) Pursuant to 13 Construction Works Completion Certificates issued by Shenyang Urban-Rural Development Committee, portion of the Development with a total gross floor area of 474,280.48 sq m was certificated to be completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Gross Floor Area (sq m)
2013 Nian No. 1093	25 November 2013	Block No. 32, Phase II Zone A	1,838
2013 Nian No. 1099	20 December 2013	Block Nos. 10–12, Phase II Zone B	60,853.65
2013 Nian No. 1100	20 December 2013	Block No. 9, Phase II Zone B	13,589.62
2013 Nian No. 1101	20 December 2013	Block Nos. 13–15, Phase II Zone B	52,068.02
2013 Nian No. 1102	20 December 2013	Block No. 25B, Phase II Zone B	1,644.46
2013 Nian No. 1103	20 December 2013	Block Nos. 1 and 22, Phase II Zone B	40,027.67
2013 Nian No. 1104	20 December 2013	Block Nos. 2–4 and 21, Phase II Zone B	81,478.82
2013 Nian No. 1105	20 December 2013	Block Nos. 5–6, Phase II Zone B	50,896.54
2013 Nian No. 1107	20 December 2013	Block Nos. 7–8, Phase II Zone B	39,037.89
2013 Nian No. 1108	20 December 2013	Block Nos. 16–19, Phase II Zone B	98,851.62
2013 Nian No. 1109	20 December 2013	Block No. 20, Phase II Zone B	25,887.14
2013 Nian No. 1111	20 December 2013	Block No. 25A, Phase II Zone B	1,560.55
2013 Nian No. 1112	20 December 2013	Block Nos. 23–24, Phase II Zone B	6,546.50

- (7) Portion of the property with a total gross floor area of 96,974.94 sq m is subject to two mortgages.
- (8) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB306,977,000 and RMB6,018,179,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB17,088,000,000.
- (9) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB28,600,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.
- (10) During the course of our valuation, we have not given any commercial value to the road and green area as mentioned in Note (4).

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PROPERTY VALUATION REPORT

- (11) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phases 2A and 2B of the property

- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property and is the sole owner of such portion of the land use rights of the property and is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the land use rights of the property;
- (ii) after the road and green area, as mentioned in Note (4), have been completed, they will be handed over to the government;
- (iii) for the mortgaged land use rights and building ownership, New World (Shenyang) Property Development Limited has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the mortgaged land use rights and building ownership;
- (iv) New World (Shenyang) Property Development Limited has obtained the Initial Registration for Building Ownership for the buildings of the property (except for the underground car park) and is entitled to transfer, lease, mortgage or in other ways dispose of the such portion of the property;
- (v) under existing practice, Shenyang Land Bureau will not issue any title documents for any basement car parks in Shenyang. As confirmed by New World (Shenyang) Property Development Limited, this portion of the property is for lease; and
- (vi) according to the regulation, car parking operator can operate a car park after completing the formalities from relevant authorities and registering from the police. There will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the permit for car park operation after compliance with relevant regulations and procedures.

Phase 3 of the property

- (vii) New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property and is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the land use rights of the property.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
151 Shenyang New World Commercial Centre (previously known as "Shenyang New World Hotel Extension Project") No. 2 Nanjing Nan Street Heping District Shenyang Liaoning Province The PRC	Shenyang New World Commercial Centre (previously known as "Shenyang New World Hotel Extension Project") (the "Development") comprises two parcels of land with an approximate total site area of 14,475.70 sq m. The Development is proposed to develop into a commercial/residential composite development. Phase I of the development was completed in December 2013 while Phase II is currently pending for development. The property comprises the whole Development and will provide the following approximate gross floor areas upon completion:	The property is currently vacant.	RMB1,288,000,000 (100% interest attributable to the Group: RMB1,288,000,000)
	Gross Floor Area (sq m)		
	Phase I		
	Residential	46,173.64	
	Clubhouse	<u>997.96</u>	
		<u>47,171.60</u>	
	Phase II		
	Retail	25,266.32	
	Office	<u>51,405.03</u>	
		<u>76,671.35</u>	

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
	Phase II of the property will also comprise approximately 268 car parking spaces covering a total gross floor area of approximately 19,353.91 sq m.		
	The land use rights of the Development have been granted for commercial and service use, with two land use rights terms expiring on 29 June 2049 and 26 June 2053.		

Notes:

- (1) Pursuant to the Business Licence No. 210100400016268 dated 23 May 2013, Shenyang New World Xin Hui Properties Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB501,520,000.
- (2) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. 2101012009A0061 dated 29 June 2009 entered into between Shenyang Land Resources Bureau and Shenyang New World Xin Hui Properties Co., Ltd., the land use rights of a parcel of land with a site area of 6,808.50 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:
- | | | | |
|--------|-------------------------|---|---------------------|
| (i) | Use | : | Commercial services |
| (ii) | Land use term | : | 40 years |
| (iii) | Plot ratio | : | ≤10 |
| (iv) | Maximum building height | : | ≤150 m |
| (v) | Density | : | ≤60% |
| (vi) | Green area | : | ≥15% |
| (vii) | Land grant fee | : | RMB106,907,067 |
| (viii) | Commencement date | : | 29 December 2009 |
| (ix) | Completion date | : | 29 June 2012 |
- (3) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. 2101012013A0004 dated 10 January 2013 entered into between Shenyang Land Resources Bureau and Shenyang New World Hotel Company Limited, the land use rights of a parcel of land with a site area of 7,667.20 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:
- | | | | |
|--------|-------------------------|---|---------------------|
| (i) | Use | : | Commercial services |
| (ii) | Land use term | : | 40 years |
| (iii) | Plot ratio | : | ≤10 |
| (iv) | Maximum building height | : | ≤150 m |
| (v) | Density | : | ≤60% |
| (vi) | Green area | : | ≥15% |
| (vii) | Land grant fee | : | RMB648,491,776 |
| (viii) | Commencement date | : | 30 June 2014 |
| (ix) | Completion date | : | 30 June 2017 |

APPENDIX II

PROPERTY VALUATION REPORT

- (4) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Shen Yang Guo Yong (2009) Di 0164 and Shen Yang Guo Yong (2013) Di 0053 issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development with total site area of 14,475.7 sq m were granted to Shenyang New World Xin Hui Properties Co., Ltd. for two land use terms expiring on 29 June 2049 and 26 June 2053 for commercial services use.
- (5) Pursuant to 2 Construction Works Completion Certificates issued by Shenyang Urban-Rural Development Committee, the portion of the Development was certificated to be completed. Detail of the Construction Works Completion Records are as follow:

Certificate No.	Date of Issuance	Address	Gross Floor Area (sq m)
2012 Nian Di 1090	28 November 2012	5 storeys above ground and 3 storeys underground, Phase I	37,096
2013 Nian Di 1115	24 December 2013	Level 6–35, Phase I	44,914

- (6) Phase I of the property with a gross floor area of approximately 47,171.6 sq m is subject to a mortgage.
- (7) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB22,508,000 and RMB399,537,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB2,123,000,000.
- (8) According to the Group's specific terms of instructions, we have taken into account the outstanding land costs of the property of approximately RMB19,220,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.
- (9) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phase I of the property

- (i) Shenyang New World Xin Hui Properties Co., Ltd. has legally obtained the land use rights of Phase I of the property and is the sole owner of such portion of the land use rights of the property;
- (ii) Shenyang New World Xin Hui Properties Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of Phase I of the property;
- (iii) Shenyang New World Xin Hui Properties Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of Phase I of the property and there will be no legal obstacle for Shenyang New World Xin Hui Properties Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and

Phase II of the property

- (iv) Shenyang New World Xin Hui Properties Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the land use rights of the property and is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the land use rights of the property.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014												
152 Shenyang New World Centre Heping District Shenyang Liaoning Province The PRC	<p>Shenyang New World Centre comprises a parcel of land with a site area of approximately 196,462.00 sq m.</p> <p>The property is planned to develop into a large-scale residential/commercial/hotel/office complex in three phases comprising 2 hotel towers, 3 serviced apartment towers, 2 office towers surmounting a five-level exhibition and commercial podium, one-level commercial basement and a two-level basement car park.</p> <p>Phase I and portion of Phase II of the property are scheduled to complete in September 2014 and the remaining phases of the property are currently pending for development.</p> <p>The property will comprise the following approximate gross floor areas upon completion:</p> <p style="text-align: right;">Gross Floor Area (sq m)</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td colspan="2">Portion of Phase II</td> </tr> <tr> <td>Residential</td> <td style="text-align: right;">93,419.31</td> </tr> <tr> <td colspan="2">Remaining Phases</td> </tr> <tr> <td>Office</td> <td style="text-align: right;">268,652.96</td> </tr> <tr> <td>Residential</td> <td style="text-align: right;"><u>258,121.85</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u><u>526,774.81</u></u></td> </tr> </table> <p>The land use rights of the property have been granted for a term expiring on 8 June 2048 for composite uses.</p>	Portion of Phase II		Residential	93,419.31	Remaining Phases		Office	268,652.96	Residential	<u>258,121.85</u>		<u><u>526,774.81</u></u>	<p>Phase I and portion of the Phase II of the property are currently under development.</p> <p>The remaining phases of the property are currently vacant.</p>	<p>RMB2,355,000,000 (100% interest attributable to the Group: RMB2,355,000,000)</p>
Portion of Phase II															
Residential	93,419.31														
Remaining Phases															
Office	268,652.96														
Residential	<u>258,121.85</u>														
	<u><u>526,774.81</u></u>														

APPENDIX II

PROPERTY VALUATION REPORT

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Shen Yang Guo Yong (2011) Di 0104 issued by Shenyang Planning and Land Resources Bureau dated 24 June 2011, the land use rights of the Development with a total site area of 207,469.30 sq m were granted to New World (Shenyang) Property Development Limited for a land use rights term expiring on 8 June 2048 for composite use.
- (3) Pursuant to the Construction Land Use Planning Permit No. Shen Gui Tu Zhen Zi 2007 Nian 0252 issued by Shenyang Planning and Land Resources Bureau dated 18 December 2007, the Development with a total site area of approximately 196,462.00 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 210100201300002 issued by Shenyang Planning and Land Resources Bureau dated 18 January 2013, the property with a total gross floor area of 738,697 sq m was permitted to be constructed.
- (5) Pursuant to the Construction Works Commencement Permit No. 210100201305231801 issued by Shenyang Urban-Rural Development Committee dated 23 May 2013, construction works of portion of the property with a total gross floor area of 401,549 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB1,177,685,000 and RMB3,918,194,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB9,117,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:

Phase I and Portion of Phase II

- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
- (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by New World (Shenyang) Property Development Limited according to relevant laws and regulations;
- (iii) New World (Shenyang) Property Development Limited has obtained all necessary approvals, permits and registration for the construction of Phases I and II of the property and there will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (iv) the property is free from mortgages and other encumbrances; and

Remaining Phases of the property

- (v) New World (Shenyang) Property Development Limited has legally obtained the land use rights of remaining phases of the property and is the sole owner of such portion of the land use rights of the property and is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the land use rights of the property.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
153 Dalian New World Plaza 200 Tianjin Street Zhongshan District Dalian Liaoning Province The PRC	<p>Dalian New World Plaza (the "Development"), is a massive commercial/residential complex, containing a twin block of multi-storey office and apartment building surmounting a 7-level retail podium including a 3-level commercial/ car parking basement. The Development is erected on an irregular-shaped site with an area of approximately 9,800.00 sq m completed in 2004.</p> <p>Tower I and Tower II of the Development were complete in 2002 and 2004 respectively, and have been for sale since completion.</p> <p>The property comprises the remaining unsold office portion of Tower II of the Development, with a total gross floor area of approximately 478.63 sq m.</p> <p>The land use rights of the property have been granted for a term expiring on 28 July 2064 for residential use.</p>	The property is currently vacant.	RMB5,700,000 (88% interest attributable to the Group: RMB5,016,000)

Notes:

- (1) Pursuant to the Business Licence No. 210200400009184 dated 19 January 2011, Dalian New World Plaza International Co., Ltd., a subsidiary of the Company, was incorporated with a registered capital of RMB58,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Da Guo Yong (2003) Zi Di 01011 issued by Dalian Planning and Land Resources Bureau dated 5 March 2003, the land use rights of the Development with a site area of 5,291.70 sq m were granted to Dalian New World Plaza International Co., Ltd. for a land use rights term expiring on 28 July 2064 for residential use.
- (3) Pursuant to the Construction Works Completion Certificates dated 4 March 2004 issued by Dalian Construction Engineering Quality Supervision Station, portion of the Development with a total gross floor area of 172,569.75 sq m was certificated to be completed.

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PROPERTY VALUATION REPORT

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Dalian New World Plaza International Co., Ltd. has legally obtained the land use rights of the property. Dalian New World Plaza International Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) Dalian New World Plaza International Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property;
 - (iii) Dalian New World Plaza International Co., Ltd. has obtained the Construction Works Completion Certificates for the building. There will be no legal obstacle for Dalian New World Plaza International Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014												
154 Dalian New World Tower 41 Renmin Road Zhongshan District Dalian Liaoning Province The PRC	<p>Dalian New World Tower (the "Development") comprises a rectangular-shaped site with an area of approximately 16,600.00 sq m and is proposed to be developed into a residential/commercial/hotel twin tower development complex with a total gross floor area of approximately 219,324.00 sq m.</p> <p>The Development comprises West Tower and East Tower, West Tower comprises residential, commercial and hotel portions which were complete in April 2009. East Tower of the development is currently under development and will comprise residential portion upon completion.</p> <p>The property comprises the unsold residential portion of West Tower and the whole East Tower. The property will comprise the following approximate gross floor areas upon completion:</p> <table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td colspan="2" style="text-align: center;">Gross Floor Area</td> </tr> <tr> <td colspan="2" style="text-align: center;"><i>(sq m)</i></td> </tr> <tr> <td>Residential</td> <td></td> </tr> <tr> <td>West Tower</td> <td style="text-align: right;">940.07</td> </tr> <tr> <td>East Tower</td> <td style="text-align: right;"><u>83,570.86</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u><u>84,510.93</u></u></td> </tr> </table> <p>The land use rights of the Development have been granted for two terms expiring on 15 September 2048 and 25 March 2064 for catering and residential uses respectively.</p>	Gross Floor Area		<i>(sq m)</i>		Residential		West Tower	940.07	East Tower	<u>83,570.86</u>		<u><u>84,510.93</u></u>	East Tower of the property is under development and the unsold residential of the West Tower is currently vacant.	RMB1,273,000,000 (100% interest attributable to the Group: RMB1,273,000,000)
Gross Floor Area															
<i>(sq m)</i>															
Residential															
West Tower	940.07														
East Tower	<u>83,570.86</u>														
	<u><u>84,510.93</u></u>														

Notes:

- (1) Pursuant to the Business Licence No. 210200400009192 dated 29 March 2013, Dalian New World Tower Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$162,150,000.

APPENDIX II

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- (2) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Da Guo Yong (2010) Di 01046 and Da Guo Yong (2010) Di 01047 issued Dalian Land Resources and Housing Administration Bureau dated 15 September 2010, the land use rights of the Development with a total site area of 16,600.00 sq m were granted to Dalian New World Tower Co., Ltd. for two terms expiring on 15 September 2048 and 25 March 2064 for catering and residential uses respectively.
- (3) Pursuant to 2 Realty Title Certificates Nos. (Zhong Xie Wai) 2010201419 and (Zhong Xie Wai) 2010201420 issued by Dalian Real Estate Title Registration Centre dated 8 November 2010, the building ownership of the property with a total gross floor area of 96,084.79 were vested in Dalian New World Tower Co., Ltd..
- (4) Pursuant to the Construction Works Completion Certificate Da Zhi Jian Zheng [2009] No. 006 dated 23 April 2009 issued by Dalian Construction Engineering Quality Supervision Station, portion of the Development with a total gross floor area of 136,597.00 sq m was certificated to be completed.
- (5) Pursuant to the Construction Land Use Planning Permit No. Da Lian-93242 issued by Dalian Urban-Rural Planning Bureau dated 13 May 1993, the development with a total site area of approximately 16,600 sq m was permitted to be developed.
- (6) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 2102002200800076 dated 28 October 2008 issued by Dalian Planning Bureau, the property with a total gross floor area of 219,324 sq m was permitted to be constructed.
- (7) Pursuant to 2 Construction Works Commencement Permit Nos. 210201200812090201 dated 9 December 2008 and 210200201302181220 dated 18 February 2013 issued by Dalian Urban-Rural Construction Committee, the construction works of the property with a total gross floor area of 164,068 sq m was permitted to be commenced.
- (8) Pursuant to the Commodity Housing Pre-sale Permit No. Da Fang Yu Xu Zi Di 20100001 issued by Dalian Land Resource and Housing Administration Bureau dated 8 January 2010, portion of the property with a gross floor area of 185,920 sq m was permitted to pre-sell.
- (9) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB732,603,000 and RMB55,757,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB1,523,000,000.
- (10) As advised by the Group, residential portion of the property with a total gross floor area of 18,388.37 sq m have been pre-sold at a total consideration of RMB355,950,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.
- (11) Portion of the land use rights and buildings of the property with a site area of 14,741.5 sq m and a gross floor area of 78,682.5 sq m was subject to a mortgage.

APPENDIX II

PROPERTY VALUATION REPORT

- (12) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

West Tower

- (i) Dalian New World Tower Co., Ltd. has legally obtained the land use rights and the building ownership of the buildings of West Tower of the property is the sole owner of such portion of the property and is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the property;
- (ii) the property is free from mortgages and other encumbrances;

East Tower

- (iii) Dalian New World Tower Co., Ltd. has legally obtained the land use rights of East Tower of the property and is the sole owner of such portion of the property and is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the land use rights of the property;
- (iv) For the mortgaged buildings and the regarding land use rights, Dalian New World Tower Co., Ltd. has to obtain the mortgagee's prior written consent before transferring such portion of the property;
- (v) Dalian New World Tower Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Dalian New World Tower Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
- (vi) Dalian New World Tower Co., Ltd. has obtained the Commodity Housing Pre-sale Permits for portion of the property, and is entitled to pre-sell the regarding portions of the property.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
155 Unsold portion of Haikou New World Garden Xinbu Island Haikou Hainan Province The PRC	Haikou New World Garden (the "Development") comprises a residential development erected upon an irregular-shaped site with an area of approximately 240,639.46 sq m. Phases I, II and III of the Development were completed in 2002, 2008 and 2013 respectively, and have been for sale since completion. The property comprises the unsold completed portion of Phase I of the Development with a total gross floor areas of approximately 488.88 sq m. The land use rights of the Development have been granted for a term of 70 years for residential use.	The property is currently vacant.	RMB4,200,000 (100% interest attributable to the Group: RMB4,200,000)

Notes:

- (1) Pursuant to the Business Licence No. 460100400000285 dated 28 June 2012, Haikou New World Housing Development Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$8,000,000.
- (2) Pursuant to 5 State-owned Land Use Rights Certificates issued by Haikou Land and Ocean Resources Bureau, the land use rights of the Development with a total site area of 240,639.46 sq m were granted to Haikou New World Housing Development Ltd.. Details are listed as follows:

Certificate No.	Site Area (sq m)	Land Use	Land Use	
			Term Expiry Date	Date of Issuance
Hai Kou Shi Guo Yong (Ji) Zi Di S0645	19,140.62	Residential	20 December 2070	26 December 2000
Hai Kou Shi Guo Yong (Ji) Zi Di S0652	105,654.90	Residential	28 December 2070	3 January 2001
Hai Kou Shi Guo Yong (Ji) Zi Di S0654	49,918.34	Residential	5 January 2071	9 January 2001
Hai Kou Shi Guo Yong (Ji) Zi Di S0644	1,485.53	Residential	20 December 2070	26 December 2000
Hai Kou Shi Guo Yong (Ji) Zi Di S0774	64,440.07	Residential and Commercial	13 September 2071	24 February 2003

APPENDIX II

PROPERTY VALUATION REPORT

- (3) Pursuant to 2 Building Ownership Certificates issued by Haikou Housing Administration Bureau, the building ownership of portion of the property with total gross floor area of 488.88 sq m was vested in Haikou New World Housing Development Ltd.. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Hai Kou Shi Fang Quan Zheng Hai Fang Zi Di HK041876	253.34	Residential	Block A3 Unit C	2 December 2002
Hai Kou Shi Fang Quan Zheng Hai Fang Zi Di HK041875	235.54	Residential	Block A3 Unit D	2 December 2002

- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Haikou New World Housing Development Ltd. has legally obtained the land use rights of the property and the ownership of the building erected thereon. Haikou New World Housing Development Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Haikou New World Housing Development Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
156 Phases IA and IB of Haikou Meilisha Project Haidiandao Haikou Hainan Province The PRC	Haikou Meilisha Project comprises an irregular-shaped site with a total site area of approximately 2,204,909.20 sq m and is planned to develop into a large-scale residential/commercial/office/hotel composite development with ancillary and car parking facilities. The property comprises Phase IA of the development is scheduled to be completed in September 2016. The property will comprise the following approximate gross floor areas upon completion:	The property is currently under development.	RMB3,406,000,000 See Note (11) (100% interest attributable to the Group: RMB3,406,000,000)
	Gross Floor Area (sq m)		
	Phase IA		
	Residential	106,596.90	
	Commercial	7,813.00	
	Clubhouse	<u>7,382.24</u>	
		<u>121,792.14</u>	
	Gross Floor Area (sq m)		
	Phase IB		
	Residential	740,113.41	
	Commercial	8,800.00	
	Ancillary Facility	7,836.00	
	Clubhouse	<u>22,146.24</u>	
		<u>778,895.65</u>	

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Phases IA and IB of the property will also comprise 872 and 7,042 car parking spaces respectively.

The land use rights of the property have been granted for 70 years for residential use, 40 years for commercial use, 50 years for park and green land, public facility, government agency and organisation use and medical and charitable uses expiring on 14 November 2075, 14 November 2045 and 14 November 2055 respectively.

Notes:

- (1) Pursuant to the Business Licence No. 460100400001591 dated 13 June 2013, New World China Land (Haikou) Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$600,000,000.
- (2) Pursuant to 19 State-owned Land Use Rights Certificates issued by Department of Land Environment and Resources of Hainan Province, the land use rights of the property with a total site area of 672,682.04 sq m were granted to New World China Land (Haikou) Limited for residential use. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Site Area (sq m)	Land Use	Land Use Term Expiry Date	Date of Issuance	Phase
Hai Kou Shi Guo Yong (2011) Di 006974	47,076.38	Residential	14 November 2075	12 August 2011	Phase 1A
Hai Kou Shi Guo Yong (2012) Di 007481	70,355.47	Residential	14 November 2075	8 October 2012	Phase 1A
Hai Kou Shi Guo Yong (2012) Di 007483	7,622.87	Park and green land	14 November 2055	8 October 2012	Phase 1A
Hai Kou Shi Guo Yong (2012) Di 007479	3,673.05	Park and green land	14 November 2055	8 October 2012	Phase 1A
Hai Kou Shi Guo Yong (2011) Di 006977	2,047.79	Government agency and organisation use	14 November 2055	12 August 2011	Phase 1A
Hai Kou Shi Guo Yong (2011) Di 006972	94,763.03	Residential	14 November 2075	12 August 2011	Phase 1A

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Certificate No.	Site Area (sq m)	Land Use	Land Use Term Expiry Date	Date of Issuance	Phase
Hai Kou Shi Guo Yong (2011) Di 006975	7,813.14	Commercial	14 November 2045	12 August 2011	Phase 1A
Hai Kou Shi Guo Yong (2011) Di 006976	1,204.55	Public facility	14 November 2055	12 August 2011	Phase 1A
Hai Kou Shi Guo Yong (2012) Di 007480	38,863.18	Park and green land	14 November 2055	8 October 2012	Phase 1B
Hai Kou Shi Guo Yong (2012) Di 007482	4,472.48	Public facility	14 November 2055	8 October 2012	Phase 1B
Hai Kou Shi Guo Yong (2013) Di 009627	42,018.16	Medical and charitable	14 November 2055	28 October 2013	Phase 1B
Hai Kou Shi Guo Yong (2012) Di 007484	74,967.37	Residential	14 November 2075	8 October 2012	Phase 1B
Hai Kou Shi Guo Yong (2013) Di 009558	47,664.72	Residential	14 November 2075	28 October 2013	Phase 1B
Hai Kou Shi Guo Yong (2013) Di 009563	57,620.57	Residential	14 November 2075	28 October 2013	Phase 1B
Hai Kou Shi Guo Yong (2013) Di 009560	72,057.68	Residential	14 November 2075	28 October 2013	Phase 1B
Hai Kou Shi Guo Yong (2013) Di 009624	7,756.05	Science and education	14 November 2055	28 October 2013	Phase 1B
Hai Kou Shi Guo Yong (2013) Di 009552	38,566.66	Park and green land	14 November 2055	28 October 2013	Phase 1B
Hai Kou Shi Guo Yong (2013) Di 009621	15,242.79	Park and green land	14 November 2055	28 October 2013	Phase 1B
Hai Kou Shi Guo Yong (2013) Di 009556	38,896.10	Residential	14 November 2075	28 October 2013	Phase 1B

- (3) Pursuant to 3 Construction Engineering Planning Permits issued by Haikou Planning Bureau, the property was permitted to be constructed. Details of Construction Engineering Permits are stated as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Jian Zi Di 460100201200001	4 January 2012	23,410.02
Jian Zi Di 460100201200230	26 December 2012	32,539.00
Jian Zi Di 460100201100197	24 November 2011	56,669.04

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- (4) Pursuant to 2 Construction Works Commencement Permits both issued by Haikou Housing and Urban-Rural Bureau, the construction works of the property was permitted to be commenced. Details of Construction Works Commencement Permits are stated as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
460100201205100201	10 May 2012	33,032.44
460100201202270101	27 February 2012	80,267.36

- (5) Portion of the land use rights with a total site area of 102,576.17 sq m together with the construction works above were subject to a mortgage.
- (6) Portion of the land of the Development with a total site area of approximately 93,033 sq m were planned for constructing first type public facilities. After completing the construction, such portion of the Development together with the title should be handed over to Haikou government.
- (7) Portion of the land with a total site area of approximately 38,863 sq m and a total gross floor area of approximately 1,500 sq m were planned for constructing second type public facilities. After completing the construction, such portion of the property should be handed over to Haikou government.
- (8) After the completion of six roads and a park, green land of the street, two 20 m width green land of Yanhuandao Road and seaside, such portion of the property should be open to public without any charges.
- (9) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB1,501,235,000 and RMB2,728,936,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB10,608,000,000.
- (10) As advised by the Group, portion of the property with a total gross floor area of 9,051.18 sq m have been pre-sold at a total consideration of RMB177,960,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.
- (11) During the course of our valuation, we have not given any commercial value to portions of the property as mentioned in Notes (6) to (8).
- (12) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- portion of the land with a total site area of approximately 93,033 sq m were planned for constructing first type public facilities. After completing the construction, such portion of the property together with the title should be handed over to Haikou government;
 - portion of the land with a total site area of approximately 38,863 sq m and a total gross floor area of approximately 1,500 sq m were planned for constructing second type public facilities. After completing the construction, such portion of the property should be handed over to Haikou government;
 - after the completion of six roads and a park, green land of the street, two 20 m width green land of Yanhuandao Road and seaside, such portion of the property should be open to public without any charges;
 - save and except for the portions as mentioned in Notes (12) (i) and (ii), New World China Land (Haikou) Limited has legally obtained the remaining portions of the land use rights of the property and is the sole owner of such portion of the property;

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- (v) New World China Land (Haikou) Limited is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged portion of the land use rights of the property except for the portions as mentioned in Notes (12) (i), (ii) and (iii);
- (vi) New World China Land (Haikou) Limited has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the mortgaged portion of the property except for the portions as mentioned in Notes (12) (i), (ii) and (iii);
- (vii) New World China Land (Haikou) Limited has obtained the Construction Engineering Planning Permit and Construction Works Commencement Permit for portion of the property;
- (viii) New World China Land (Haikou) Limited has obtained the Construction Engineering Planning Permit and other related permits for another portion of the property. New World China Land (Haikou) Limited is entitled to construct such portion of the portion of the property after obtaining the Construction Works Commencement Permit for such portion of the property; and
- (ix) after the buildings of the property have been completed according to the relative State-owned Land Use Rights Certificates, Construction Engineering Planning Permit and Construction Works Commencement Permit, there will be no legal obstacle for New World China Land (Haikou) Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures for such portion of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
157 Shunde New World Centre 148 Qinghui Road Daliang Shunde Guangdong Province The PRC	<p>Shunde New World Centre (the "Development") comprises a parcel of land with a site area of approximately 14,171.00 sq m. The Development is a commercial/residential composite complex comprising five 32-storey residential/office composite blocks surmounting a five-level (including two basement levels) commercial/car parking podium.</p> <p>Phases I and II of the Development was complete in 1998 and 2003 and had completely sold since completion. Phase III of the Development were complete in April 2010 and have been for sale since completion.</p> <p>The property comprises the unsold residential units of Phase III of the Development, which comprises a total gross floor area of approximately 26,284.79 sq m.</p> <p>The land use rights of the Development have been granted for a term of 70 years for commercial/residential uses.</p>	The property is currently vacant.	RMB246,000,000 (42.2% interest attributable to the Group: RMB103,812,000)

Notes:

- (1) Pursuant to the Business Licence No. 440681400015514 dated 16 May 2012, Foshan Shunde Shunxing Real Estate Company Limited, an associated company of the Company, was incorporated with a registered capital of US\$12,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Shun Fu Guo Yong (94) Zi Di 002580100117 issued by The People's Government of Guangdong dated 7 September 1994, the land use rights of the Development with a total site area of 14,171 sq m were granted to Foshan Shunde Shunxing Real Estate Company Limited for a land use rights term expiring on August 2066 for residential and commercial use.
- (3) Pursuant to the Commodity Housing Title Proof No. Shun Yu Xu Zi 20100079 dated 21 July 2010 issued by Foshan Housing and Urban-Rural Development Committee, the title of portion of the Development with a gross floor area of 60,731.73 sq m and a site area of 1,268.00 sq m was vested in Foshan Shunde Shunxing Real Estate Company Limited.

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- (4) Pursuant to Construction Works Completion Certificate dated 12 June 2010 issued by Foshan Shunde Construction Committee, portion of the Development with a gross floor area of 60,731.73 sq m was certificated to be completed.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Foshan Shunde Shunxing Real Estate Company Limited has legally obtained the land use rights of the property and is the sole owner of the property;
 - (ii) Foshan Shunde Shunxing Real Estate Company Limited is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
 - (iii) Foshan Shunde Shunxing Real Estate Company Limited has obtained the Commodity Housing Title Proofs for portion of the property. Foshan Shunde Shunxing Real Estate Company Limited is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the property;
 - (iv) Foshan Shunde Shunxing Real Estate Company Limited has obtained the Construction Works Completion Certificate for portion of the property. There will be no legal obstacle for Foshan Shunde Shunxing Real Estate Company Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (v) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014								
158 Zhuhai Jin Hai New World Jinhaian Airport Road Sanzao Administration Zone Zhuhai Guangdong Province The PRC	Zhuhai Jin Hai New World (previously known as “Zhuhai New World Riveria Garden”) (the “Development”) is a residential development erected upon an irregular-shaped site with a total site area of approximately 59,619.34 sq m. Phases I to IV of the Development were completed in September 2002, March 2005, April 2008 and August 2013 respectively and have been for sale since completion. The property comprises the unsold completed portion of Phase IV of the Development, providing the following gross floor areas:	The property is currently vacant.	RMB201,500,000 (100% interest attributable to the Group: RMB201,500,000)								
	Gross Floor Area (sq m)										
	<table border="0"> <tr><td>Phase IV</td><td></td></tr> <tr><td>Residential</td><td style="text-align: right;">10,182.03</td></tr> <tr><td>Commercial</td><td style="text-align: right;"><u>6,348.74</u></td></tr> <tr><td></td><td style="text-align: right;"><u>16,530.77</u></td></tr> </table>	Phase IV		Residential	10,182.03	Commercial	<u>6,348.74</u>		<u>16,530.77</u>		
Phase IV											
Residential	10,182.03										
Commercial	<u>6,348.74</u>										
	<u>16,530.77</u>										
	Phase IV of the property also comprises approximately 628 car parking spaces with a total gross floor area of approximately 7,771.44 sq m. The land use rights of the Development have been granted for two terms expiring on 3 March 2042 and 3 March 2072 for commercial and residential uses respectively.										

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Notes:

- (1) Pursuant to the Business Licence No. 440400400018477 dated 5 November 2013, Zhuhai New World Housing Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$8,000,000.
- (2) Pursuant to the Realty Title Certificate No. Yue Fang Di Zheng Zhu Zi Di 0200009529 dated 27 September 2010 issued by Jinhai City Real Estate Title Registration Centre, the land use rights of the property with a site area of 59,619.34 sq m were granted to Zhuhai New World Housing Development Limited for two land use rights terms expiring on 3 March 2042 and 3 March 2072 for commercial and residential uses respectively.
- (3) Pursuant to the Construction Works Completion Certificate dated 30 August 2013 issued by Zhuhai City Jinwan District Housing and Urban-Rural Development Committee, Phase IV of the Development with a gross floor area of 152,444.73 sq m was certificated to be completed.
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
 - (i) Zhuhai New World Housing Development Limited has legally obtained the land use rights of the property and is the sole owner of the property;
 - (ii) Zhuhai New World Housing Development Limited is entitled to transfer, lease, mortgage or in other ways dispose of the property;
 - (iii) Zhuhai New World Housing Development Limited has obtained the Construction Works Completion Certificates for the property. There will be no legal obstacle for Zhuhai New World Housing Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014																								
159 Chengdu New World Riverside Guang Fu Village Hua Yang Town Shuangliu County Chengdu Sichuan Province The PRC	<p>Chengdu New World Riverside (the "Development") comprises an irregular-shaped site with a site area of approximately 950,072.10 sq m, planned to develop into a massive residential/commercial composite development to be constructed in phases.</p> <p>Phase I of the Development was complete in June 2010 and has been for sale since completion. Phase II 1A of the Development are currently under development and the remaining phases of the Development are pending for development.</p> <p>The property comprises the unsold completed portion of Phase I, Phase II 1A, and the planned remaining phases of the Development. The property will comprise the following approximate gross floor areas upon completion:</p> <table border="0"> <tr> <td colspan="2" style="text-align: right;">Gross Floor Area</td> </tr> <tr> <td colspan="2" style="text-align: right;"><i>(sq m)</i></td> </tr> <tr> <td>Phase I</td> <td></td> </tr> <tr> <td>Residential</td> <td style="text-align: right;"><u>21,380.14</u></td> </tr> <tr> <td>Phase II 1A</td> <td></td> </tr> <tr> <td>Residential</td> <td style="text-align: right;"><u>220,331.97</u></td> </tr> <tr> <td>Planned Remaining Phases</td> <td></td> </tr> <tr> <td>Residential</td> <td style="text-align: right;">2,197,754.80</td> </tr> <tr> <td>Retail</td> <td style="text-align: right;">152,155.11</td> </tr> <tr> <td>Hotel</td> <td style="text-align: right;">57,102.00</td> </tr> <tr> <td>Ancillary Facilities</td> <td style="text-align: right;"><u>47,208.00</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>2,454,219.91</u></td> </tr> </table>	Gross Floor Area		<i>(sq m)</i>		Phase I		Residential	<u>21,380.14</u>	Phase II 1A		Residential	<u>220,331.97</u>	Planned Remaining Phases		Residential	2,197,754.80	Retail	152,155.11	Hotel	57,102.00	Ancillary Facilities	<u>47,208.00</u>		<u>2,454,219.91</u>	Phase II 1A of the property is under development, while the remaining portion of the property is currently vacant.	RMB3,037,000,000 (30% effective interest ^(note) attributable to the Group: RMB911,100,000)
Gross Floor Area																											
<i>(sq m)</i>																											
Phase I																											
Residential	<u>21,380.14</u>																										
Phase II 1A																											
Residential	<u>220,331.97</u>																										
Planned Remaining Phases																											
Residential	2,197,754.80																										
Retail	152,155.11																										
Hotel	57,102.00																										
Ancillary Facilities	<u>47,208.00</u>																										
	<u>2,454,219.91</u>																										

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
	<p>The portion of the property under development will also comprise 2,070 car parking spaces with a total gross floor area of approximately 85,440.00 sq m upon completion. The planned remaining phases of the property will also provide approximately 25,805 car parking spaces with a total gross floor area of approximately 986,657.50 sq m upon completion.</p> <p>The land use rights of the Development have been granted for a term of 70 years for residential use and 40 years for commercial use.</p>		

Notes:

- (1) Pursuant to the Business Licence No. 510100400018780 dated 25 April 2012, Chengdu Xinyi Real Estate Development Co., Ltd., a subsidiary of the Company, was incorporated with a registered capital of US\$99,500,000.
- (2) Pursuant to 2 State-owned Land Use Rights Certificates Nos. Shuang Guo Yong (2006) Di 01024 and Shuang Guo Yong (2007) Di 4067 issued by Shuangliu Land Resources Bureau, the land use rights of the Development with a total site area of 950,072.10 sq m were granted to Chengdu Xinyi Real Estate Development Co., Ltd. for residential and commercial uses. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Site Area (sq m)	Land Use and expiry term	Date of Issuance
Shuang Guo Yong (2006) Di 01024	186,478.77	Residential: 26 January 2076 Commercial: 26 January 2046	31 May 2006
Shuang Guo Yong (2007) Di 4067	763,593.33	Residential: 26 January 2076 Commercial: 26 January 2046	15 June 2007

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- (3) Pursuant to 10 Building Lists issued by Shuangliu Property Administration Bureau, the building ownership of the property with a total gross floor area of 27,119.13 sq m were vested in Chengdu Xinyi Real Estate Development Co., Ltd.. Details of the Building Lists are as follows:

Certificate No.	Gross Floor		Use	Date of Issuance
	Area			
Shuang Quan 0426352	125.72		Apartment	N/A
Shuang Quan 0426359	251.42		Residential	N/A
Jian Zheng 1250747	166.47		Residential	N/A
Jian Zheng 1250750	507.90		Residential	N/A
Jian Zheng 1250751	1,061.33		Residential	N/A
Jian Zheng 1250753	973.08		Residential	N/A
Jian Zheng 1250755	8,591.91		Residential	N/A
Jian Zheng 1250758	1,495.08		Residential	N/A
Jian Zheng 1250760	13,285.53		Residential	N/A
Shuang Quan 0273225	660.69		Residential	N/A

- (4) Pursuant to Construction Land Use Planning Permit No. [2006] Di 085 issued by Shuangliu Planning Administration Bureau dated 31 May 2006, the Development with a site area of approximately 1,425 mu was permitted to be developed.
- (5) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 510122201231129 issued by Shuangliu Planning Administration Bureau dated 23 December 2012, the property with a total gross floor area of 568,470.99 sq m was permitted to be constructed.
- (6) Pursuant to 5 Construction Works Commencement Permits issued by Shuangliu Urban-Rural Construction Bureau dated, the construction works of the Development was permitted to be commenced. Details of the Construction Works Commencement Permits are as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Shen Ji Keng [2013] 004	4 July 2013	42,411.80
Shuang Shi [2013] 153	18 October 2013	54,452.06
Shuang Shi [2013] 154	18 October 2013	73,507.96
Shuang Shi [2013] 159	24 October 2013	117,284.39
Shuang Shi [2013] 164	5 November 2013	60,527.56

- (7) Pursuant to two Mortgages Proof Nos. Shuang Ta Xiang (2013) Di 217 and 218 both issued by Shuangliu Land Resources Bureau dated 26 July 2013, a parcel of land with a site area of 763,593.3 sq m of the Development was subject to two mortgages. As advised by the Group, the construction works of a gross floor area of 220,331.97 sq m and 2,070 car parking spaces was commenced.
- (8) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB352,774,000 and RMB8,634,812,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB20,164,000,000.

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- (9) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Chengdu Xinyi Real Estate Development Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Chengdu Xinyi Real Estate Development Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged land use rights of the property. For the mortgaged land use rights, Chengdu Xinyi Real Estate Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property;
 - (iii) Chengdu Xinyi Real Estate Development Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Chengdu Xinyi Real Estate Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) for the land use rights and construction works mentioned in Note (7), Chengdu Xinyi Real Estate Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring such portion of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
160 Anshan New World Garden Keji Road and Qianhua Street Gaoxin District Anshan The PRC	<p>Anshan New World Garden (the "Development") is planned to develop into a residential/commercial composite development with basement car park and other ancillary facilities. The Development comprises four parcels of land with a total site area of approximately 539,557.60 sq m.</p> <p>Phases IA and IIA of the Development were complete in June 2011 and June 2013. The remaining portion of Phases I and II of the Development are currently pending for development.</p> <p>The property comprises the unsold portion of Phases IA and IIA and the planned Phases IB and IIB to IIF of the Development. The property will comprise the following approximate gross floor areas upon completion:</p>	The property is currently vacant.	RMB1,710,000,000 (100% interest attributable to the Group: RMB1,710,000,000)
	<p>Gross Floor Area (sq m)</p>		
	<p>Partial of Phases IA and IIA (unsold portion)</p>		
	<p>Residential 128,050.91</p> <p>Retail <u>4,295.90</u></p> <p><u>132,346.81</u></p>		
	<p>Phases IB, IIB to IIF</p>		
	<p>Residential 498,734.00</p> <p>Retail <u>11,500.00</u></p> <p><u>510,234.00</u></p>		

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Description and tenure

Phases IB and IIB to IIF of the property will also provide approximately 4,552 car parking spaces with a total gross floor area of approximately 174,560.00 sq m upon completion.

The land use rights of the Development have been granted for terms of 70 years for residential use and 40 years for commercial use.

Notes:

- (1) Pursuant to the Business Licence No. 210300400013106 dated 9 April 2012, New World (Anshan) Property Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB1,240,000,000.
- (2) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. 2103002011A0034 dated 8 April 2011 entered into between Anshan Land Resources Bureau and New World (Anshan) Property Development Co., Ltd., the land use rights of a parcel of land with a site area of 189,869.49 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

(i)	Land Use	:	Residential
(ii)	Land use term	:	70 years
(iii)	Maximum gross floor area	:	<189,869 sq m
(iv)	Plot ratio	:	≤1
(v)	Maximum building height	:	<16 m
(vi)	Density	:	≤28%
(vii)	Green area	:	≥30%
(viii)	Land grant fee	:	RMB284,810,000
(ix)	Commencement date	:	1 September 2011
(x)	Completion date	:	1 September 2014
(xi)	Car park requirement	:	For ancillary portion: 0.3 unit per 100 sq m of ancillary area; and for residential portion: 1 unit per residential unit

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- (3) Pursuant to four State-owned Land Use Rights Certificates issued by Anshan Land Resources Bureau, the land use rights of the Development were granted to New World (Anshan) Property Development Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
An Guo Yong (2008) Zi Di 600213	16 June 2008	Mixed Residential	142,275.70	5 June 2078 (40 years for commercial)	Phase IB
An Guo Yong (2011) Zi Di 600257	27 December 2011	Residential	189,869.50	29 May 2081	Phase II(B)
An Guo Yong (2008) Zi Di 600214	18 June 2008	Mixed Residential	86,202.60	5 June 2078 (40 years for commercial)	Phase IA
An Guo Yong (2008) Zi Di 600217	24 December 2010	Residential	121,209.80	29 April 2080	Phase II(A)

- (4) Pursuant to 32 Construction Works Completion Certificates issued by Anshan Urban-Rural Development Committee, portion of the Development with a gross floor area of 323,664.43 sq m was certificated to be completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Gross Floor Area (sq m)
2011 Nian Di 185	30 June 2011	Phase IA Block 3	33,628.00
2011 Nian Di 186	30 June 2011	Phase IA Block 4	30,277.00
2011 Nian Di 187	30 June 2011	Phase IA Block 5	15,126.00
2011 Nian Di 188	30 June 2011	Phase IA Block 6	17,648.00
2011 Nian Di 189	30 June 2011	Phase IA Block 7	15,329.00
2011 Nian Di 190	30 June 2011	Phase IA Block 23	1,383.00
2011 Nian Di 191	30 June 2011	Phase IA Underground Car Park Section I	23,560.61
2011 Nian Di 192	30 June 2011	Phase IA Underground Car Park Section II	9,774.00
2013 Nian Di 093	26 June 2013	Phase IA Block 1	33,777.00
2013 Nian Di 094	26 June 2013	Phase IA Block 2	16,722.82
2013 Nian Di 096	26 June 2013	Phase IA Block 9	35,727.10
2013 Nian Di 097	26 June 2013	Phase IA Underground Car Park Section III	13,643.69
2013 Nian Di 098	26 June 2013	Phase IA Underground Car Park Section IV	15,257.96
2013 Nian Di 099	26 June 2013	Phase I Block 24	8,211.97
2013 Nian Di 095	26 June 2013	Phase IA Block 8	34,654.10
2013 Nian Di 100	26 June 2013	Phase II (1) Block 1	1,454.02
2013 Nian Di 102	26 June 2013	Phase II (1) Block 3	1,454.02
2013 Nian Di 103	26 June 2013	Phase II (1) Block 4	747.48
2013 Nian Di 104	26 June 2013	Phase II (1) Block 5	1,454.02
2013 Nian Di 105	26 June 2013	Phase II (1) Block 6	1,454.02
2013 Nian Di 106	26 June 2013	Phase II (1) Block 7	1,454.02
2013 Nian Di 107	26 June 2013	Phase II (1) Block 8	868.44
2013 Nian Di 108	26 June 2013	Phase II (1) Block 9	868.44
2013 Nian Di 109	26 June 2013	Phase II (1) Block 10	868.44
2013 Nian Di 112	26 June 2013	Phase II (1) Block 13	868.44
2013 Nian Di 115	26 June 2013	Phase II (1) Block 16	868.44
2013 Nian Di 117	26 June 2013	Phase II (1) Block 18	1,097.40
2013 Nian Di 118	26 June 2013	Phase II (1) Block 19	1,097.40
2013 Nian Di 119	26 June 2013	Phase II (1) Block 20	1,097.40
2013 Nian Di 120	26 June 2013	Phase II (1) Block 21	1,097.40
2013 Nian Di 121	26 June 2013	Phase II (1) Block 22	1,097.40
2013 Nian Di 122	26 June 2013	Phase II (1) Block 23	1,097.40

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- (5) The land use rights of Phases IA and IIA and portion of the buildings with a total area of 49,404 sq m of the property are subject to mortgages.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB103,425,000 and RMB1,733,305,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB5,051,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phases IA and IIA of the property

- (i) New World (Anshan) Property Development Co., Ltd. has legally obtained the land use rights of Phases IA and IIA of the property and is the sole owner of such portion of the property and is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged portion of such portion of the property. For the mortgaged land use rights, New World (Anshan) Property Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property;
- (ii) New World (Anshan) Property Development Co., Ltd. has obtained the Construction Works Completion Certificates of the buildings of Phases IA and IIA of the property. There will be no legal obstacle for New World (Anshan) Property Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (iii) New World (Anshan) Property Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring the mortgaged buildings of the property; and

Remaining Phases of the property

- (iv) New World (Anshan) Property Development Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of such portion of the property and is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged portion of such portion of the property. For the mortgaged land use rights, New World (Anshan) Property Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014										
161 Jinan Sunshine Garden Daode Street, Huaiyin District Jinan Shandong Province The PRC	<p>Jinan Sunshine Garden (the "Development") comprises several irregular-shaped sites with a total area of approximately 204,314.80 sq m and is planned to develop into a massive commercial/residential composite development to be constructed in phases.</p> <p>Phases I and II of the Development were completed in 2005 and 2008 respectively, and have been for sale since completion. Phase III of the Development is currently under development and the remaining phases of the Development are pending for development.</p> <p>The property comprises the unsold completed portion of Phases I and II, Phase III and the planned remaining phases of the Development. The property will comprise the following approximate gross floor areas upon completion:</p> <table border="1"> <thead> <tr> <th>Use</th> <th>Gross Floor Area (sq m)</th> </tr> </thead> <tbody> <tr> <td colspan="2">Phases I and II</td> </tr> <tr> <td>Residential</td> <td>601.74</td> </tr> <tr> <td>Commercial</td> <td><u>685.24</u></td> </tr> <tr> <td></td> <td><u><u>1,286.98</u></u></td> </tr> </tbody> </table>	Use	Gross Floor Area (sq m)	Phases I and II		Residential	601.74	Commercial	<u>685.24</u>		<u><u>1,286.98</u></u>	Phase III of the property is under development and the remaining portion of the property is currently vacant.	RMB2,006,000,000 (100% interest attributable to the Group: RMB2,006,000,000)
Use	Gross Floor Area (sq m)												
Phases I and II													
Residential	601.74												
Commercial	<u>685.24</u>												
	<u><u>1,286.98</u></u>												

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
	Use	Gross Floor Area (sq m)	
	Phase III		
	Residential	146,070.20	
	Commercial	7,736.26	
	Office	14,234.00	
	Clubhouse	2,450.31	
	Ancillary Facilities	<u>4,780.97</u>	
		<u>175,271.74</u>	
	Remaining Phases		
	Hotel	18,729.01	
	Commercial	4,353.00	
	Office	<u>32,708.00</u>	
		<u>55,790.01</u>	

The unsold portion of Phase I and II also comprise 675 car parking spaces with a total gross floor area of approximately 29,444.91 sq m. Phase III and the planned remaining portion of the property will comprise approximately 1,166 and 438 car parking spaces respectively upon completion, covering a total gross floor area of approximately 44,127.51 sq m and 21,407.00 sq m.

The land use rights of the Development have been granted for 2 terms expiring on 6 June 2041 and 6 June 2071 for public facilities and residential uses.

Notes:

- (1) Pursuant to the Business Licence No. 370100400000143 dated 16 January 2012, Jinan New World Sunshine Development Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$69,980,000.

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- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by The People's Government of Jinan, the land use rights of the Development were granted to Jinan New World Sunshine Development Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Huai Yin Guo Yong (2007) Di 0300002	15 January 2007	Residential	53,154.40	6 June 2071
Huai Yin Guo Yong (2006) Di 0300112	11 October 2006	Residential	17,078.20	6 June 2071
Huai Yin Guo Yong (2006) Di 0300110	11 October 2006	Residential	44,589.00	6 June 2071
Huai Yin Guo Yong (2006) Di 0300111	11 October 2006	Residential	1,256.00	6 June 2071
Huai Yin Guo Yong (2007) Di 0300001	15 January 2007	Residential	68,050.10	6 June 2071
Huai Yin Guo Yong (2006) Di 0300107	11 October 2006	Public facilities	6,518.80	6 June 2041
Huai Yin Guo Yong (2006) Di 0300108	11 October 2006	Public facilities	13,668.30	6 June 2041

- (3) Pursuant to 8 Building Ownership Certificates issued by Jinan Housing Administration Bureau, the building ownership of the property is vested in Jinan New World Sunshine Development Ltd.. Details of the Building Ownership Certificates are as follows:

Permit No.	Date of Issuance	Location	Building	Gross Floor Area (sq m)
Ji Fang Quan Zheng Huai Zi Di 121802	23 January 2010	Jinan Sunshine Garden West Zone	Block 27	12,942.41
Ji Fang Quan Zheng Huai Zi Di 121800	23 January 2010	Jinan Sunshine Garden West Zone	Block 22	16,513.89
Ji Fang Quan Zheng Huai Zi Di 116541	6 August 2009	Jinan Sunshine Garden West Zone	Block 33	5,525.60
Ji Fang Quan Zheng Huai She Zi Di 063167	9 December 2003	Jinan Sunshine Garden	Block 16	20,859.65
Ji Fang Quan Zheng Huai Zi Di 116542	6 August 2009	Jinan Sunshine Garden West Zone	Block 31	19,515.44
Ji Fang Quan Zheng Huai Zi Di 121768	23 January 2010	Jinan Sunshine Garden West Zone	Basement Car Park (Central)	14,053.80
Ji Fang Quan Zheng Huai Zi Di 117921	16 September 2009	Jinan Sunshine Garden West Zone	Basement Car Park (South)	14,415.99
Ji Fang Quan Zheng Huai Zi Di 121797	23 January 2010	Jinan Sunshine Garden West Zone	Basement Car Park (North)	6,816.38

- (4) Pursuant to the Construction Land Use Planning Permit No. (2003) Lu 01-03-85 issued by Jinan Planning Bureau dated 18 November 2003, the Development with a site area of 132,600.00 sq m was permitted to be developed.

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- (5) Pursuant to 6 Construction Engineering Planning Permits issued by Jinan Planning Bureau, the Development was permitted to be constructed. Details of the Construction Engineering Planning Permits are as follows:

Permit No.	Date of Issuance	Location	Gross Floor Area (sq m)
Jian Zi Di 370104201200089	28 April 2012	The west of Wei 12th Road and the north of Jing 7th Road	79,552.00
Jian Zi Di 370104200900248	24 December 2009	The west of Wei 12th Road and the north of Jing 7th Road	21,820.36
(2001) Lu 01-03-180	26 November 2001	Daode Street	24,691.40
(2004) Lu 01-03-58	25 August 2004	Daode Street	33,310.86
Jian Zi Di 370104200900249	24 December 2009	The west of Wei 12th Road and the north of Jing 7th Road	101,652.59
Jian Zi Di 370104200900250	24 December 2009	The west of Wei 12th Road and the north of Jing 7th Road	52,549.85

- (6) Pursuant to 4 Construction Works Commencement Permits issued by Jinan Housing and Urban-Rural Development Committee, the construction works of the Development was permitted to be commenced. Details of the Construction Works Commencement Permits are as follows:

Permit No.	Date of Issuance	Location	Gross Floor Area (sq m)
20120198	5 December 2012	The north of Jing 7th Road and the west of Wei 12th Road	78,641.00
20100231	12 November 2010	The north of Jing 7th Road and the west of Wei 12th Road	62,455.00
20100232	12 November 2010	The north of Jing 7th Road and the west of Wei 12th Road	100,574.00
20100242	23 November 2010	The north of Jing 7th Road and the west of Wei 12th Road	52,550.00

- (7) Pursuant to 6 Commodity Housing Pre-sale Permits issued by Jinan Housing and Urban-Rural Development Committee, portion of the property was permitted to pre-sell. Details of the Commodity Housing Pre-sale Permits are as follows:

Permit No.	Date of Issuance	Gross Floor Area (sq m)
Ji Jian Yu Xu 2012462	8 November 2012	5,625.79
Ji Jian Yu Xu 2012463	8 November 2012	7,528.91
Ji Jian Yu Xu 2013111	18 April 2013	18,088.85
Ji Jian Yu Xu 2012351	28 September 2012	26,316.14
Ji Jian Yu Xu 2012171	7 June 2012	20,612.83
Ji Jian Yu Xu 2012172	7 June 2012	18,708.14

- (8) Portion of the land use rights of the property with a site area of 68,050.1 sq m is subject to a mortgage.
- (9) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB842,639,050 and RMB189,811,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB2,624,000,000.

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- (10) As advised by the Group, residential portion of the property with a total gross floor area of 93,821.67 sq m have been pre-sold at a total consideration of RMB995,940,000. According to the Company's instruction, the pre-sold units are included in this valuation. We have also taken this into consideration in the course of our valuation.
- (11) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:

Phases I and II of the property

- (i) Jinan New World Sunshine Development Ltd. has legally obtained the land use rights and building ownership of the property. Jinan New World Sunshine Development Ltd. is the sole owner of the property;
- (ii) Jinan New World Sunshine Development Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged land use rights of the property. For the mortgaged land use rights, Jinan New World Sunshine Development Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the mortgaged land use rights;
- (iii) Jinan New World Sunshine Development Ltd. has legally obtained the building ownership rights of the property and is entitled to transfer, lease, mortgage or in other ways dispose of such portion the property;

Phase III of the property

- (iv) Jinan New World Sunshine Development Ltd. has legally obtained the land use rights of the property. Jinan New World Sunshine Development Ltd. is the sole owner of the land use rights of the property;
- (v) Jinan New World Sunshine Development Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the land use rights of the property;
- (vi) For the mortgaged buildings and the relevant land use rights, Jinan New World Sunshine Development Ltd. has to obtain the mortgagee's prior written consent before transferring such portion of the property;
- (vii) Jinan New World Sunshine Development Ltd. has obtained the Construction Land Use Planning Permits, Construction Engineering Planning Permits and Construction Works Commencement Permits. There will be no legal obstacle for Jinan New World Sunshine Development Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures;
- (viii) Jinan New World Sunshine Development Ltd. has obtained the Commodity Housing Pre-sale Permits for portion of the property and has the rights to pre-sell such portion of the property;

Remaining Phases of the property

- (ix) Jinan New World Sunshine Development Ltd. has legally obtained the land use rights of the property. Jinan New World Sunshine Development Ltd. is the sole owner of the land use rights of the property; and
- (x) Jinan New World Sunshine Development Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged land use rights of the property. For the mortgaged land use rights, Jinan New World Sunshine Development Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the mortgaged land use rights.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
162 Commercial and Car Parking Portions of Beijing Yanjing Building 3 Chongwenmenwei Street Dongcheng District, Beijing The PRC	<p>Beijing Yanjing Building is a commercial development comprising a site with an area of approximately 6,304.00 sq m.</p> <p>The property comprises the commercial portion of the development, which comprise basement level 1 to level 4 with a total gross floor area of approximately 22,888.50 sq m and was completed in 2013.</p> <p>The property also comprises the car parking portion of the development, which comprise 153 basement car parks with a total gross floor area of approximately 7,738.00 sq m.</p> <p>The land use rights of the development have been granted for respective terms of 40 years for commercial use and 50 years for basement car park use.</p>	The property is currently vacant.	RMB623,000,000 (70% interest attributable to the Group: RMB436,100,000)

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Jing Chong Guo Yong (2008 Chu) Di 00064 issued by The People's Government of Beijing, Dongcheng District dated 23 July 2008, the land use rights of the Development with a site area of 6,304.38 sq m were granted to Beijing Chong Wen-New World Properties Development Co., Ltd. for land use rights terms expiring on 30 August 2044 for commercial use and 30 August 2054 for basement carpark use.
- (3) Pursuant to the Construction Works Completion Certificate No. 0115 Dong Jun 2013 (Jian) 0010 issued by Beijing Dongcheng District Housing and Urban Development Committee dated 28 January 2013, the construction works of the south-eastern corner of land parcel no. 3 with a gross floor area of 33,068 sq m was completed.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has legally obtained the land use rights of the property. Beijing Chong Wen-New World Properties Development Co., Ltd. is the sole owner of the land use rights of the property;
 - (ii) The land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by Beijing Chong Wen-New World Properties Development Co., Ltd. according to relevant laws and regulations;
 - (iii) Beijing Chong Wen-New World Properties Development Co., Ltd. has obtained the State-owned Land Use Rights Certificate and Construction Works Completion Certificate. There will be no legal obstacle for Beijing Chong Wen-New World Properties Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Group V — Land and Buildings held by Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
163 Canton First Estate (Golf Course Portion) No. 333 Golf Road Nanhai Gaoxin District Foshan Guangdong Province The PRC	<p>Canton First Estate (also known as “Foshan Golf and Country Club”) (the “Development”) comprises an irregular-shape site with a total site area of approximately 3,018,766.90 sq m.</p> <p>The Development comprises (i) a 18-holes golf course with a driving range and other ancillary facilities completed in 1997; (ii) a residential portion completed in 2001 that was completely sold; (iii) a remaining residential portion which is currently pending for development and planned to be completed in phases; and (iv) a plot of land for landscaping and ancillary use of the golf course.</p> <p>The property comprises the golf course with a site area of approximately 933,338.00 sq m and the plot of land of approximately 900,082.80 sq m for landscaping and ancillary uses. The refurbishment of the golf course has been completed in 2013.</p> <p>The property is held under various terms for golf course and ancillary service uses. (please refer to note (2) for details).</p>	The property is currently vacant.	RMB201,000,000 (84.8% interest attributable to the Group: RMB170,448,000)

Notes:

- (1) Pursuant to the Business Licence No. 440600400002030 dated 6 May 2013, Foshan Country Club Co., Ltd., a subsidiary of the Company, was incorporated with a registered capital of US\$52,923,600.

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- (2) Pursuant to 25 State-owned Land Use Rights Certificates issued by The People's Government of Foshan, the land use rights of the property with a total site area of 2,153,415.20 sq m were granted to Foshan Country Club Co., Ltd.. Details of State-owned Land Use Rights Certificates are as follows:

Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Fo Fu Nan Guo Yong (2009) Di 0700917	Golf course and ancillary service	27 January 2034	4,883.40	20 January 2009
Fo Fu Nan Guo Yong (2009) Di 0700916	Golf course and ancillary service	27 January 2034	15,651.60	20 January 2009
Fo Fu Nan Guo Yong (2009) Di 0700906	Golf course and ancillary service	27 January 2034	1,938.10	20 January 2009
Fo Fu Nan Guo Yong (2011) Di 0714060	Golf course and ancillary service	17 March 2033	31,674.60	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714062	Golf course and ancillary service	17 March 2033	24,188.30	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714052	Golf course and ancillary service	17 March 2033	15,584.40	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714048	Golf course and ancillary service	17 March 2033	59,118.70	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714053	Golf course and ancillary service	17 March 2033	25,826.50	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714055	Golf course and ancillary service	27 January 2034	2,923.40	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714046	Golf course and ancillary service	27 January 2034	833,033.30	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714047	Golf course and ancillary service	17 March 2033	866,584.80	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714051	Golf course and ancillary service	17 March 2033	27,682.30	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714045	Golf course and ancillary service	17 March 2033	27,226.90	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714059	Golf course and ancillary service	17 March 2033	13,323.40	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714054	Golf course and ancillary service	17 March 2033	27,601.60	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714063	Golf course and ancillary service	27 January 2034	23,013.00	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714065	Golf course and ancillary service	27 January 2034	2,980.80	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714057	Golf course and ancillary service	17 March 2033	30,114.00	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714064	Golf course and ancillary service	17 March 2033	14,541.10	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714049	Golf course and ancillary service	27 January 2034	7,424.80	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714061	Golf course and ancillary service	17 March 2033	20,441.30	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714056	Golf course and ancillary service	27 January 2034	10,775.20	29 October 2011

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Certificate No.	Land Use	Expiry Date	Site Area (sq m)	Date of Issuance
Fo Fu Nan Guo Yong (2011) Di 0714058	Golf course and ancillary service	17 March 2033	29,499.70	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714050	Golf course and ancillary service	17 March 2033	17,559.10	29 October 2011
Fo Fu Nan Guo Yong (2011) Di 0714066	Golf course and ancillary service	17 March 2033	19,824.90	29 October 2011

- (3) As advised by the Group, the construction cost incurred as at the valuation date was approximately RMB115,569,000. Accordingly, we have taken into account the aforesaid cost in our valuation.
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the followings:
- (i) Foshan Country Club Co., Ltd. has legally obtained the land use rights and the building ownership of the property. Foshan Country Club Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Foshan Country Club Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
164 Huiyang Palm Island Resort (Golf Course Portion) No. 1 Tuhu Golf Road Danshui Town Huiyang, Huizhou Guangdong Province The PRC	<p>Huiyang Palm Island Resort (the "Development") is a golf course/residential development comprises a total site area of approximately 1,259,901.00 sq m.</p> <p>The Development comprises a 27-holes golf course with driving range, an operating hotel with 20-guest rooms and various phases of residential developments. Phases I, II, III, IV and V of the Development were complete in 2001, 2002, 2002, 2004 and 2007 respectively and have been for sale since completion. Phase VI of the Development is currently under development and the remaining phase of the Development is currently pending for development.</p> <p>The property comprises the golf course portion and the operating hotel, with a total site area of approximately 991,667.00 sq m.</p> <p>The land use rights of the development have been granted for golf course and ancillary facilities uses expiring on 5 October 2043.</p>	The property is an operating 27-holes golf course with hotel and other ancillary facilities.	RMB175,000,000 (48.8% interest attributable to the Group: RMB85,400,000)

Notes:

- (1) Pursuant to the Business Licence No. 441300400037101 dated 10 July 2011, Fortune Leader Overseas Chinese (Daiyawan) Investment Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$16,950,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Hui Yang Guo Yong (99) Zi Di 13210100418 issued by The People's Government of Huiyang dated 22 June 1999, the land use rights of the Development with a site area of 991,667.00 sq m was granted to Fortune Leader Overseas Chinese (Daiyawan) Investment Co., Ltd. for a land use rights term expiring on 5 October 2043 for golf course and ancillary facilities uses.
- (3) The property as mentioned in note (2) is subject to mortgage.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) Fortune Leader Overseas Chinese (Daiyawan) Investment Co., Ltd. has legally obtained the land use rights and building ownership of the property. Fortune Leader Overseas Chinese (Daiyawan) Investment Co., Ltd. is the sole owner of land use rights of the property; and
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Fortune Leader Overseas Chinese (Daiyawan) Investment Co., Ltd. subject to relevant laws and regulations and approval from the mortgagee.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
165 Office Portion of Guangzhou Central Park-view Pearl River New Town Guangzhou Guangdong Province The PRC	<p>Guangzhou Central Park-view (the "Development") is a massive residential/commercial composite development comprising 12 parcels of adjoining sites (Lot Nos. L4-1 to L4-3, L4-5, L8-1 to L8-4 and L13-1 to L13-4) with a total site area of approximately 96,899.00 sq m.</p> <p>The property comprises the office portion of the Development with a total gross floor area of approximately 3,658.44 sq m completed in 2006.</p> <p>The land use rights of the Development have been granted for respective terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.</p>	The property is currently occupied by the Group for office use.	RMB85,000,000 (90.5% interest attributable to the Group: RMB76,925,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400010846 dated 2 September 2009, Guangzhou Xin Yi Development Limited, a subsidiary of the Company, was incorporated with a registered capital of HK\$286,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Sui Fu Guo Yong (2009) Di 1100048 issued by Guangzhou Land Resources and Housing Administration Bureau dated 2 June 2009, the land use rights of the Development with a site area of 96,899.00 sq m was granted to Guangzhou Xin Yi Development Limited for land use rights terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses, and 50 years for other uses.
- (3) Pursuant to Realty Title Certificate No. 06 Deng Ji Zi 01039915 dated 18 May 2006 issued by Guangzhou Land Resources and Housing Administration Bureau, it is certified that Guangzhou Xin Yi Development Limited is the legal owner of the property located at Nos. 1-48 Qingfeng Street with a gross floor area of 78,722.7216 sq m for car parking, commercial and residential uses.

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- (4) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) Guangzhou Xin Yi Development Limited has legally obtained the land use rights and the building ownership of the property. Guangzhou Xin Yi Development Limited is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Xin Yi Development Limited according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014								
166 Various Portions of Tianjin New World Plaza 138 Dongma Road Nankai District, Tianjin The PRC	<p>Tianjin New World Plaza is a commercial development comprising a 6-level retail podium with a 2-storey storage house erected thereon, a 1-level retail basement, and an 8-level office tower with a 4-storey car park completed in 1997.</p> <p>The property comprises a portion of the shopping mall, and the office tower in Tianjin New World Plaza. Approximate gross floor areas of the property are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Gross Floor Area (sq m)</th> </tr> </thead> <tbody> <tr> <td>Retail</td> <td>1,862.45</td> </tr> <tr> <td>Office</td> <td><u>382.50</u></td> </tr> <tr> <td></td> <td><u>2,244.95</u></td> </tr> </tbody> </table> <p>The land use rights of the property have been granted for a term expiring on 20 July 2045 for non-residential use.</p>		Gross Floor Area (sq m)	Retail	1,862.45	Office	<u>382.50</u>		<u>2,244.95</u>	The property is currently occupied by the Group.	RMB12,100,000 (100% interest attributable to the Group: RMB12,100,000)
	Gross Floor Area (sq m)										
Retail	1,862.45										
Office	<u>382.50</u>										
	<u>2,244.95</u>										

Notes:

- (1) Pursuant to the Business Licence No. 120000400082184 dated 11 August 2010, New World Anderson Development Company Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$5,500,000.
- (2) Pursuant to the Business Licence No. 120000400022973 dated 19 September 2008, Tianjin Xin Guang Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$4,500,000.

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- (3) Pursuant to 19 Realty Title Certificates issued by Tianjin Land Resources and Housing Administration Bureau, the title to portion of the development with a total gross floor area of 58,933.68 sq m was vested in New World Anderson Development Company Limited. Details of the Realty Title Certificates are as follows:

Certificate No.	Date of Issuance	Gross Floor Area (sq m)	Use	Address	Expiring Date
Fang Di Zheng Jin Zi Di 104030759598	N/A	836.20	Non-residential	Office — 201 to 203	20 July 2045
Fang Di Zheng Jin Zi Di 104030759599	N/A	3,207.92	Non-residential	Car park — 301	20 July 2045
Fang Di Zheng Jin Zi Di 104030759597	N/A	1,418.03	Non-residential	Office — 601	—
Fang Di Zheng Jin Zi Di 104030759594	N/A	3,209.97	Non-residential	Bowling — 501	20 July 2045
Fang Di Zheng Jin Zi Di 104030759585	N/A	2,740.97	Non-residential	Level 5 — 09 to 12	20 July 2045
Fang Di Zheng Jin Zi Di 104030759586	N/A	3,455.90	Non-residential	Car park — 201	20 July 2045
Fang Di Zheng Jin Zi Di 104030759587	N/A	912.82	Non-residential	Mall — 7-01	20 July 2045
Fang Di Zheng Jin Zi Di 104030759588	N/A	8,498.50	Non-residential	Level 6 — 01 to 03	20 July 2045
Fang Di Zheng Jin Zi Di 104030759590	N/A	3,199.74	Non-residential	Mezzanine — 01	20 July 2045
Fang Di Zheng Jin Zi Di 104030759591	N/A	1,407.33	Non-residential	Office Mezzanine — 01	20 July 2045
Fang Di Zheng Jin Zi Di 104030759584	N/A	9,047.23	Non-residential	Basement 1 — 02 to 09	20 July 2045
Fang Di Zheng Jin Zi Di 104030759600	N/A	1,420.12	Non-residential	Car park — 402	20 July 2045
Fang Di Zheng Jin Zi Di 104030760241	N/A	9,282.78	Non-residential	Level 5 — 01 to 08	—
Fang Di Zheng Jin Zi Di 104030759601	N/A	1,529.61	Non-residential	Office — 101 to 103	20 July 2045
Fang Di Zheng Jin Zi Di 104030759583	N/A	1,410.82	Non-residential	Office — 401	20 July 2045
Fang Di Zheng Jin Zi Di 104030759596	N/A	4,014.53	Non-residential	Basement 1 — 10 to 14	20 July 2045
Fang Di Zheng Jin Zi Di 104030759593	N/A	1,411.87	Non-residential	Office — 501	20 July 2045
Fang Di Zheng Jin Zi Di 104030759592	N/A	511.31	Non-residential	Level 8 — 01	20 July 2045
Fang Di Zheng Jin Zi Di 104030759595	N/A	1,418.03	Non-residential	Office — 701	20 July 2045

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- (4) Pursuant to 7 Realty Title Certificates issued by Tianjin Land Resources and Housing Administration Bureau, the title to portion of the development with a total gross floor area of 42,221.34 sq m was vested in Tianjin Xin Guang Development Co., Ltd.. Details of the Realty Title Certificates are as follows:

Certificate No.	Date of Issuance	Gross Floor Area (sq m)	Use	Address	Expiring Date
Fang Di Zheng Jin Zi Di 104030759602	N/A	1,553.46	Non-residential	Level 1 — 10, 53B	20 July 2045
Fang Di Zheng Jin Zi Di 104030759603	N/A	9,685.15	Non-residential	Level 2 — 02 to 08, 62	20 July 2045
Fang Di Zheng Jin Zi Di 104030759608	N/A	8,149.35	Non-residential	Level 1 — 02 to 09	20 July 2045
Fang Di Zheng Jin Zi Di 104030759605	N/A	6,300.18	Non-residential	Level 3 — 07 to 10	20 July 2045
Fang Di Zheng Jin Zi Di 104030759604	N/A	3,475.96	Non-residential	Level 3 — 02 to 06	20 July 2045
Fang Di Zheng Jin Zi Di 104030759606	N/A	11,269.68	Non-residential	Level 4 — 02 to 09	20 July 2045
Fang Di Zheng Jin Zi Di 104030759607	N/A	1,787.56	Non-residential	Food Court — 401	20 July 2045

- (5) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) New World Anderson Development Company Limited and Tianjin Xin Guang Development Co., Ltd. have legally obtained the land use rights and building ownership of the respective portion the property and are the sole owners of the property;
 - (ii) New World Anderson Development Company Limited and Tianjin Xin Guang Development Co., Ltd. are entitled to transfer, lease, mortgage or in other ways dispose of the respective portion the property; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
167 Portion of the Office Portion of Wuhan New World International Trade Tower I 568 Jianshe Road Jiangnan District, Wuhan Hubei Province The PRC	Wuhan New World International Trade Tower I is a 57-storey office building (including 3 refuge floors on 27th, 51st, 53rd floors) surmounting a 6-level retail podium plus a 2-level basement for retail and car parking purposes. The whole development is constructed upon a roughly rectangular-shaped site with an area of approximately 31,403.00 sq m completed in 2006. The property comprises the office portion of Wuhan International Trade Tower I with a total gross floor area of approximately 4,242.32 sq m. The land use rights of the property have been granted for a term expiring on 6 November 2042 for commercial and trading uses.	The property is currently occupied by the Group.	RMB56,800,000 (100% interest attributable to the Group: RMB56,800,000)

Notes:

- (1) Pursuant to the Business Licence No. 420100400009882 dated 22 March 2013, New World Development (Wuhan) Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$112,000,000.
- (2) Pursuant to 45 State-owned Land Use Rights Certificates issued by The People's Government of Wuhan, the land use rights of the property with a total site area of 2,960.31 sq m were granted to New World Development (Wuhan) Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Address	Site Area (sq m)	Land Use	Date of Issuance	Expiry Date
Jiang Guo Yong (Shang 2005) Di 103226	Level 52	74.31	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103227	Level 55	6.87	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103228	Level 54	5.74	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103229	Level 50	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103230	Level 49	72.35	Other commercial	6 September 2005	6 November 2042

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Certificate No.	Address	Site Area (sq m)	Land Use	Date of Issuance	Expiry Date
Jiang Guo Yong (Shang 2005) Di 103231	Level 48	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103232	Level 47	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103233	Level 46	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103234	Level 45	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103235	Level 44	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103236	Level 43	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103237	Level 42	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103238	Level 41	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103239	Level 40	72.35	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103240	Level 39	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103241	Level 38	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103242	Level 37	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103243	Level 36	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103244	Level 35	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103245	Level 34	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103246	Level 33	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103247	Level 32	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103248	Level 31	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103249	Level 30	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103250	Level 29	69.14	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103251	Level 28	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103252	Level 26	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103253	Level 25	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103254	Level 24	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103255	Level 23	65.85	Other commercial	6 September 2005	6 November 2042

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Certificate No.	Address	Site Area (sq m)	Land Use	Date of Issuance	Expiry Date
Jiang Guo Yong (Shang 2005) Di 103256	Level 22	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103257	Level 21	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103258	Level 20	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103259	Level 19	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103260	Level 18	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103261	Level 17	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103262	Level 16	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103263	Level 15	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103264	Level 14	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103265	Level 13	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103266	Level 12	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103267	Level 11	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103268	Level 10	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103269	Level 9	65.85	Other commercial	6 September 2005	6 November 2042
Jiang Guo Yong (Shang 2005) Di 103270	Level 8	65.85	Other commercial	6 September 2005	6 November 2042

- (3) Pursuant to 45 Building Ownership Certificates issued by Wuhan Housing Administration Bureau, the building ownership to portion of the development with a gross floor area of 104,555.89 sq m were vested in New World Development (Wuhan) Co., Ltd.. Details of the Building Ownership Certificates are as follows:

Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 200520479	2,325.78	Office	Level 8	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520480	2,325.78	Office	Level 9	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520481	2,325.78	Office	Level 10	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520482	2,325.78	Office	Level 11	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520483	2,325.78	Office	Level 12	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520484	2,325.78	Office	Level 13	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520485	2,325.78	Office	Level 14	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520486	2,325.78	Office	Level 15	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520487	2,325.78	Office	Level 16	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520488	2,325.78	Office	Level 17	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520489	2,325.78	Office	Level 18	9 August 2005

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Certificate No.	Gross Floor Area (sq m)	Use	Address	Date of Issuance
Wu Fang Quan Zheng Shi Zi Di 200520490	2,325.78	Office	Level 19	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520491	2,325.78	Office	Level 20	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520492	2,325.78	Office	Level 21	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520493	2,325.78	Office	Level 22	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520494	2,325.78	Office	Level 23	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520495	2,325.78	Office	Level 24	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520496	2,325.78	Office	Level 25	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520477	2,325.78	Office	Level 26	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520497	2,325.78	Office	Level 28	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520498	2,442.08	Office	Level 29	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520499	2,442.08	Office	Level 30	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520500	2,442.08	Office	Level 31	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520501	2,442.08	Office	Level 32	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520502	2,442.08	Office	Level 33	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520503	2,442.08	Office	Level 34	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520504	2,442.08	Office	Level 35	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520505	2,442.08	Office	Level 36	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520506	2,442.08	Office	Level 37	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520507	2,442.08	Office	Level 38	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520508	2,442.08	Office	Level 39	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520509	2,555.22	Office	Level 40	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520510	2,555.22	Office	Level 41	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520511	2,555.22	Office	Level 42	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520512	2,555.22	Office	Level 43	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520513	2,555.22	Office	Level 44	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520514	2,555.22	Office	Level 45	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520515	2,555.22	Office	Level 46	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520516	2,555.22	Office	Level 47	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520517	2,555.22	Office	Level 48	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520518	2,555.22	Office	Level 49	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520519	2,555.22	Office	Level 50	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520520	2,624.72	Office	Level 52	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520521	202.75	Office	Level 54	9 August 2005
Wu Fang Quan Zheng Shi Zi Di 200520478	242.52	Office	Level 55	9 August 2005

(4) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:

- (i) New World Development (Wuhan) Co., Ltd. has legally obtained the land use rights and building ownership of the property and is the sole owners of the property;
- (ii) the property is subject to mortgages; and
- (iii) New World Development (Wuhan) Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
168 Office Portion of Shanghai Hong Kong New World Tower 300 Huaihaizhong Huangpu District, Shanghai The PRC	Shanghai Hong Kong New World Tower (the "Development") is a 58-storey office building including a 4-level commercial podium and 3-level car parking/commercial basement constructed upon a roughly rectangular-shaped site with a site area of approximately 9,953.00 sq m. The property comprises portion of the office with a total lettable area of approximately 3,704.25 sq m. The land use rights of the Development have been granted for a term expiring on 20 April 2048 for composite uses.	The property is currently occupied by the Group.	RMB170,000,000 (50% interest attributable to the Group: RMB85,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 310000400109275 (Shi Ju) dated 17 January 2012, Shanghai New World Huai Hai Property Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$108,500,000.
- (2) Pursuant to the Realty Title Certificate No. Hu Fang Di Lu Zi Di (2006) 003200 issued by Shanghai Housing and Land Resources Administration Bureau dated 9 November 2006, the land use rights of the property with a site area of 9,953 sq m and the building ownership with a gross floor area of 130,384.17 sq m of the property was vested in Shanghai New World Huai Hai Property Development Co., Ltd..
- (3) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the following:
 - (i) Shanghai New World Huai Hai Property Development Co., Ltd. has legally obtained the land use rights and the building ownership of the property and is the sole owner of the property;
 - (ii) the property is subject to a mortgage; and
 - (iii) Shanghai New World Huai Hai Property Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of the property.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
169 Portion of Block B of West Commercial Buildings Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	<p>Guiyang Jinyang Sunny Town (the "Development") is a proposed commercial/residential composite development to be developed in various phases, erected upon two irregular-shaped sites with a total site area of approximately 2,149,849.30 sq m.</p> <p>The property comprises portion of Block B of the West Commercial Buildings with a gross floor area of approximately 2,329.70 sq m.</p> <p>The land use rights of the development have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.</p>	The property is currently occupied by the Group.	RMB14,000,000 (50% effective interest ^(note) attributable to the Group: RMB7,000,000)

Notes:

- Pursuant to the Business Licence No. 520100400043942 dated 19 October 2012, Guiyang New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$221,350,000.
- Pursuant to 6 State-owned Land Use Rights Certificates issued by Guiyang Land Resources Bureau, the land use rights of the Development were granted to Guiyang New World Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0098	8 April 2010	Commercial/ Composite/ Residential	368,161.10	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 2550	8 April 2010	Commercial/ Composite/ Residential	368,682.70	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 0100	8 April 2010	Commercial/ Composite/ Residential	491,598.60	19 May 2046 19 May 2056 19 May 2076

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2011) Di 5486	22 June 2011	Commercial/ Composite/ Residential	439,131.30	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2009) Di 1843	20 November 2009	Commercial/Office	84,771.30	11 July 2057
Qian Zhu Gao Xin Guo Yong (2010) Di 0101	8 April 2010	Commercial/Office	110,836.20	11 July 2057

- (3) Pursuant to the Construction Works Completion Certificates No. Jian 2011-105 dated 10 June 2011 issued by Guiyang Housing and Urban-Rural Development Committee, the portion of construction works with a gross floor area of 18,902.05 sq m was completed and recorded.
- (4) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) Guiyang New World Real Estate Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Guiyang New World Real Estate Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of land use rights of the property; and
 - (iii) Guiyang New World Real Estate Co., Ltd. has obtained the State-owned Land Use Rights Certificates and Completion Certificates. There will be no legal obstacle for Guiyang New World Real Estate Co., Ltd. in obtaining the building ownership certificate after completion and compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
170 Office Portion of Guangzhou Xintang New World Garden 6 Huayuan East Road Xintang Town Zengcheng District, Guangzhou Guangdong Province The PRC	<p>Guangzhou Xintang New World Garden (the "Development") is a massive residential development to be constructed in phases. The Development is erected upon an irregular-shaped site with a total site area of 350,799.96 sq m.</p> <p>The property comprises the office portion of the Development with a gross floor area of approximately 1,325.86 sq m completed in 2008.</p> <p>The land use rights of the Development have been granted for respective terms expiring on 9 April 2063 for commercial/ residential uses and 29 December 2074 for residential use.</p>	The property is currently occupied by the Group for office use.	RMB10,000,000 (62.5% interest attributable to the Group: RMB6,250,000)

Notes:

- (1) Pursuant to the Business Licence No. 440101400010959 dated 3 April 2013, Guangzhou Hemsell Real Estate Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of RMB79,597,000.
- (2) Pursuant to Realty Title Certificate No. Yue Fang Di Zheng Zi Di C6637420 issued by Guangzhou Land Resources and Housing Administration Bureau dated 25 September 2008, the building ownership of the property with a total gross floor area of 1,325.86 sq m was vested in Guangzhou Hemsell Real Estate Development Co., Ltd..
- (3) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
 - (i) Guangzhou Hemsell Real Estate Development Co., Ltd. has legally obtained the land use rights and building ownership of the property. Guangzhou Hemsell Real Estate Development Co., Ltd. is the sole owner of the property;
 - (ii) the property can be legally transferred, leased, mortgaged or handled in other ways by Guangzhou Hemsell Real Estate Development Co., Ltd. according to relevant laws and regulations; and
 - (iii) the property is free from mortgages and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
171 Office Portion of Jinan Sunshine Garden Daode Street, Huaiyin District Jinan Shandong Province The PRC	<p>Jinan Sunshine Garden (the "Development") comprises several irregular-shaped sites with a total area of approximately 204,314.80 sq m and is planned to develop into a massive commercial/residential composite development to be constructed in phases.</p> <p>Phases I and II of the Development were completed in 2005 and 2008 respectively, and have been for sale since completion. Phase III of the Development is currently under development and the remaining phases of the Development are pending for development.</p> <p>The property comprises the portion of Phase II of the Development with a gross floor area of approximately 2,187.21 sq m.</p> <p>The land use rights of the Development have been granted for 2 terms expiring on 6 June 2041 and 6 June 2071 for public facilities and residential uses.</p>	The property is currently occupied by the Group.	RMB19,600,000 (100% interest attributable to the Group: RMB19,600,000)

Notes:

- (1) Pursuant to the Business Licence No. 370100400000143 dated 16 January 2012, Jinan New World Sunshine Development Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$69,980,000.
- (2) Pursuant to 7 State-owned Land Use Rights Certificates issued by The People's Government of Jinan, the land use rights of the Development were granted to Jinan New World Sunshine Development Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Huai Yin Guo Yong (2007) Di 0300002	15 January 2007	Residential	53,154.40	6 June 2071
Huai Yin Guo Yong (2006) Di 0300112	11 October 2006	Residential	17,078.20	6 June 2071

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Huai Yin Guo Yong (2006) Di 0300110	11 October 2006	Residential	44,589.00	6 June 2071
Huai Yin Guo Yong (2006) Di 0300111	11 October 2006	Residential	1,256.00	6 June 2071
Huai Yin Guo Yong (2007) Di 0300001	15 January 2007	Residential	68,050.10	6 June 2071
Huai Yin Guo Yong (2006) Di 0300107	11 October 2006	Public facilities	6,518.80	6 June 2041
Huai Yin Guo Yong (2006) Di 0300108	11 October 2006	Public facilities	13,668.30	6 June 2041

- (3) Pursuant to the Building Ownership Certificate No. Ji Fang Quan Zheng Huai Zi Di 116541 issued by Jinan Housing Administration Bureau dated 6 August 2009, the building ownership of portion of the Development with a gross floor area of 5,525.60 sq m was vested in Jinan New World Sunshine Development Ltd..
- (4) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) Jinan New World Sunshine Development Ltd. has legally obtained the land use rights and building ownership of the property. Jinan New World Sunshine Development Ltd. is the sole owner of the property;
 - (ii) Jinan New World Sunshine Development Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of the property; and
 - (iii) the property is free from mortgage and other encumbrances.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
172 Portion of the Office and Car Park of Shenyang New World Garden Heping District Shenyang Liaoning Province The PRC	<p>Shenyang New World Garden (the "Development") comprises 5 parcels of adjoining sites with a total site area of approximately 1,742,000.00 sq m and is proposed to develop into a self-contained residential zone in several phases.</p> <p>Phase 1D of the Development was completed in June 2008 and had been completely sold since completion; Phases 2A and 2B of the Development were completed in December 2010 and December 2013 respectively and had been for sale since completion. The remaining phases of the Development are currently pending for development.</p> <p>The property comprises portion of the office with a total gross floor area of approximately 23,739.94 sq m of the Development.</p> <p>The property also comprises 25 car parking spaces of Phase 2A with a total gross floor area of approximately 1,052.00 sq m.</p> <p>The land use rights of the Development have been granted for a term of 50 years expiring on 8 June 2048 for composite uses.</p>	The property is currently occupied by the Group.	RMB137,000,000 (100% interest attributable to the Group: RMB137,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.

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- (2) Pursuant to two State-owned Land Use Rights Certificates issued by Shenyang Planning and Land Resources Bureau, the land use rights of the Development were granted to New World (Shenyang) Property Development Limited. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date	Phase
Shen Yang Guo Yong (2002) Zi Di 0231	2 August 2002	Composite	382,921.5	8 June 2048	Phase 1
Shen Yang Guo Yong (2011) Zi Di 0017	1 February 2011	Composite	237,517.7	8 June 2048	Phase 2A

- (3) Pursuant to the State-owned Land Use Rights Certificates of Phases 1 and 2A, portions of the land have been carved out and the remaining site area of these two certificates were 173,283.88 sq m and 194,014 sq m respectively.
- (4) Pursuant to 11 Initial Registration for Building Ownership issued by Shenyang Urban-Rural Development Committee, portion of the Development with a total gross floor area of 9,521.35 sq m was certificated to be completed. Details of the Initial Registration for Building Ownership are as follows:

Address	Gross Floor Area (sq m)	Use	Date of Issuance
Unit 401	118.68	Office	14 March 2012
Unit 402	248.49	Office	14 March 2012
Unit 403	164.83	Office	14 March 2012
Unit 404	145.17	Office	14 March 2012
Unit 405	304.41	Office	14 March 2012
Unit 408	418.41	Office	14 March 2012
Unit 1A	5,052.84	Office	14 March 2012
Unit 2000	1,462.30	Office	14 March 2012
Unit 2100	1,462.22	Office	14 March 2012
Unit 101	112.64	Office	14 March 2012
Commercial Centre	31.36	Office	14 March 2012

- (5) Pursuant to the Construction Works Completion Certificate No. 2010 Nian No. 1067 issued by Shenyang Urban-Rural Development Committee, portion of the Development with a total gross floor area of 59,761 sq m was certificated to be completed.
- (6) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property and is the sole owner of such portion of the land use rights of the property and is entitled to transfer, lease, mortgage or in other ways dispose of such portion of the land use rights of the property;
 - (ii) New World (Shenyang) Property Development Limited has obtained the Initial Registration for Building Ownership for the buildings of the property (except for the underground car park) and is entitled to transfer, lease, mortgage or in other ways dispose of the such portion of the property;
 - (iii) under existing practice, Shenyang Land Bureau will not issue any title documents for any basement car parks in Shenyang. As confirmed by New World (Shenyang) Property Development Limited, this portion of the property is for lease; and
 - (iv) according to the regulation, car parking operator can operate a car park after completing the formalities from relevant authorities and registering from the public security precinct. There will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the permit for car park operation after compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
173 Portion of the Retail Anshan New World Garden Keji Road and Qianhua Street Gaoxin District Anshan The PRC	<p>Anshan New World Garden (the "Development") is planned to develop into a residential/commercial composite development with basement car park and other ancillary facilities. The Development comprises four parcels of land with a total site area of approximately 539,557.60 sq m.</p> <p>Phases IA and IIA of the Development were complete in June 2011 and June 2013. The remaining portion of Phases I and II of the Development are currently pending for development.</p> <p>The property comprises portion of the retail area of the development with a total gross floor area of approximately 3,297.49 sq m of the Development.</p> <p>The land use rights of the Development have been granted for respective terms of 70 years for residential use and 40 years for commercial use.</p>	The property is currently occupied by the Group.	RMB16,000,000 (100% interest attributable to the Group: RMB16,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210300400013106 dated 9 April 2012, New World (Anshan) Property Development Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB1,240,000,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. An Guo Yong (2008) Zi Di 600214 dated 18 June 2008 issued by Anshan Land Resources Bureau, the land use rights of portion of the Development with a site area of 86,202.60 sq m was granted to New World (Anshan) Property Development Co., Ltd. for mixed residential use.

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- (3) Pursuant to 3 Construction Works Completion Certificates issued by Anshan Urban-Rural Development Committee, portion of the Development with a gross floor area of 65,288.00 sq m was certificated to be completed. Details of the Construction Works Completion Certificates are as follows:

Certificate No.	Date of Issuance	Address	Gross Floor Area <i>(sq m)</i>
2011 Nian Di 185	30 June 2011	Phase IA Block 3	33,628.00
2011 Nian Di 186	30 June 2011	Phase IA Block 4	30,277.00
2011 Nian Di 190	30 June 2011	Phase IA Block 23	1,383.00

- (4) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) New World (Anshan) Property Development Co., Ltd. has legally obtained the land use rights of Phases IA and IIA of the property and is the sole owner of such portion of the property and is entitled to transfer, lease, mortgage or in other ways dispose of the non-mortgaged land use rights of the property. For the mortgaged land use rights, New World (Anshan) Property Development Co., Ltd. has to obtain the mortgagee's prior written consent before transferring, leasing or in other ways disposing of such portion of the property; and
 - (ii) New World (Anshan) Property Development Co., Ltd. has obtained the Construction Works Completion Certificates of the buildings of Phases IA and IIA of the property. There will be no legal obstacle for New World (Anshan) Property Development Co., Ltd. in obtaining the real estate title proof after compliance with relevant regulations and procedures.

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Group VI — Asset Under Construction held by Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
174 Portion of Block D of West Commercial Buildings Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	<p>Guiyang Jinyang Sunny Town (the “Development”) is a proposed commercial/residential composite development to be developed in various phases, erected upon two irregular-shaped sites with a total site area of approximately 2,149,849.30 sq m.</p> <p>The property comprises portion of the retail area of the Development with planned gross floor area of approximately 5,869.00 sq m scheduled to be completed in 2014.</p> <p>The land use rights of the development have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.</p>	The property is currently under development.	RMB72,000,000 (50% effective interest ^(note) attributable to the Group: RMB36,000,000)

Notes:

- Pursuant to the Business Licence No. 520100400043942 dated 19 October 2012, Guiyang New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$221,350,000.
- Pursuant to 6 State-owned Land Use Rights Certificates issued by Guiyang Land Resources Bureau, the land use rights of the Development were granted to Guiyang New World Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0098	8 April 2010	Commercial/ Composite/ Residential	368,161.10	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 2550	8 April 2010	Commercial/ Composite/ Residential	368,682.70	19 May 2046 19 May 2056 19 May 2076

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited (“Solar Leader”), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0100	8 April 2010	Commercial/ Composite/ Residential	491,598.60	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2011) Di 5486	22 June 2011	Commercial/ Composite/ Residential	439,131.30	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2009) Di 1843	20 November 2009	Commercial/Office	84,771.30	11 July 2057
Qian Zhu Gao Xin Guo Yong (2010) Di 0101	8 April 2010	Commercial/Office	110,836.20	11 July 2057

- (3) Pursuant to the Construction Land Use Planning Permit No. Jing Yang (2006)-36 issued by Guiyang Planning Bureau dated 9 August 2006, the Development with a site area of approximately 2,935.13 mu was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 520000201024870 dated 28 January 2011 issued by Guiyang Planning Bureau, portion of the Development with a gross floor area of 18,333.49 sq m was permitted to be constructed.
- (5) Pursuant to the Construction Works Commencement Permit No. 520101201209181101 dated 20 June 2013 issued by Guiyang Housing and Urban-Rural Development Committee, the construction works of portion of the Development with a gross floor area of 10,846.82 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB54,342,000 and RMB240,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB78,600,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) Guiyang New World Real Estate Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Guiyang New World Real Estate Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of land use rights of the property;
 - (iii) Guiyang New World Real Estate Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property. Guiyang New World Real Estate Co., Ltd. is entitled to construct the property according to the said permits; and
 - (iv) Guiyang New World Real Estate Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guiyang New World Real Estate Co., Ltd. in obtaining the building ownership certificate after completion and compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
175 New World Guiyang Hotel Block G of West Commercial Buildings Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	Guiyang Jinyang Sunny Town (the "Development") is a proposed commercial/residential composite development to be developed in various phases, erected upon two irregular-shaped sites with a total site area of approximately 2,149,849.30 sq m. There will be two hotels within the Development upon completion. The property comprises the hotel with a gross floor area of approximately 39,521.00 sq m scheduled to be completed in 2014. The land use rights of the development have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.	The property is under development.	RMB396,000,000 (50% effective interest (<i>note</i>) attributable to the Group: RMB198,000,000)

Notes:

- Pursuant to the Business Licence No. 520100400043942 dated 19 October 2012, Guiyang New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$221,350,000.
- Pursuant to 6 State-owned Land Use Rights Certificates issued by Guiyang Land Resources Bureau, the land use rights of the Development were granted to Guiyang New World Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0098	8 April 2010	Commercial/ Composite/ Residential	368,161.10	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 2550	8 April 2010	Commercial/ Composite/ Residential	368,682.70	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 0100	8 April 2010	Commercial/ Composite/ Residential	491,598.60	19 May 2046 19 May 2056 19 May 2076

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2011) Di 5486	22 June 2011	Commercial/ Composite/ Residential	439,131.30	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2009) Di 1843	20 November 2009	Commercial/Office	84,771.30	11 July 2057
Qian Zhu Gao Xin Guo Yong (2010) Di 0101	8 April 2010	Commercial/Office	110,836.20	11 July 2057

- (3) Pursuant to the Construction Land Use Planning Permit No. Jing Yang (2006)-36 issued by Guiyang Planning Bureau dated 9 August 2006, the Development with a site area of approximately 2,935.13 mu was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 520000201024889 dated 14 February 2011 issued by Guiyang Planning Bureau, portion of the Development with a gross floor area of 80,787.31 sq m was permitted to be constructed.
- (5) Pursuant to the Construction Works Commencement Permit No. 520101201102220101 dated 9 March 2011 issued by Guiyang Housing and Urban-Rural Construction Bureau, the construction works of Block G and Block F of the Development with a gross floor area of 70,584.5 sq m and 10,202.81 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB320,460,000 and RMB54,989,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB514,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) Guiyang New World Real Estate Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Guiyang New World Real Estate Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of land use rights of the property;
 - (iii) Guiyang New World Real Estate Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property. Guiyang New World Real Estate Co., Ltd. is entitled to construct the property according to the said permits;
 - (iv) Guiyang New World Real Estate Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guiyang New World Real Estate Co., Ltd. in obtaining the building ownership certificate after completion and compliance with relevant regulations and procedures;
 - (v) portion of the land use rights and construction works of Block G of the property are subject to mortgages; and
 - (vi) the mortgaged portion of the property can be transferred by Guiyang New World Real Estate Co., Ltd. subject to the approval from the mortgagee.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
176 pentahotel Guiyang Block F of West Commercial Buildings Guiyang Jinyang Sunny Town (previously known as Guiyang Jinyang District Project) 1 Jinzhu Road Jinyang New District, Guiyang Guizhou Province The PRC	<p>Guiyang Jinyang Sunny Town (the "Development") is a proposed commercial/residential composite development to be developed in various phases, erected upon two irregular-shaped sites with a total site area of approximately 2,149,849.30 sq m. There will be two hotels within the Development upon completion.</p> <p>The property comprises the hotel with a gross floor area of approximately 10,203.00 sq m scheduled to be completed in 2014.</p> <p>The land use rights of the development have been granted for a term of 70 years for residential use, 40 years for commercial use and 50 years for other uses.</p>	The property is under development.	RMB89,000,000 (50% effective interest ^(note) attributable to the Group: RMB44,500,000)

Notes:

- Pursuant to the Business Licence No. 520100400043942 dated 19 October 2012, Guiyang New World Real Estate Co., Ltd., a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$221,350,000.
- Pursuant to 6 State-owned Land Use Rights Certificates issued by Guiyang Land Resources Bureau, the land use rights of the Development were granted to Guiyang New World Real Estate Co., Ltd.. Details of the State-owned Land Use Rights Certificates are as follows:

Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2010) Di 0098	8 April 2010	Commercial/ Composite/ Residential	368,161.10	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 2550	8 April 2010	Commercial/ Composite/ Residential	368,682.70	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2010) Di 0100	8 April 2010	Commercial/ Composite/ Residential	491,598.60	19 May 2046 19 May 2056 19 May 2076

Note: Pursuant to a participation agreement dated 11 September 2006 entered into between the Company and Solar Leader Limited ("Solar Leader"), a wholly-owned subsidiary of NWD. Solar Leader has participating interest representing 50% of the total interest in this property project.

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Certificate No.	Date of Issuance	Land Use	Site Area (sq m)	Expiry Date
Qian Zhu Gao Xin Guo Yong (2011) Di 5486	22 June 2011	Commercial/ Composite/ Residential	439,131.30	19 May 2046 19 May 2056 19 May 2076
Qian Zhu Gao Xin Guo Yong (2009) Di 1843	20 November 2009	Commercial/Office	84,771.30	11 July 2057
Qian Zhu Gao Xin Guo Yong (2010) Di 0101	8 April 2010	Commercial/Office	110,836.20	11 July 2057

- (3) Pursuant to the Construction Land Use Planning Permit No. Jing Yang (2006)-36 issued by Guiyang Planning Bureau dated 9 August 2006, the Development with a site area of approximately 2,935.13 mu was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 520000201024889 dated 14 February 2011 issued by Guiyang Planning Bureau, portion of the Development with a gross floor area of 80,787.31 sq m was permitted to be constructed.
- (5) Pursuant to the Construction Works Commencement Permit No. 520101201102220101 dated 9 March 2011 issued by Guiyang Housing and Urban and Rural Construction Bureau, the construction works of Block G and Block F of the Development with a gross floor area of 70,584.5 sq m and 10,202.81 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB71,529,000 and RMB4,993,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB107,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) Guiyang New World Real Estate Co., Ltd. has legally obtained the land use rights of the property and is the sole owner of the land use rights of the property;
 - (ii) Guiyang New World Real Estate Co., Ltd. is entitled to transfer, lease, mortgage or in other ways dispose of land use rights of the property;
 - (iii) Guiyang New World Real Estate Co., Ltd. has obtained all necessary approvals, permits and registration for the construction of the property. Guiyang New World Real Estate Co., Ltd. is entitled to construct the property according to the said permits; and
 - (iv) Guiyang New World Real Estate Co., Ltd. has obtained the Construction Land Use Planning Permit, Construction Engineering Planning Permit and Construction Works Commencement Permit. There will be no legal obstacle for Guiyang New World Real Estate Co., Ltd. in obtaining the building ownership certificate after completion and compliance with relevant regulations and procedures.

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Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
177 Convention Centre Shenyang New World Centre Heping District Shenyang Liaoning Province The PRC	<p>Shenyang New World Centre comprises a parcel of land with a site area of approximately 196,462.00 sq m.</p> <p>The development is planned to develop into a large-scale residential/commercial/hotel/office complex in three phases comprising 2 hotel towers, 3 serviced apartment towers, 2 office towers surmounting a five-level exhibition and commercial podium, one-level commercial basement and a two-level basement car park.</p> <p>The property comprise the convention centre of Phase I of the development with a gross floor area of approximately 117,954.88 sq m scheduled to be completed in January 2015.</p> <p>The land use rights of the property have been granted for a term expiring on 8 June 2048 for composite uses.</p>	The property is currently under development.	RMB646,000,000 (100% interest attributable to the Group: RMB646,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Shen Yang Guo Yong (2011) Di 0104 issued by Shenyang Planning and Land Resources Bureau dated 24 June 2011, the land use rights of the Development with a total site area of 207,469.30 sq m was granted to New World (Shenyang) Property Development Limited for a land use rights term expiring on 8 June 2048 for composite use.
- (3) Pursuant to the Construction Land Use Planning Permit No. Shen Gui Tu Zhen Zi 2007 Nian 0252 issued by Shenyang Planning and Land Resources Bureau dated 18 December 2007, the Development with a total site area of approximately 196,462.00 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 210100201300002 issued by Shenyang Planning and Land Resources Bureau dated 18 January 2013, the property with a total gross floor area of 738,697 sq m was permitted to be constructed.

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- (5) Pursuant to the Construction Works Commencement Permit No. 210100201305231801 issued by Shenyang Urban-Rural Development Committee dated 23 May 2013, construction works of portion of the property with a total gross floor area of 401,549 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB567,718,000 and RMB846,740,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB1,864,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by New World (Shenyang) Property Development Limited according to relevant laws and regulations;
 - (iii) New World (Shenyang) Property Development Limited has obtained all necessary approvals, permits and registration for the construction of Phase I and portion of Phase II of the property and there will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
178	New World Shenyang Hotel Shenyang New World Centre Heping District Shenyang Liaoning Province The PRC	<p>Shenyang New World Centre comprises a parcel of land with a site area of approximately 196,462.00 sq m.</p> <p>The development is planned to develop into a large-scale residential/commercial/hotel/office complex in three phases comprising 2 hotel towers, 3 serviced apartment towers, 2 office towers surmounting a five-level exhibition and commercial podium, one-level commercial basement and a two-level basement car park.</p> <p>The property comprises the New World Shenyang Hotel of Phase I of the development with a gross floor area of approximately 91,815.04 sq m scheduled to be completed in January 2015.</p> <p>The land use rights of the property have been granted for a term expiring on 8 June 2048 for composite uses.</p>	<p>Phase I and portion of the Phase II of the property are currently under development.</p> <p>The remaining phases of the property are currently vacant.</p>	<p>RMB570,000,000 (100% interest attributable to the Group: RMB570,000,000)</p>

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Shen Yang Guo Yong (2011) Di 0104 issued by Shenyang Planning and Land Resources Bureau dated 24 June 2011, the land use rights of the Development with a total site area of 207,469.30 sq m was granted to New World (Shenyang) Property Development Limited for a land use rights term expiring on 8 June 2048 for composite use.
- (3) Pursuant to the Construction Land Use Planning Permit No. Shen Gui Tu Zhen Zi 2007 Nian 0252 issued by Shenyang Planning and Land Resources Bureau dated 18 December 2007, the Development with a total site area of approximately 196,462.00 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 210100201300002 issued by Shenyang Planning and Land Resources Bureau dated 18 January 2013, the property with a total gross floor area of 738,697 sq m was permitted to be constructed.

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PROPERTY VALUATION REPORT

- (5) Pursuant to the Construction Works Commencement Permit No. 210100201305231801 issued by Shenyang Urban-Rural Development Committee dated 23 May 2013, construction works of portion of the property with a total gross floor area of 401,549 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB426,695,000 and RMB629,178,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB1,494,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by New World (Shenyang) Property Development Limited according to relevant laws and regulations;
 - (iii) New World (Shenyang) Property Development Limited has obtained all necessary approvals, permits and registration for the construction of Phase I and portion of Phase II of the property and there will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

APPENDIX II

PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
179 pentahotel Shenyang Shenyang New World Centre Heping District Shenyang Liaoning Province The PRC	<p>Shenyang New World Centre comprises a parcel of land with a site area of approximately 196,462.00 sq m.</p> <p>The development is planned to develop into a large-scale residential/commercial/hotel/office complex in three phases comprising 2 hotel towers, 3 serviced apartment towers, 2 office towers surmounting a five-level exhibition and commercial podium, one-level commercial basement and a two-level basement car park.</p> <p>The property comprises the pentahotel of Phase II of the development with a gross floor area of approximately 40,029.98 sq m scheduled to be completed in January 2015.</p> <p>The land use rights of the property have been granted for a term expiring on 8 June 2048 for composite uses.</p>	The property is currently under development.	RMB209,000,000 (100% interest attributable to the Group: RMB209,000,000)

Notes:

- (1) Pursuant to the Business Licence No. 210100402001651 dated 17 December 2013, New World (Shenyang) Property Development Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of RMB3,647,800,000.
- (2) Pursuant to the State-owned Land Use Rights Certificate No. Shen Yang Guo Yong (2011) Di 0104 issued by Shenyang Planning and Land Resources Bureau dated 24 June 2011, the land use rights of the Development with a total site area of 207,469.30 sq m was granted to New World (Shenyang) Property Development Limited for a land use rights term expiring on 8 June 2048 for composite use.
- (3) Pursuant to the Construction Land Use Planning Permit No. Shen Gui Tu Zhen Zi 2007 Nian 0252 issued by Shenyang Planning and Land Resources Bureau dated 18 December 2007, the Development with a total site area of approximately 196,462.00 sq m was permitted to be developed.
- (4) Pursuant to the Construction Engineering Planning Permit No. Jian Zi Di 210100201300002 issued by Shenyang Planning and Land Resources Bureau dated 18 January 2013, the property with a total gross floor area of 738,697 sq m was permitted to be constructed.

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- (5) Pursuant to the Construction Works Commencement Permit No. 210100201305231801 issued by Shenyang Urban-Rural Development Committee dated 23 May 2013, construction works of portion of the property with a total gross floor area of 401,549 sq m was permitted to be commenced.
- (6) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB152,242,000 and RMB127,967,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB418,000,000.
- (7) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the following:
- (i) New World (Shenyang) Property Development Limited has legally obtained the land use rights of the property. New World (Shenyang) Property Development Limited is the sole owner of the land use rights of the property;
 - (ii) the land use rights of the property can be legally transferred, leased, mortgaged or handled in other ways by New World (Shenyang) Property Development Limited according to relevant laws and regulations;
 - (iii) New World (Shenyang) Property Development Limited has obtained all necessary approvals, permits and registration for the construction of Phase I and portion of Phase II of the property and there will be no legal obstacle for New World (Shenyang) Property Development Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures; and
 - (iv) the property is free from mortgages and other encumbrances.

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Group VII — Contracted properties held by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
180 Beijing Xin Yu Garden Guangqumennei Dajie Dongcheng District Beijing The PRC	<p>Beijing Xin Yu Garden (the "Development") comprising two parcels of irregular-shaped site with a total site area of approximately 443,239.00 sq m and is planned to develop into a large-scale residential/commercial composite development, which upon completion, comprises Beijing Xin Yu Garden Block Nos. 2, 3 & 4, and the remaining portion of Beijing Xin Yu Garden.</p> <p>Block Nos. 3 and 4 of the development were completed in 2004 and were sold out. Block No. 2 of the development was completed in 2007 and has been for sale since completion, the remaining phases of the development are pending for development.</p> <p>The property comprises the remaining planned phases of the development which shall, upon full completion, provide the following approximate gross floor areas:</p>	The property is pending for development.	RMB9,388,000,000 (70% interest attributable to the Group: RMB6,571,600,000)
		Gross Floor Area <i>sq m</i>	
	Residential	251,000.00	
	Retail	99,800.00	
	Office	135,100.00	
	Ancillary Facilities	191,900.00	
		<u>677,800.00</u>	

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Description and tenure

The property will comprise 2,394 car parking spaces with a total gross floor area of approximately 119,700.00 sq m upon completion.

The land use rights of the development have been granted for residential uses.

Notes:

- (1) Pursuant to the Business Licence No. 110000410056635 dated 14 February 2011, Beijing Chong Wen-New World Properties Development Co., Ltd., a jointly controlled entity of the Company, was incorporated with a registered capital of US\$225,400,000.
- (2) Pursuant to 8 State-owned Construction Land Use Rights Grant Contracts entered into between Beijing Land Resources Bureau (the "Grantor") and Beijing Chong Wen-New World Properties Development Co., Ltd. ("Party A"), the Grantor agreed to grant the land use rights of the Property with a total site area of 285,049.00 sq m to Party A. The salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:

Contract No.	Site Area (sq m)	Land Use	Expiry Date	Date of Issuance
Jing Di Chu He Zi (2006) Di 0346	56,799.00	Residential and commercial	40 years for commercial, 70 years for residential	7 July 2006
Jing Di Chu He Zi (2006) Di 0347	33,100.00	Residential and commercial	40 years for commercial, 70 years for residential	7 July 2006
Jing Di Chu He Zi (2006) Di 0348	13,900.00	Commercial	40 years for commercial	7 July 2006
Jing Di Chu He Zi (2006) Di 0349	85,900.00	Residential and commercial	40 years for commercial, 70 years for residential	7 July 2006
Jing Di Chu He Zi (2006) Di 0350	18,900.00	Residential and commercial	40 years for commercial, 70 years for residential	7 July 2006
Jing Di Chu He Zi (2006) Di 0351	14,850.00	Commercial	40 years for commercial	7 July 2006
Jing Di Chu He Zi (2006) Di 0352	58,100.00	Residential and commercial	40 years for commercial, 70 years for residential	7 July 2006
Jing Di Chu He Zi (2006) Di 0353	3,500.00	Commercial	40 years for commercial	7 July 2006

- (3) As advised by the Group, the construction cost incurred and the projected outstanding construction cost of the property as at the valuation date were approximately RMB220,405,247 and RMB4,231,945,000 respectively. Accordingly, we have taken into account the aforesaid cost in our valuation. In our opinion, the gross development value of the proposed developments of the property, assuming they were completed as at the valuation date, was estimated approximately as RMB33,438,140,000.

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PROPERTY VALUATION REPORT

- (4) According to the Group's specific terms of instructions, we have taken into account the outstanding demolition costs of the property of approximately RMB7,741,661,000 in our valuation. Our valuation is on a 100 per cent interest of the property disregarding any contractual arrangement entered into between the Group and other parties' interests in the property.
- (5) We have been provided with the Group's PRC legal adviser's opinion, which inter-alia, contains the followings:
- (i) Beijing Chong Wen-New World Properties Development Co., Ltd. has entered into 8 Land Grant Contracts in respect of the properties and has settled the land premium as stipulated in the Land Grant Contracts. There is no legal obstacle for Beijing Chong Wen-New World Properties Development Co., Ltd. to obtain the real estate title deed after compliance with relevant procedures (please see note 6) and finalization of the land premium with the Beijing Land Resources Bureau, which is being the difference between the land premium already paid by Beijing Chong Wen-New World Properties Development Co., Ltd., and the amount payable before the commencement of each phase of development after the conditions to commence the construction works are satisfied; and
 - (ii) the property is free from mortgages and other encumbrances.
- (6) The property is currently pending for development and the site is undergoing resumption and resettlement. Due to the size of the project with a site area of approximately 285,049 sq.m., the resumption is anticipated to be completed by phases. The whole resumption process is anticipated to be completed before the end of 2019. Land Use Right Certificate will then be applied after acquiring vacant possession of the land and anticipated to be obtained within normal application period.

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PROPERTY VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2014
181 Remaining portion of Haikou Meilisha Project Haidiandao Haikou Hainan Province The PRC	Haikou Meilisha Project comprises an irregular-shaped site with a total site area of approximately 2,204,909.20 sq m and is planned to develop into a large-scale residential/commercial/office/hotel composite development with ancillary and car parking facilities. The property comprises various phases of the development and is currently pending for development. The property will comprise the following approximate gross floor area upon completion:	The property is currently pending for development.	RMB2,398,000,000 (100% interest attributable to the Group: RMB2,398,000,000)
	Gross Floor Area <i>sq m</i>		
	Residential 759,038.30		
	Commercial 83,163.50		
	Hotel 174,686.00		
	Ancillary Facilities <u>78,585.50</u>		
	<u>1,095,473.30</u>		
	The property will also comprise 9,229 car parking facilities spaces upon completion.		
	The land use rights of the property is contracted to be granted for 70 years for residential use and 40 years for commercial uses.		

Notes:

- (1) Pursuant to the Business Licence No. 460100400001591 dated 13 June 2013, New World China Land (Haikou) Limited, a wholly owned subsidiary of the Company, was incorporated with a registered capital of US\$600,000,000.

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PROPERTY VALUATION REPORT

- (2) Pursuant to the Contract of the Grant of the State-owned Land Use Rights No. Shi Tu Huan Zi Yong Pi Zi (2005) 10 dated 14 November 2005 entered into between Haikou Land Environmental Resources Bureau and New World China Land (Haikou) Limited, the land use rights of a land with a total site area of 2,204,895.19 sq m was granted from the former party to the latter party and the salient conditions as stipulated in the said contract are, *inter alia*, cited as follows:
- | | | |
|-----------------------------|---|--|
| (i) Land Use | : | Residential, Commercial and Public Facility |
| (ii) Land use term | : | 70 years for residential, 40 years for commercial and 50 years for public facility |
| (iii) Plot ratio | : | ≤0.6 |
| (iv) Total gross floor area | : | ≤1,320,000 sq m |
| (v) Density | : | ≤15% |
| (vi) Green area | : | ≥60% |
| (vii) Land grant fee | : | RMB1,808,014,055.80 |
- (3) Pursuant to the Supplementary Agreement of Contract of the Grant of the State-owned Land Use Rights dated 2 December 2011 entered into between Haikou Land Resources Bureau and New World China Land (Haikou) Limited, portion of the land use rights of the Development with a site area of 20,843.56 sq m was exchanged for another parcel of land with a site area of 20,857.57 sq m. And some amendments of the salient conditions as stipulated have been made in the said agreement are, *inter alia*, cited as follows:
- | | | |
|------------------------------|---|--|
| (i) Land use term | : | 70 years for Residential, 40 years for Commercial and 50 years for Public Facility |
| (ii) Plot ratio | : | ≤0.9 |
| (iii) Total gross floor area | : | ≤1,980,000 sq m |
| (iv) Green area | : | ≥35% |
- (4) We have been provided with the Group's PRC legal adviser's opinion, which *inter-alia*, contains the following:
- (i) the land premium of the Development has been fully settled. There will be no legal obstacle for New World China Land (Haikou) Limited in obtaining the real estate title proof after compliance with relevant regulations and procedures including agreement with Land Resources Bureau in respect of scheduled dates of commencement of development and completion for relevant parcels of land. The Company anticipated that the aforementioned procedures could be completed in August 2014.

APPENDIX III GENERAL INFORMATION RELATING TO THE OFFEROR**1. RESPONSIBILITY STATEMENT**

The issue of this Scheme Document has been approved by the directors of NWD, who jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than that relating to the NWCL Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than those expressed by NWCL or its directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document (other than that relating to the NWCL Group) misleading.

The issue of this Scheme Document has been approved by the directors of the Offeror, who jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than that relating to the NWCL Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than those expressed by NWCL or its directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document (other than that relating to the NWCL Group) misleading.

2. DISCLOSURE OF INTERESTS IN NWCL'S SECURITIES

For the purpose of paragraphs 2 and 3 in this Appendix III to the Scheme Document, "interested" and "interests" have the same meanings as ascribed to those terms in Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

As at the Latest Practicable Date, save as disclosed in the paragraph headed "4. Shareholding Structure of NWCL and the Scheme Shares" in Part IV — Letter from the NWCL Board of this Scheme Document and the paragraph headed "8. Shareholding Structure of NWCL and the Scheme Shares" in Part VII — Explanatory Statement of this Scheme Document:

- (a) the Offeror did not own any NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares;
- (b) no director of the Offeror was interested in any NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares; and
- (c) no Offeror Concert Parties owned or controlled any NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares.

3. DEALINGS IN NWCL'S SECURITIES

For the purpose of this paragraph, "Relevant Period" refers to the period which commenced on the date falling six months prior to the Announcement Date and ended on the Latest Practicable Date.

APPENDIX III	GENERAL INFORMATION RELATING TO THE OFFEROR
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During the Relevant Period, none of the Offeror and its directors had dealt for value in any NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares.

During the Relevant Period, some of the Offeror Concert Parties (other than directors of the Offeror) had dealt for value in NWCL Shares and NWCL Options, the particulars of which are as follows:

(a) Dealings in NWCL Shares

Sale and purchase

Name	Date	Transaction	Number of NWCL Shares dealt for value	Execution price per NWCL Share (HK\$)
Mr. Cheng Chi-Ming, Brian	28 February 2014	Sold	106,400	4.61
HSBC Bank PLC	19 September 2013	Sold	40,000	3.96
HSBC Bank PLC	2 October 2013	Sold	4,000	3.88
HSBC Bank PLC	26 November 2013	Sold	200	4.11
HSBC Bank PLC	27 November 2013	Sold	584	3.91
HSBC Bank PLC	27 November 2013	Sold	2,000	3.91
HSBC Bank PLC	28 November 2013	Sold	2,000	3.91
HSBC Bank PLC	2 December 2013	Sold	2,000	3.93
HSBC Bank PLC	2 December 2013	Sold	292	3.95
HSBC Bank PLC	13 December 2013	Sold	2,000	3.75
HSBC Bank PLC	13 December 2013	Sold	22,000	3.74
HSBC Bank PLC	20 December 2013	Sold	14,000	3.79
HSBC Bank PLC	20 December 2013	Sold	2,000	3.79
HSBC Bank PLC	30 January 2014	Sold	8,000	4.09

APPENDIX III	GENERAL INFORMATION RELATING TO THE OFFEROR
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Name	Date	Transaction	Number of NWCL Shares dealt for value	Execution price per NWCL Share (HK\$)
HSBC Bank PLC	26 February 2014	Sold	292	4.56
HSBC Bank PLC	26 February 2014	Sold	2,000	4.56
HSBC Bank PLC	3 March 2014	Sold	4,000	4.55
HSBC Bank PLC	10 March 2014	Sold	2,000	5.07
HSBC Bank PLC	27 September 2013	Purchased	18,000	3.92
HSBC Bank PLC	26 November 2013	Purchased	2,000	4.32
HSBC Bank PLC	26 November 2013	Purchased	286,000	4.11
HSBC Bank PLC	27 November 2013	Purchased	2,000	3.91
HSBC Bank PLC	2 December 2013	Purchased	2,000	4.04
HSBC Bank PLC	2 December 2013	Purchased	4,000	4.04
HSBC Bank PLC	2 December 2013	Purchased	2,000	3.95
HSBC Bank PLC	4 February 2014	Purchased	26,000	4.15
HSBC Bank PLC	6 February 2014	Purchased	10,000	4.06
HSBC Bank PLC	14 February 2014	Purchased	38,000	4.40
HSBC Bank PLC	26 February 2014	Purchased	2,000	4.55
HSBC Bank PLC	26 February 2014	Purchased	2,000	4.56
HSBC Bank PLC	3 March 2014	Purchased	264,000	4.57
HSBC Bank PLC	4 March 2014	Purchased	6,000	4.75
HSBC Bank PLC	4 March 2014	Purchased	12,000	4.75
HSBC	4 November 2013	Purchased	70,000	4.25
HSBC	4 November 2013	Purchased	190,000	4.26
HSBC	4 November 2013	Purchased	60,000	4.27

APPENDIX III	GENERAL INFORMATION RELATING TO THE OFFEROR
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Name	Date	Transaction	Number of NWCL Shares dealt for value	Execution price per NWCL Share (HK\$)
HSBC	4 November 2013	Purchased	312,000	4.28
HSBC	4 November 2013	Purchased	50,000	4.29
HSBC	5 November 2013	Purchased	18,000	4.23
HSBC	5 November 2013	Purchased	12,000	4.24
HSBC	5 November 2013	Purchased	68,000	4.25
HSBC	5 November 2013	Purchased	104,000	4.26
HSBC	5 November 2013	Purchased	160,000	4.27
HSBC	5 November 2013	Purchased	314,000	4.28
HSBC	5 November 2013	Purchased	6,000	4.29
HSBC	6 November 2013	Purchased	18,000	4.25
HSBC	6 November 2013	Purchased	34,000	4.26
HSBC	6 November 2013	Purchased	92,000	4.27
HSBC	6 November 2013	Purchased	538,000	4.28
HSBC	7 November 2013	Purchased	54,000	4.24
HSBC	7 November 2013	Purchased	32,000	4.25
HSBC	7 November 2013	Purchased	48,000	4.26
HSBC	7 November 2013	Purchased	158,000	4.27
HSBC	7 November 2013	Purchased	162,000	4.28
HSBC	7 November 2013	Purchased	6,000	4.30
HSBC	7 November 2013	Purchased	62,000	4.31
HSBC	7 November 2013	Purchased	128,000	4.32
HSBC	7 November 2013	Purchased	32,000	4.33
HSBC	8 November 2013	Sold	42,000	4.29
HSBC	14 November 2013	Sold	130,000	4.30
HSBC	15 November 2013	Sold	402,000	4.37
HSBC	18 November 2013	Sold	32,000	4.31
HSBC	18 November 2013	Sold	46,000	4.32
HSBC	18 November 2013	Sold	480,000	4.33
HSBC	18 November 2013	Sold	150,000	4.34
HSBC	18 November 2013	Sold	248,000	4.35
HSBC	18 November 2013	Sold	108,000	4.36
HSBC	18 November 2013	Sold	62,000	4.37
HSBC	18 November 2013	Sold	74,000	4.38
HSBC	18 November 2013	Sold	30,000	4.39
HSBC	18 November 2013	Sold	6,000	4.41
HSBC	18 November 2013	Sold	82,000	4.42
HSBC	18 November 2013	Sold	46,000	4.43
HSBC	19 November 2013	Sold	10,000	4.21
HSBC	19 November 2013	Sold	56,000	4.22
HSBC	19 November 2013	Sold	146,000	4.23
HSBC	19 November 2013	Sold	60,000	4.24

APPENDIX III	GENERAL INFORMATION RELATING TO THE OFFEROR
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Name	Date	Transaction	Number of NWCL Shares dealt for value	Execution price per NWCL Share (HK\$)
HSBC	19 November 2013	Sold	38,000	4.25
HSBC	19 November 2013	Sold	150,000	4.26
HSBC	19 November 2013	Sold	280,000	4.27
HSBC	19 November 2013	Sold	294,000	4.28
HSBC	19 November 2013	Sold	206,000	4.29
HSBC	19 November 2013	Sold	56,000	4.30
HSBC	19 November 2013	Sold	20,000	4.31
HSBC	19 November 2013	Sold	8,000	4.32
HSBC	19 November 2013	Sold	40,000	4.33
HSBC	26 November 2013	Purchased	102,000	4.35
HSBC	26 November 2013	Purchased	284,000	4.20
HSBC	26 November 2013	Purchased	270,000	4.18
HSBC	26 November 2013	Sold	600,000	4.12
HSBC	26 November 2013	Sold	500,000	4.11
HSBC	26 November 2013	Sold	500,000	4.14
HSBC	14 January 2014	Purchased	2,000	4.03
HSBC	14 January 2014	Purchased	16,000	4.04
HSBC	14 January 2014	Purchased	36,000	4.05
HSBC	13 February 2014	Sold	2,000	4.38
HSBC	25 February 2014	Sold	2,000	4.44
HSBC	25 February 2014	Sold	2,000	4.45
HSBC	25 February 2014	Sold	2,000	4.47
HSBC	25 February 2014	Sold	16,000	4.48
HSBC	25 February 2014	Sold	8,000	4.49
HSBC	3 March 2014	Purchased	2,000	4.54
HSBC	3 March 2014	Purchased	30,000	4.55
HSBC	3 March 2014	Purchased	136,000	4.56
HSBC	3 March 2014	Purchased	76,000	4.57
HSBC	3 March 2014	Purchased	56,000	4.58
HSBC	3 March 2014	Purchased	44,000	4.59

APPENDIX III	GENERAL INFORMATION RELATING TO THE OFFEROR
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(b) Dealings in NWCL Options

Name	Date of grant	Exercisable period	Number of NWCL Options	Number of NWCL Shares under the NWCL Options	Exercise price per NWCL Share (HK\$)	Date of exercise of NWCL Options	Total Exercise price Paid (HK\$)
Ms. Cheng Chi-Man, Sonia	29 December 2008	30 January 2009 to 29 January 2014	785,269	785,269	1.29	21 January 2014	1,012,997.01

Save for the above, during the Relevant Period, none of the Offeror Concert Parties had dealt for value in any NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares.

4. ARRANGEMENTS IN CONNECTION WITH THE OFFER

As at the Latest Practicable Date,

- (a) no benefit would be given to any of the directors of NWCL as compensation for loss of office or otherwise in connection with the Scheme and the Proposal;
- (b) no agreement, arrangement or understanding (including any compensation arrangement) had been made between the Offeror or any Offeror Concert Parties and any of the directors of NWCL or recent directors of NWCL, NWCL Shareholders or recent NWCL Shareholders having any connection with or was dependent upon the outcome of the Scheme and the Proposal;
- (c) no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code had been entered into between the Offeror or any Offeror Concert Parties and any other person;
- (d) no person who owned or controlled NWCL Shares, NWCL options or convertible securities, warrants, options or derivatives in respect of NWCL Shares had irrevocably committed themselves to the Offeror or NWD to vote their NWCL Shares in favour of or against the resolutions in respect of the Scheme at the Court Meeting or the Extraordinary General Meeting. NWD and the Offeror have indicated that those NWCL Shares held by them will be voted in favour of the resolutions to be proposed at the Extraordinary General Meeting;
- (e) there were no NWCL Shares, NWCL Options or convertible securities, warrants, options or derivatives in respect of NWCL Shares which the Offeror or any Offeror Concert Parties have borrowed or lent, save for borrowed securities (if any) which have been either on-lent or sold by the Offeror Concert Parties;

APPENDIX III GENERAL INFORMATION RELATING TO THE OFFEROR

- (f) there was no agreement or arrangement to which the Offeror was a party which related to the circumstances in which it might or might not invoke or seek to invoke a condition to the Scheme and the Proposal.
- (g) the Offeror had no intention to transfer, charge or pledge any NWCL Shares acquired pursuant to the Scheme to any other person and had no agreement, arrangement or understanding with any third party to do so.

5. MISCELLANEOUS

- (a) The Offeror is a company incorporated in Hong Kong with limited liability on 6 October 1970 and is a wholly-owned subsidiary of NWD. The registered office of the Offeror is 30th Floor, New World Tower, 18 Queen's Road Central, Hong Kong.
- (b) The directors of the Offeror are:
 - Dr. Cheng Kar-Shun, Henry
 - Mr. Chen Guanzhan
 - Mr. Au Tak-Cheong
- (c) NWD is a company incorporated in Hong Kong with limited liability on 29 May 1970. The registered office of NWD is 30th Floor, New World Tower, 18 Queen's Road Central, Hong Kong. The ultimate controlling shareholders of NWD and the Offeror are Cheng Yu Tung Family (Holdings) Limited ("CYTF") and Cheng Yu Tung Family (Holdings II) Limited ("CYTFII"). The directors of both CYTF and CYTFII are Dato' Dr. Cheng Yu-Tung, Dr. Cheng Kar-Shun, Henry, Mrs. Sun Cheng Lai-Ha, Cecilia, Mrs. Doo Cheng Sau-Ha, Amy and Mr. Cheng Kar-Shing, Peter. The registered offices of CYTF and CYTFII are both located at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.

APPENDIX III GENERAL INFORMATION RELATING TO THE OFFEROR

- (d) The directors of NWD are:

Executive Directors:

Dr. Cheng Kar-Shun, Henry
Mr. Cheng Chi-Kong, Adrian
Mr. Chen Guanzhan
Ms. Ki Man-Fung, Leonie
Mr. Cheng Chi-Heng
Ms. Cheng Chi-Man, Sonia
Mr. Au Tak-Cheong

Non-executive Directors:

Mr. Doo Wai-Hoi, William
Mr. Cheng Kar-Shing, Peter

Independent Non-executive Directors:

Mr. Yeung Ping-Leung, Howard
Mr. Cha Mou-Sing, Payson
(alternate director to Mr. Cha Mou-Sing, Payson: Mr. Cha Mou-Zing, Victor)
Mr. Ho Hau-Hay, Hamilton
Mr. Lee Luen-Wai, John
Mr. Liang Cheung-Biu, Thomas

- (e) The registered office of HSBC in Hong Kong is situated at 1 Queen's Road Central, Hong Kong.
- (f) The English language text of this Scheme Document shall prevail over the Chinese language text.

APPENDIX IV

GENERAL INFORMATION RELATING TO NWCL

1. RESPONSIBILITY STATEMENT

The information contained in this Scheme Document relating to the NWCL Group has been supplied by NWCL. The issue of this Scheme Document has been approved by the directors of NWCL, who jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document relating to the NWCL Group, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Scheme Document by NWCL or its directors have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document relating to the NWCL Group misleading.

2. SHARE CAPITAL

As at the Latest Practicable Date:

- (a) the authorised share capital of NWCL was HK\$3,000,000,000.00 divided into 30,000,000,000 NWCL Shares;
- (b) the issued share capital of NWCL was approximately HK\$868,063,174.6 divided into 8,680,631,746 NWCL Shares;
- (c) NWCL has issued 17,034,929 new NWCL Shares pursuant to the exercise of the NWCL Options since 30 June 2013, being the end of the last financial year of NWCL, up to the Latest Practicable Date;
- (d) all of NWCL Shares rank pari passu in all respects as regards rights to capital, dividends and voting;
- (e) there were 31,815,549 NWCL Options. As set out in the table setting out the exercise price applicable to each NWCL Option in the paragraph headed “9. Rule 13 Offer” in Part VII — Explanatory Statement of this Scheme Document, the exercise price of the NWCL Options ranges from HK\$2.262 to HK\$4.01. In the event that any of such NWCL Options are exercised on or prior to the Latest Option Exercise Date in accordance with the relevant provisions of the Share Option Schemes, NWCL Shares issued, prior to the Scheme Record Date, as a result of the exercise of such outstanding NWCL Options will be subject to and eligible to participate in the Scheme. If all of such NWCL Options are exercised on or prior to the Latest Option Exercise Date, a total of 31,815,549 new NWCL Shares will be issued; and
- (f) other than the NWCL Options, there are no other options, derivatives, warrants or other securities convertible or exchangeable into NWCL Shares which were issued by NWD, the Offeror or NWCL.

APPENDIX IV

GENERAL INFORMATION RELATING TO NWCL

3. MARKET PRICE

The table below sets out the closing price of the NWCL Shares on the Stock Exchange on (i) the Latest Practicable Date; (ii) the Last Trading Day; and (iii) the last Business Day of each of the calendar months during the period commencing six months preceding the Announcement Date and ending on the Latest Practicable Date:

	Closing price for each NWCL Share (HK\$)
30 September 2013	3.90
31 October 2013	4.26
29 November 2013	4.00
31 December 2013	3.75
30 January 2014	4.09
28 February 2014	4.63
10 March 2014 (Last Trading Day)	5.14
31 March 2014	6.54
30 April 2014	6.43
14 May 2014 (Latest Practicable Date)	6.45

The lowest and highest closing prices of NWCL Shares as quoted on the Stock Exchange during the period commencing six months preceding the Announcement Date and ending on the Latest Practicable Date were HK\$3.69 per NWCL Share on 18 December 2013 and 27 December 2013, and HK\$6.63 per NWCL Share on 14 March 2014, respectively.

The Cancellation Price of HK\$6.80 per Scheme Share represents a premium of approximately 32.3% over the closing price of HK\$5.14 per NWCL Share as quoted on the Stock Exchange on 10 March 2014 (being the Last Trading Day).

4. DISCLOSURE OF INTERESTS

For the purpose of this paragraph, “interested” and “interests” have the same meanings as ascribed to those terms in Part XV of the Securities and Futures Ordinance.

APPENDIX IV	GENERAL INFORMATION RELATING TO NWCL
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Interests in NWD

As at the Latest Practicable Date, the directors of NWCL had the following interests in NWD Shares:

(a) *Long position in the NWD Shares*

Name of Director	Number of NWD Shares			Total	Percentage to the issued share capital of NWD at the Latest Practicable Date
	Personal interests	Family interests	Corporate interests		
Dr. Cheng Kar-Shun, Henry	—	600,000	—	600,000	0.01
Mr. Fong Shing-Kwong, Michael	213,182	—	—	213,182	0.00

(b) *Long position in underlying NWD Shares*

Under the share option scheme of NWD, the following directors of NWCL have personal interests in share options to subscribe for NWD Shares and are accordingly regarded as interested in the underlying NWD Shares. Details of the share options of NWD held by them as at the Latest Practicable Date are as follows:

Name of Director	Date of grant	Exercisable period	Number of share options	Exercise price per NWD Share (HK\$)
Dr. Cheng Kar-Shun, Henry	19 March 2012	<i>note (i)</i>	10,638,838	9.184
Mr. Cheng Kar-Shing, Peter	19 March 2012	<i>note (i)</i>	531,941	9.184
Mr. Cheng Chi-Kong, Adrian	19 March 2012	<i>note (i)</i>	3,723,592	9.184
Ms. Cheng Chi-Man, Sonia	19 March 2012	<i>note (i)</i>	3,191,650	9.184
Mr. Fong Shing-Kwong, Michael	19 March 2012	<i>note (ii)</i>	1,865,286	9.184
Mr. Lee Luen-Wai, John	19 March 2012	<i>note (i)</i>	531,941	9.184

Notes:

- (i) Divided into 4 tranches, exercisable from 19 March 2012, 19 March 2013, 19 March 2014 and 19 March 2015, respectively to 18 March 2016.
- (ii) Divided into 3 tranches, exercisable from 19 March 2013, 19 March 2014 and 19 March 2015, respectively to 18 March 2016.

APPENDIX IV	GENERAL INFORMATION RELATING TO NWCL
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Interests in NWCL

As at the Latest Practicable Date, the directors of NWCL had the following interests in NWCL Shares:

(a) *Long position in the NWCL Shares*

Name of Director	Number of NWCL Shares			Total	Percentage to the issued share capital of NWCL as at the Latest Practicable Date
	Personal interests	Family interests	Corporate interests		
Dr. Cheng Kar-Shun, Henry	29,985,826	4,387,500	117,610,200 <i>(note)</i>	151,983,526	1.75
Mr. Cheng Kar-Shing, Peter	755,961	—	—	755,961	0.01
Ms. Cheng Chi-Man, Sonia	953,669	—	—	953,669	0.01
Mr. Fong Shing-Kwong, Michael	1,856,895	—	—	1,856,895	0.02
Dr. Cheng Wai-Chee, Christopher	387,448	—	—	387,448	0.00
Hon. Tien Pei-Chun, James	387,448	—	—	387,448	0.00
Mr. Lee Luen-Wai, John	387,448	—	—	387,448	0.00

Note: These NWCL Shares are beneficially owned by a company wholly-owned by Dr. Cheng Kar-Shun, Henry.

All of the above-mentioned directors of NWCL (except for Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Ms. Cheng Chi-Man, Sonia and Mr. Lee Luen-Wai, John, who are Offeror Concert Parties) intend, in respect of their beneficial shareholdings to be bound by the Scheme, to vote in favour of the Scheme.

APPENDIX IV	GENERAL INFORMATION RELATING TO NWCL
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(b) *Long position in underlying NWCL Shares*

Under the share option scheme of NWCL adopted on 26 November 2002, NWCL Options were granted to the undermentioned directors of NWCL which entitle them to subscribe for NWCL Shares and accordingly they are regarded as interested in the underlying NWCL Shares. Details of the NWCL Options held by them as at the Latest Practicable Date are as follows:

Name of Director	Date of grant	Exercisable period	Number of NWCL Options	Exercise price per NWCL Share (HK\$)
Dr. Cheng Kar-Shun, Henry	18 January 2011	<i>note (i)</i>	2,077,922	3.036
Mr. Cheng Kar-Shing, Peter	18 January 2011	<i>note (i)</i>	831,169	3.036
Mr. Cheng Chi-Kong, Adrian	18 January 2011	<i>note (ii)</i>	935,066	3.036
Mr. Fong Shing-Kwong, Michael	18 January 2011	<i>note (i)</i>	449,481	3.036
Ms. Ngan Man-Ying, Lynda	18 January 2011	<i>note (i)</i>	1,038,961	3.036
Dr. Cheng Wai-Chee, Christopher	18 January 2011	<i>note (i)</i>	311,688	3.036
Hon. Tien Pei-Chun, James	18 January 2011	<i>note (i)</i>	311,688	3.036
Mr. Lee Luen-Wai, John	18 January 2011	<i>note (i)</i>	311,688	3.036

Notes:

- (i) Divided into 5 tranches, exercisable from 19 February 2011, 19 February 2012, 19 February 2013, 19 February 2014 and 19 February 2015, respectively to 18 February 2016.
- (ii) Divided into 3 tranches, exercisable from 19 February 2013, 19 February 2014 and 19 February 2015, respectively to 18 February 2016.

All of the above-mentioned directors of NWCL intend, in respect of their NWCL Options not exercised before the Scheme Record Date, to accept the Rule 13 Offer.

Confirmations

Except as disclosed in this paragraph headed “Disclosure of Interests” in this Appendix IV and in Part IV — Letter from the NWCL Board and Part VII — Explanatory Statement of this Scheme Document and as at the Latest Practicable Date:

- (a) neither NWCL nor the directors of NWCL were interested in any NWCL Shares or shares of the Offeror or any convertible securities, warrants, options or derivatives in respect of NWCL Shares or shares of the Offeror;
- (b) none of the directors of NWCL were interested in any NWCL Shares or any convertible securities, warrants, options or derivatives in respect of NWCL Shares;

APPENDIX IV

GENERAL INFORMATION RELATING TO NWCL

- (c) no subsidiary of NWCL, or any pension fund of NWCL or of any other member of the NWCL Group or any adviser to NWCL as specified in class (2) of the definition of “associate” under the Takeovers Code (but excluding exempt principal traders) owned or controlled any NWCL Shares or any convertible securities, warrants, options or derivatives in respect of NWCL Shares;
- (d) neither NWCL nor any of its associates by virtue of classes (1), (2), (3) or (4) of the definition of “associate” under the Takeovers Code had an arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with any person;
- (e) none of the non-exempt discretionary fund managers and principal traders connected with NWCL owned or controlled any NWCL Shares or any convertible securities, warrants, options or derivatives in respect of NWCL Shares; and
- (f) neither NWCL nor any of the directors of NWCL had borrowed or lent any NWCL Shares or any convertible securities, warrants, options or derivatives in respect of NWCL Shares.

5. DEALINGS IN NWD SHARES, SHARES OF THE OFFEROR AND NWCL SHARES

For the purpose of this paragraph, “Relevant Period” refers to the period which commenced on the date falling six months prior to the Announcement Date and ended on the Latest Practicable Date.

During the Relevant Period, each of NWCL or any directors of NWCL had dealt for value in any NWD Shares, shares of the Offeror or NWCL Shares or convertible securities, warrants, options or derivatives in respect of NWD Shares, shares of the Offeror or NWCL Shares as follows:

Dealings in NWD Shares

Name of Director	Date	Transaction	Number of NWD Shares dealt for value	Aggregate value (HK\$)
Mr. Fong Shing-Kwong, Michael	7 April 2014	Disposal of rights shares	60,000	102,600.00
Mr. Fong Shing-Kwong, Michael	11 April 2014	Disposal of rights shares	11,060	20,679.80

APPENDIX IV

GENERAL INFORMATION RELATING TO NWCL

Dealings in NWCL Shares

Name of Director	Date	Transaction	Number of NWCL Shares dealt for value	Aggregate value (HK\$)
Ms. Cheng Chi-Man, Sonia	21 January 2014	Exercise of NWCL Options	785,269	1,012,997.01
Mr. Fong Shing-Kwong, Michael	15 November 2013	Disposal of NWCL Shares	200,000	872,000.00
Mr. Fong Shing-Kwong, Michael	18 November 2013	Disposal of NWCL Shares	12,000	53,400.00
Mr. Fong Shing-Kwong, Michael	21 November 2013	Exercise of NWCL Options	70,000	212,520.00
Mr. Fong Shing-Kwong, Michael	21 November 2013	Disposal of NWCL Shares	70,000	301,602.00

During the Relevant Period, except as disclosed in this paragraph headed “Dealings in NWD Shares, Shares of the Offeror and NWCL Shares”:

- (a) neither NWCL nor any director of NWCL had dealt for value in any NWD Shares or the shares of the Offeror or any convertible securities, warrants, options or derivatives in respect of NWD Shares or shares of the Offeror;
- (b) none of the directors of NWCL had dealt for value in any NWCL Shares or any convertible securities, warrants, options or derivatives in respect of NWCL Shares;
- (c) no subsidiary of NWCL, or any pension fund of NWCL or of any other member of the NWCL Group or any adviser to NWCL as specified in class (2) of the definition of “associate” under the Takeovers Code (but excluding exempt principal traders) had dealt for value in any NWCL Shares or any convertible securities, warrants, options or derivatives in respect of NWCL Shares; and
- (d) none of the non-exempt discretionary fund managers and principal traders connected with NWCL had dealt for value in any NWCL Shares or any convertible securities, warrants, options or derivatives in respect of NWCL Shares.

6. MATERIAL LITIGATION

As at the Latest Practicable Date, there was no material litigation or claim of material importance known to the directors of NWCL to be pending or threatened against any member of the NWCL Group.

APPENDIX IV

GENERAL INFORMATION RELATING TO NWCL

7. MATERIAL CONTRACTS

The following material contracts (not being contracts entered into in the ordinary course of business) have been entered into by the NWCL Group after the date of two years before the Announcement Date and up to and including the Latest Practicable Date:

- (a) a subscription agreement dated 29 March 2012 among BOCI Asia Limited, HSBC and NWCL relating to the issue by NWCL of bonds with aggregate principal amount of CNY2,800,000,000 at an annual interest rate of 8.50% repayable on or about 11 April 2015;
- (b) a subscription agreement dated 12 April 2012 among BOCI Asia Limited, HSBC and NWCL relating to the issue by NWCL of bonds with aggregate principal amount of CNY1,500,000,000 at an annual interest rate of 8.50% repayable on or about 11 April 2015; and
- (c) a subscription agreement dated 30 January 2013 among BOCI Asia Limited, HSBC and NWCL relating to the issue by NWCL of bonds with aggregate principal amount of CNY3,000,000,000 at an annual interest rate of 5.50% repayable on or about 6 February 2018.

8. CONSENTS AND QUALIFICATIONS OF EXPERTS

Name	Qualification
HSBC	A registered institution under the Securities and Futures Ordinance, registered to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
Somerley	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance
Knight Frank	Chartered professional surveyors and valuers

Each of HSBC, Somerley and Knight Frank has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion therein of the opinions, reports and/or letters and/or the references to its name and/or opinions, reports and/or letters in the form and context in which they respectively appear.

APPENDIX IV

GENERAL INFORMATION RELATING TO NWCL

9. MISCELLANEOUS

- (a) None of the existing directors of NWCL will be given any benefit as compensation for loss of office or otherwise in connection with the Scheme and the Proposal.
- (b) As at the Latest Practicable Date, there was no agreement or arrangement between any of the directors of NWCL and any other person which is conditional on or dependent upon the outcome of the Scheme and the Proposal or otherwise connected with the Scheme and the Proposal.
- (c) No material contract subsisting as at the Latest Practicable Date has been entered into by the Offeror in which any director of NWCL has a material personal interest.
- (d) The directors of NWCL are:

Executive Directors:

Dr. Cheng Kar-Shun, Henry (*Chairman and Managing Director*)
Mr. Cheng Kar-Shing, Peter
Mr. Cheng Chi-Kong, Adrian
Ms. Cheng Chi-Man, Sonia
Mr. Cheng Chi-Him, Conrad
Mr. Fong Shing-Kwong, Michael
Ms. Ngan Man-Ying, Lynda

Independent Non-executive Directors:

Dr. Cheng Wai-Chee, Christopher
Hon. Tien Pei-Chun, James
Mr. Lee Luen-Wai, John
Mr. Ip Yuk-Keung, Albert

- (e) The company secretary of NWCL is Ms. Ngan Man-Ying, Lynda.
- (f) The registered office of NWCL is situated at P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands.
- (g) The principal place of business of NWCL in Hong Kong is at 9th Floor, New World Tower 1, 18 Queen's Road Central, Hong Kong.
- (h) The principal share registrar of NWCL is Royal Bank of Canada Trust Company (Cayman) Limited at 4th Floor, Royal Bank House, 24 Shedden Road, George Town, Grand Cayman KY1-1110, Cayman Islands.
- (i) The Hong Kong branch share registrar and transfer office of NWCL is Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

APPENDIX IV

GENERAL INFORMATION RELATING TO NWCL

- (j) The principal place of business of Somerley is at 10/F, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong.
- (k) As at the Latest Practicable Date, none of the directors of NWCL had entered into any service contract with NWCL or any of its subsidiaries or associated companies which is a fixed term contract with more than 12 months to run irrespective of the notice period, which is continuous contract with a notice period of 12 months or more, or which has been entered into or amended within six months before the Announcement Date, other than those disclosed below:

Name of Director	Date of commencement of the relevant term	Expiry date of the relevant term
Mr. Cheng Chi-Kong, Adrian	16 March 2013	15 March 2016
Mr. Cheng Chi-Him, Conrad	8 January 2013	7 January 2016
Ms. Cheng Chi-Man, Sonia	8 January 2013	7 January 2016
Mr. Ip Yuk-Keung, Albert	28 December 2012	27 December 2015

Note: The remuneration of the above directors of NWCL will be reviewed by the remuneration committee of the NWCL Board and determined by the NWCL Board annually.

APPENDIX V

DOCUMENTS AVAILABLE FOR INSPECTION

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at (i) the office of NWCL located at 9th Floor, New World Tower 1, 18 Queen's Road Central, Hong Kong from 9:30 a.m. to 5:30 p.m., Monday to Friday, (ii) on the website of NWCL at www.nwcl.com.hk and (iii) the website of Securities and Futures Commission at www.sfc.hk from 17 May 2014 until the earlier of: (i) the Effective Date or the closing date of the Rule 13 Offer, whichever is later, and (ii) the date on which the Scheme, the Proposal or the Rule 13 Offer lapses or is withdrawn, whichever is later:

- (a) the memorandum and articles of association of NWCL;
- (b) the memorandum and articles of association of the Offeror;
- (c) the annual reports of NWCL for the years ended 30 June 2011, 2012 and 2013;
- (d) the interim report of NWCL for the six months ended 31 December 2013;
- (e) the letter from the NWCL Board, the text of which is set out in Part IV of this Scheme Document;
- (f) the letter from the NWCL Independent Board Committee, the text of which is set out in Part V of this Scheme Document;
- (g) the letter from the NWCL Independent Financial Adviser, the text of which is set out in Part VI of this Scheme Document;
- (h) the letter, summary of valuation and valuation certificate from Knight Frank, the text of which is set out in Appendix II to this Scheme Document;
- (i) the material contracts referred to in the paragraph headed "7. Material Contracts" in Appendix IV — General Information Relating to NWCL to this Scheme Document;
- (j) the written consents referred to in the paragraph headed "8. Consents and Qualifications of Experts" in Appendix IV — General Information Relating to NWCL to this Scheme Document;
- (k) the service contracts referred to in the sub-paragraph (k) under the paragraph headed "9. Miscellaneous" in Appendix IV — General Information Relating to NWCL to this Scheme Document; and
- (l) this Scheme Document.

APPENDIX VI

SCHEME OF ARRANGEMENT

IN THE GRAND COURT OF THE CAYMAN ISLANDS
CAUSE NO: FSD 33 OF 2014

IN THE MATTER OF
NEW WORLD CHINA LAND LIMITED (新世界中國地產有限公司)
AND IN THE MATTER OF
SECTION 86 OF THE COMPANIES LAW (2013 REVISION)
OF THE CAYMAN ISLANDS

SCHEME OF ARRANGEMENT
between
NEW WORLD CHINA LAND LIMITED (新世界中國地產有限公司)
and
THE HOLDERS OF SCHEME SHARES

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meanings respectively set out opposite them:

“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which banks are generally open for business in Hong Kong and the Cayman Islands
“Cancellation Price”	the cancellation price of HK\$6.80 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961), as consolidated and revised, of the Cayman Islands
“Company”	New World China Land Limited (新世界中國地產有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 0917)
“Conditions”	the conditions to the implementation of the Scheme as set out under the heading “Conditions of the Scheme and the Proposal” in the Scheme Document
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Law

APPENDIX VI

SCHEME OF ARRANGEMENT

“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong or any delegate thereof
“Grand Court”	the Grand Court of the Cayman Islands
“Great Worth”	Great Worth Holdings Limited, a non-wholly owned subsidiary of NWD
“High Earnings”	High Earnings Holdings Limited, a wholly-owned subsidiary of NWS
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, the financial adviser to the Offeror in connection with the Scheme, the Proposal and the Rule 13 Offer.
“Latest Practicable Date”	14 May 2014, being the latest practicable date for ascertaining certain information contained in the Scheme Document
“NWCL Independent Board Committee”	the independent board committee of the Company, comprising Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James and Mr. Ip Yuk-Keung, Albert, established by the board of directors of the Company
“NWCL Independent Financial Adviser”	Somerley Capital Limited, the independent financial adviser to the NWCL Independent Board Committee
“NWCL Option(s)”	the outstanding, vested and unvested, share option(s), each relating to one Share, granted under the Share Option Schemes from time to time
“NWD”	New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company and the parent company of the Offeror, the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 0017)
“NWS”	NWS Holdings Limited, a non-wholly owned subsidiary of NWD and the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 0659)

APPENDIX VI

SCHEME OF ARRANGEMENT

“Offeror”	Easywin Enterprises Corporation Limited (義榮企業有限公司), a wholly-owned subsidiary of NWD
“Offeror Concert Parties”	parties acting in concert with the Offeror in relation to the Company including HSBC (except members of the HSBC group which are exempt fund managers, in each case recognised by the Executive as such for the purposes of the Code on Takeovers and Mergers of Hong Kong) which is presumed to be acting in concert with the Offeror in relation to the Company
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme
“Register”	the principal or branch register of members of the Company (as the case may be)
“Rule 13 Offer”	the offer made by HSBC on behalf of the Offeror to the holders of NWCL Options
“Scheme”	this scheme of arrangement in its present form (subject to any modifications or additions or conditions as may be approved or imposed by the Grand Court and agreed to by the Offeror)
“Scheme Document”	the composite document dated 17 May 2014 containing details of the Scheme
“Scheme Record Date”	17 July 2014, or such other time and date as shall have been announced to holders of Shares, being the record date for the purpose of determining the entitlements of the Scheme Shareholders to the Cancellation Price under the Scheme
“Scheme Share(s)”	Share(s) other than those held by the Offeror and NWD as at the Scheme Record Date
“Scheme Shareholder(s)”	holder(s) of Scheme Shares as at the Scheme Record Date
“Share Option Schemes”	the share option schemes adopted by the Company on 26 November 2002 and 22 November 2011 respectively
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

APPENDIX VI

SCHEME OF ARRANGEMENT

- (B) The Company was incorporated as an exempted company limited by shares on 28 August 1996 in the Cayman Islands pursuant to the Companies Law.
- (C) As at the Latest Practicable Date, the authorised share capital of the Company was HK\$3,000,000,000 divided into 30,000,000,000 shares of a single class with a par value of HK\$0.10 each. As at the Latest Practicable Date, the issued share capital of the Company is HK\$868,063,174.6 divided into 8,680,631,746 Shares of HK\$0.10 each, all of which are fully paid, with the remainder of the authorised share capital being unissued. Since July 1999 the issued shares of the Company have been listed and traded on the Main Board of the Stock Exchange.
- (D) NWD, through its wholly-owned subsidiary, the Offeror has proposed the privatisation of the Company by way of the Scheme.
- (E) The primary purpose of the Scheme is that all of the Scheme Shares shall be cancelled and extinguished and that NWD will, together with the Offeror, hold 100% of the issued share capital in the Company.
- (F) As at the Latest Practicable Date, 6,254,164,482 Shares were legally and/or beneficially owned or controlled by the Offeror and the Offeror Concert Parties and registered as follows:

Name	Registered holder of Shares	Number of Shares
Offeror	Offeror	237,041,727
	HKSCC Nominees Limited	18,000,000
NWD	NWD	5,014,011,861
	HKSCC Nominees Limited	707,965,783
High Earnings	High Earnings	93,073,738
Great Worth	Great Worth	22,508,064
HSBC group	HKSCC Nominees Limited	4,348,542
Dr. Cheng Kar-Shun, Henry	HKSCC Nominees Limited	151,983,526
Mr. Cheng Kar-Shing, Peter	HKSCC Nominees Limited	755,961
Ms. Cheng Chi-Man, Sonia	HKSCC Nominees Limited	953,669
Mr. Lee Luen-Wai, John	HKSCC Nominees Limited	387,448
Mr. Doo Wai-Hoi, William	HKSCC Nominees Limited	2,571,663
Mr. William Junior Guilherme Doo	HKSCC Nominees Limited	517,500
Ms. Ki Man-Fung, Leonie	HKSCC Nominees Limited	45,000

- (G) Each of the Offeror Concert Parties will procure that any Shares in respect of which they are beneficially interested will not be represented or voted at the meeting convened at the direction of the Grand Court for the purpose of considering and, if thought fit, approving the Scheme.
- (H) NWD and the Offeror have undertaken to the Grand Court to be bound by the Scheme, and will execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by each of them for the purpose of giving effect to this Scheme.

APPENDIX VI

SCHEME OF ARRANGEMENT

THE SCHEME**PART I****Cancellation of the Scheme Shares**

1. On the Effective Date:
 - (a) the issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares;
 - (b) subject to and forthwith upon such reduction of capital taking effect, the share capital of the Company will be increased to its former amount by issuing to the Offeror the same number of Shares as the number of Scheme Shares cancelled and extinguished; and
 - (c) the Company shall apply the credit arising in its books of account as a result of the capital reduction referred to in paragraph (1)(b) above in paying up in full at par the new Shares issued to the Offeror, credited as fully paid.

PART II**Consideration for the cancellation and extinguishment of the Scheme Shares**

2. In consideration of the cancellation and extinguishment of the Scheme Shares, each Scheme Shareholder will receive from the Offeror the Cancellation Price for each Scheme Share held.

PART III**General**

3.
 - (a) As soon as possible and in any event not later than seven (7) Business Days after the Effective Date, the Offeror shall send or cause to be sent to Scheme Shareholders cheques in respect of the sums payable to such Scheme Shareholders pursuant to Clause 2 of this Scheme.
 - (b) In the absence of any specific instructions to the contrary received in writing by the branch share registrar of the Company in Hong Kong at Tricor Standard Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, all such cheques shall be sent by ordinary post in postage pre-paid envelopes addressed to such Scheme Shareholders at their respective addresses as appearing on the Register as at the Scheme Record Date or, in the case of joint holders, at the address as appearing on the Register as at the Scheme Record Date of the joint holder whose name then stands first in the Register in respect of the relevant joint holding.

APPENDIX VI

SCHEME OF ARRANGEMENT

- (c) Cheques shall be posted at the risk of the addressee and none of NWD, the Offeror, the Company nor HSBC shall be responsible for any loss or delay in the dispatch of the same.
 - (d) Each cheque shall be payable to the order of the person to whom, in accordance with the provisions of paragraph (b) of this Clause 3, the envelope containing the same is addressed and the encashment of any such cheque shall be a good discharge to the Offeror for the monies represented thereby.
 - (e) On or after the day being six calendar months after the posting of the cheques pursuant to paragraph (b) of this Clause 3, the Offeror shall have the right to cancel or countermand payment of any such cheques which has not been cashed or that has been returned uncashed and shall place all monies represented thereby in a deposit account of the Offeror with a licensed bank of Hong Kong selected by the Company. The Offeror shall hold such monies on trust for those entitled to it under the terms of this Scheme until the expiration of six years from the Effective Date and shall, prior to such date, make payments thereout of the sums payable pursuant to Clause 2 of this Scheme to persons who satisfy the Offeror that they are respectively entitled thereto and the cheques referred to in paragraph (b) of this Clause 3 of which they are payees have not been cashed. The Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies.
 - (f) On the expiration of six years from the Effective Date, the Offeror shall be released from any further obligation to make any payments under this Scheme.
 - (g) Paragraph (f) of this Clause 3 shall take effect subject to any prohibition or condition imposed by law.
 - (h) Upon cancellation of the Scheme Shares, the Register shall be updated to reflect such cancellation.
4. Each instrument of transfer and certificate existing as at the Scheme Record Date in respect of a holding of any number of Scheme Shares shall on the Effective Date cease to be valid for any purpose as an instrument of transfer or a certificate for such Scheme Shares and every holder of such certificate shall be bound at the request of the Offeror to deliver up the same to the Offeror for the cancellation thereof.
5. All mandates or relevant instructions to the Company in force as at the Scheme Record Date relating to any of the Scheme Shares shall cease to be valid as effective mandates or instructions on the Effective Date.

APPENDIX VI

SCHEME OF ARRANGEMENT

6. Subject to the Conditions having been satisfied in full or waived by the Offeror in the manner set out under the heading “Conditions of the Scheme and the Proposal” in the Scheme Document, this Scheme shall become effective as soon as a copy of the order of the Grand Court sanctioning this Scheme under Section 86 of the Companies Law has been registered by the Registrar of Companies in the Cayman Islands.
7. Unless this Scheme shall have become effective on or before 31 August 2014 (or such later date, if any, as the Offeror, the Company and HSBC may agree, or, to the extent applicable, as the Grand Court, on application of the Company and/or the Offeror may direct and in all cases, as permitted by the Executive) this Scheme shall lapse.
8. The Company and the Offeror may consent jointly for and on behalf of all concerned to any modification of or addition to this Scheme or to any condition that the Grand Court may think fit to approve or impose.
9. All costs, charges and expenses of the advisers and counsels appointed by the Company, including the NWCL Independent Financial Adviser, will be borne by the Company, all costs, charges and expenses of the advisers and counsels appointed by Offeror will be borne by the Offeror, and other costs, charges and expenses of this Scheme will be shared between the Offeror and the Company equally.

17 May 2014

APPENDIX VII

NOTICE OF COURT MEETING

IN THE GRAND COURT OF THE CAYMAN ISLANDS FINANCIAL SERVICES DIVISION

Cause No. FSD 33 of 2014

IN THE MATTER of section 86 of the Companies Law (2013 Revision)

AND IN THE MATTER of New World China Land Limited (新世界中國地產有限公司)

NOTICE OF COURT MEETING

NOTICE IS HEREBY GIVEN that, by an order dated 13 May 2014 (the “**Order**”) made in the above matter, the Grand Court of the Cayman Islands (the “**Court**”) has directed a meeting (the “**Court Meeting**”) to be convened of holders of ordinary shares of HK\$0.10 each in the capital of New World China Land Limited (新世界中國地產有限公司) (the “**Company**”) other than New World Development Company Limited (新世界發展有限公司) and Easywin Enterprises Corporation Limited (義榮企業有限公司) (the “**Holders**”) for the purpose of considering and, if thought fit, approving, with or without modifications, a scheme of arrangement (the “**Scheme**”) proposed to be made between the Company and the Scheme Shareholders (as defined in the Scheme) and that the Court Meeting will be held at, Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on 16 June 2014 at 2:30 p.m. at which place and time all such Holders are requested to attend. A copy of the Scheme and a copy of an explanatory statement explaining the effect of the Scheme are incorporated in the composite scheme document of which this Notice forms part.

A copy of the composite scheme document can also be obtained from the Hong Kong branch share registrar of the Company.

Such Holders (other than those required to abstain from voting as detailed in the Scheme) may vote in person at the Court Meeting or they may appoint another person (who must be an individual), whether a member of the Company or not, to attend and vote in their stead. A pink form of proxy for use at the Court Meeting is enclosed with the composite scheme document dated 17 May 2014 dispatched to members of the Company on 17 May 2014.

In the case of joint holders of a share, any one of such persons may vote at the Court Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto. However, if more than one of such joint holders be present at the Court Meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding. For this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members of the Company in respect of such joint holding, the first named shareholder being the senior.

APPENDIX VII

NOTICE OF COURT MEETING

It is requested that forms appointing proxies be deposited at the Hong Kong branch share registrar of the Company in Hong Kong at Tricor Standard Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 2:30 p.m. on 14 June 2014.

By the Order, the Court has appointed Ms. Ngan Man-Ying, Lynda, an executive director of the Company, or failing her, Mr. Fong Shing-Kwong, Michael, also an executive director of the Company, or failing him, any independent non-executive director of the Company as at the date of the Order, to act as the chairman of the Court Meeting and has directed the chairman of the Court Meeting to report the results of the Court Meeting to the Court.

The Scheme will be subject to a subsequent application seeking the sanction of the Court.

By Order of the Court
New World China Land Limited
(新世界中國地產有限公司)

Dated 17 May 2014

Registered Office
P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Principal Place of Business in Hong Kong
9th Floor
New World Tower 1
18 Queen's Road Central
Hong Kong

APPENDIX VIII NOTICE OF EXTRAORDINARY GENERAL MEETING

**New World China Land Limited**
新世界中國地產有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0917)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of **New World China Land Limited** (新世界中國地產有限公司) (the “**Company**”) will be held at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on 16 June 2014 at 4:00 p.m. (Hong Kong time) (or immediately after the conclusion or adjournment of the meeting of holders of ordinary shares of HK\$0.10 each in the capital of the Company other than New World Development Company Limited (新世界發展有限公司) and Easywin Enterprises Corporation Limited (義榮企業有限公司) convened at the direction of the Grand Court of the Cayman Islands for the same day and place), for the purpose of considering and, if thought fit, passing (with or without modifications) the following as a special resolution and an ordinary resolution, respectively:

SPECIAL RESOLUTION

“THAT AS A SPECIAL RESOLUTION:

- (a) the scheme of arrangement dated 17 May 2014 (the “**Scheme**”) between the Company and the holders of Scheme Shares (as defined in the Scheme) in the form of the print thereof which has been produced to this meeting and, for the purpose of identification, signed by the chairman of this meeting, subject to any modifications, additions or conditions as may be approved or imposed by the Grand Court of the Cayman Islands, be and is hereby approved; and
- (b) for the purpose of giving effect to the Scheme, on the Effective Date, (as defined in the Scheme), the issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares.”

ORDINARY RESOLUTION

“THAT AS AN ORDINARY RESOLUTION:

- (a) subject to and forthwith upon such reduction of capital taking effect, the share capital of the Company will be increased to its former amount by issuing to Easywin Enterprises Corporation Limited (義榮企業有限公司) the same number of shares as the number of Scheme Shares cancelled and extinguished;

APPENDIX VIII NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the Company shall apply the credit arising in its books of account as a result of the capital reduction referred to in paragraph (a) of the special resolution above in paying up in full at par the new shares issued, credited as fully paid, to Easywin Enterprises Corporation Limited (義榮企業有限公司) and the directors of the Company be and are hereby authorised to allot and issue the same accordingly;
- (c) any one of the directors of the Company be and is hereby authorised to do all acts and things considered by him/her to be necessary or desirable in connection with the implementation of the Scheme, including (without limitation) the giving of consent to any modification of, or addition to, the Scheme, which the Grand Court of the Cayman Islands may see fit to impose; and
- (d) any one of the directors of the Company be and is hereby authorised to apply to The Stock Exchange of Hong Kong Limited for the withdrawal of the listing of the shares of the Company.”

By Order of the Board
Dr. Cheng Kar-Shun, Henry
Chairman and Managing Director

Dated 17 May 2014

Registered Office
P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Principal Place of Business in Hong Kong
9th Floor
New World Tower 1
18 Queen's Road Central
Hong Kong

Notes:

- (a) Any member entitled to attend and vote at the meeting (or any adjournment thereof) is entitled to appoint one or more proxies (who must be individuals) to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
- (b) In the case of joint registered holders of any share of the Company, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share of the Company as if he/she was solely entitled thereto; if more than one of such joint registered holders be present, personally or by proxy, one of the persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint registered holders stand on the register of members of the Company.

APPENDIX VIII NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) In order to be valid, the proxy form must be completed and deposited at the branch share registrar of the Company in Hong Kong at Tricor Standard Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude any member from attending and voting in person at the meeting. In the event that a member of the Company attends the meeting after having lodged his form of proxy, the form of proxy will be deemed to have been revoked.
- (d) A form of proxy for use at the meeting is enclosed.
- (e) The special resolution and ordinary resolution as set out above will be determined by way of a poll.
- (f) At the date of this notice, the executive directors of the Company are Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia, Mr. Cheng Chi-Him, Conrad, Mr. Fong Shing-Kwong, Michael and Ms. Ngan Man-Ying, Lynda; and the independent non-executive directors of the Company are Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James, Mr. Lee Luen-Wai, John and Mr. Ip Yuk-Keung, Albert.

APPENDIX IX

FORM OF RULE 13 OFFER LETTER

The following is a sample of the Rule 13 Offer Letter being sent to the holders of NWCL Options in connection with the Rule 13 Offer.



The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

17 May 2014

To the holders of NWCL Options

Dear Sir or Madam,

**RULE 13 OFFER
IN RELATION TO
THE PROPOSED PRIVATISATION OF
NEW WORLD CHINA LAND LIMITED (新世界中國地產有限公司)
BY EASYWIN ENTERPRISES CORPORATION LIMITED (義榮企業有限公司)
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)**

A composite scheme document dated the same date as this letter issued jointly by Easywin Enterprises Corporation Limited (義榮企業有限公司) (the “**Offeror**”), New World Development Company Limited (新世界發展有限公司) (“**NWD**”) and New World China Land Limited (新世界中國地產有限公司) (“**NWCL**”) (the “**Scheme Document**”) is enclosed with this letter. Terms used but not defined in this letter shall have the same meanings and construction as in the Scheme Document. This letter should be read in conjunction with the Scheme Document.

NWD, the Offeror and NWCL issued a joint announcement dated 13 March 2014 (the “**Announcement**”) which stated that, among others, on 12 March 2014, the Offeror, a wholly-owned subsidiary of NWD, had requested the board of directors of NWCL to put forward the Proposal to the Scheme Shareholders regarding a proposed privatisation of NWCL by way of a scheme of arrangement under Section 86 of the Companies Law. As stated in the Announcement, as part of the Proposal, the Offeror would make an appropriate offer, namely the Rule 13 Offer, to the holders of NWCL Options for the cancellation of every vested and unvested NWCL Option in accordance with Rule 13 of the Takeovers Code. The Rule 13 Offer will be conditional upon the Scheme becoming effective.

This letter explains the actions you may take in relation to your outstanding NWCL Options. You are advised to refer to the Scheme Document when considering them.

Your attention is also drawn to the terms and conditions of the Share Option Schemes.

APPENDIX IX

FORM OF RULE 13 OFFER LETTER

TERMS OF THE RULE 13 OFFER

On behalf of the Offeror, we are making the Rule 13 offer, which is conditional on the Scheme becoming effective, to you pursuant to the terms of the Share Option Schemes.

Any outstanding NWCL Options, to the extent not exercised on or prior to the Latest Option Exercise Date, will lapse automatically fourteen (14) days after the Effective Date. You may accept the Rule 13 Offer by lodging a completed form of acceptance in respect of the Rule 13 Offer (the “**Form(s) of Acceptance**”) by the prescribed deadline and, if the Rule 13 Offer becomes unconditional, you will be entitled to the NWCL Option Offer Price.

The NWCL Option Offer Price above represents the “see-through” price of the outstanding NWCL Option, being an amount by which the Cancellation Price exceeds the relevant exercise price of the outstanding NWCL Option.

The Rule 13 Offer is conditional upon the Scheme becoming effective. The Conditions of the Scheme are set out in the paragraph headed “4. Conditions of the Scheme and the Proposal” in Part VII — Explanatory Statement of the Scheme Document. In addition, all payments in respect of the NWCL Option Offer Price will be made by cheques in Hong Kong dollars.

You are further advised to refer to the paragraph headed “17. Overseas NWCL Shareholders and Holders of NWCL Options”, the paragraph headed “18. Registration and Payment” and the paragraph headed “19. Taxation” in Part VII — Explanatory Statement of the Scheme Document.

Your attention is drawn to the letter from the NWCL Independent Board Committee to the Scheme Shareholders and the holders of NWCL Options set out in Part V of the Scheme Document and the letter from Somerley Capital Limited, the NWCL Independent Financial Adviser, set out in Part VI of the Scheme Document, which contain the recommendation of the NWCL Independent Board Committee and of the NWCL Independent Financial Adviser, respectively, in relation to the Scheme and the Rule 13 Offer.

COURSES OF ACTION AVAILABLE TO HOLDERS OF NWCL OPTIONS

In summary, the choices available to you in respect of your outstanding NWCL Options are:

- (a) to the extent any of your outstanding NWCL Options is not exercised on or prior to the Latest Option Exercise Date, you may accept the Rule 13 Offer in accordance with its terms, as set out in this letter and in the Scheme Document by allowing such unexercised outstanding NWCL Options to remain unexercised on the Effective Date, and sign and return the completed Form of Acceptance enclosed, by not later than 4:30 p.m. (Hong Kong time) on Thursday, 31 July 2014 (or such later time and/or date as may be notified to you through announcement(s)), to receive the NWCL Option Offer Price if the Scheme becomes effective;

APPENDIX IX**FORM OF RULE 13 OFFER LETTER**

- (b) you may in accordance with the terms of the Share Option Schemes exercise all or any of your outstanding vested NWCL Options (to the extent not already exercised) to its full extent or to the extent specified in your notice of exercise of NWCL Options to NWCL at any time after the date of this letter (being 17 May 2014) and up to the Latest Option Exercise Date. Any NWCL Shares issued as a result of the exercise of such outstanding NWCL Options as mentioned above will be subject to and eligible to participate in the Scheme. Please refer to the Scheme Document for details of the Scheme and the Proposal in this regard; or
- (c) do nothing, in which case, if the Scheme becomes effective, your unexercised outstanding NWCL Options will lapse automatically fourteen (14) days after the Effective Date and you will receive neither the NWCL Option Offer Price nor the Cancellation Price.

Each outstanding NWCL Option you hold is independent and you should make a separate decision for each one.

For further details, please refer to the remaining sections of this letter, the Scheme Document, the Form of Acceptance and the terms of the Share Option Schemes.

OUTSTANDING NWCL OPTIONS HELD AS AT THE LATEST PRACTICABLE DATE

Information on the outstanding NWCL Options held by you as at the Latest Practicable Date is available from the company secretary of NWCL. If there is any exercise of your outstanding NWCL Options after the Latest Practicable Date, you may accept the Rule 13 Offer only in respect of such outstanding NWCL Options which remain unexercised or unvested as at the Latest Option Exercise Date.

LAPSED NWCL OPTIONS

Please note that nothing in this letter or the Scheme Document serves to extend the life of a NWCL Option which lapses, will lapse, or has already lapsed, under the terms of the Share Option Schemes. You cannot exercise or accept the Rule 13 Offer in respect of a NWCL Option which has lapsed in accordance with its terms.

PROFESSIONAL ADVICE

The information provided in this letter is intended to give you factual details on which to base your decision as to the action you wish to take.

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

APPENDIX IX**FORM OF RULE 13 OFFER LETTER****DECLARATION**

By signing and returning the completed Form of Acceptance, you thereby:

- (a) warrant and confirm that each NWCL Option in respect of which you accept the Rule 13 Offer is valid and subsisting, free from all liens, charges, mortgages and third party interests of any nature whatsoever and you acknowledge that any option certificate or documents in respect of such NWCL Option shall become void once that NWCL Option has been cancelled as a result of your acceptance of the Rule 13 Offer pursuant to the Form of Acceptance;
- (b) acknowledge and agree that you cease to have any rights and obligations, and waive all rights and claims against any party (including the Offeror and NWCL), in respect of all the NWCL Options held by you for which you accept the Rule 13 Offer, that all rights and obligations under all such NWCL Options will be cancelled;
- (c) confirm that the decisions which you have made on the Form of Acceptance cannot be withdrawn or altered;
- (d) authorise NWD, the Offeror, NWCL, HSBC and/or such person or persons as any of them may direct to do all acts and things and to complete, amend and execute any document on your behalf as may be necessary or desirable to give effect to or in connection with the acceptance you have made on the Form of Acceptance, and you hereby undertake to execute any further assurance that may be required in respect of such acceptance;
- (e) undertake to confirm and ratify any action properly or lawfully taken on your behalf by any attorney appointed by or pursuant to this letter and the Form of Acceptance; and
- (f) confirm that you have read, understood and agreed to the terms and conditions of the Rule 13 Offer (including, without limitation, those set out in the Scheme Document, this letter and the Form of Acceptance), and that you have received and read the Scheme Document and this letter.

GENERAL

- (a) All communications, notices, Forms of Acceptance, cheques, certificates and other documents of any nature to be delivered by or sent to or from the holders of NWCL Options will be delivered by or sent to or from them, or their designated agents, at their risk, and none of NWD, the Offeror, NWCL or HSBC accepts any liability for any loss or any other liabilities whatsoever which may arise as a result.
- (b) The provisions set out in the Form of Acceptance form part of the terms of the Rule 13 Offer.

APPENDIX IX**FORM OF RULE 13 OFFER LETTER**

- (c) The Rule 13 Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.
- (d) Due execution of the Form of Acceptance in respect of the Rule 13 Offer will constitute an authority to NWD, the Offeror, NWCL, HSBC or such person(s) as any of them may direct to complete and execute on behalf of the accepting holder of NWCL Options, the Form of Acceptance and any document and to do any other act that may be necessary or expedient for the purpose of cancelling, or vesting in the Offeror or such person(s) as the Offeror shall direct, all rights of the holders of NWCL Options in respect of the outstanding NWCL Options which are the subject of such acceptance.
- (e) The delivery of the Form of Acceptance, duly signed, may, if the Offeror determines it appropriate, be as effective as if it were duly completed and received notwithstanding that it is not completed or received strictly in accordance with the Form of Acceptance and this letter, including the date specified for receipt.
- (f) By completing the Form of Acceptance in respect of a particular outstanding NWCL Option, you irrevocably and at your own risk elect to authorise NWD, the Offeror, NWCL, HSBC and/or their respective agent(s) to send to you, or procure the sending to you of, the payment to which you are entitled.

ACTIONS TO BE TAKEN FOR ACCEPTING THE RULE 13 OFFER

In order to accept the Rule 13 Offer, you must complete and return the duly completed and executed Form of Acceptance together with the relevant certificate(s) (if any) or any other document(s) evidencing the grant of the outstanding NWCL Options to you or other document(s) of title or entitlement (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Offeror, care of NWD at 25th Floor, New World Tower 1, 18 Queen's Road Central, Hong Kong, for the attention of the board of the Offeror and marked "New World China Land Limited — Rule 13 Offer" by no later than 4:30 p.m. (Hong Kong time) on Thursday, 31 July 2014 (or such later time and/or date as may be notified to you through announcement(s)). If you do not complete a Form of Acceptance, subject to and conditional upon the Scheme becoming effective, your NWCL Options will lapse automatically fourteen (14) days after the Effective Date.

Before forwarding the Form of Acceptance to the board of the Offeror, please ensure that you have signed the Form of Acceptance and that your signature has been witnessed.

Assuming the Rule 13 Offer will close on 31 July 2014, payment for the NWCL Option Offer Price are expected to be made within 7 Business Days following the later of the date that the Rule 13 Offer becomes unconditional and the date of receipt of the duly completed Form of Acceptance by the Offeror.

APPENDIX IX

FORM OF RULE 13 OFFER LETTER

No acknowledgment of receipt of any Form of Acceptance, the relevant certificate(s) (if any) or any other document(s) evidencing the grant of the outstanding NWCL Options or other document(s) of title or entitlement (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

RESPONSIBILITY STATEMENTS

The directors of NWD jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than that relating to the NWCL Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by NWCL) have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter (other than that relating to the NWCL Group) misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than that relating to the NWCL Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by NWCL or by NWD) have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter (other than that relating to the NWCL Group) misleading.

The directors of NWCL jointly and severally accept full responsibility for the accuracy of the information contained in this letter relating to the NWCL Group and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this letter by NWCL have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter relating to the NWCL Group misleading.

Yours faithfully,

For and on behalf of

The Hongkong and Shanghai Banking Corporation Limited

Che Ning Liu

Head of Banking, Hong Kong and Greater China

The Hongkong and Shanghai Banking Corporation Limited is a registered institution under the Securities and Futures Ordinance, registered with the Securities and Futures Commission under Central Entity number AAA523 and registered to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

NOTICE OF EGM



NOTICE IS HEREBY GIVEN that an extraordinary general meeting of New World Development Company Limited (新世界發展有限公司) (the “Company”) will be held at the Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Monday, 16 June 2014 at 10:30 a.m. for the purpose of considering and, if thought fit, with or without amendments, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (A) the proposal for the privatisation of New World China Land Limited (“NWCL”) by Easywin Enterprises Corporation Limited, a wholly owned subsidiary of the Company (the “Offeror”) by way of a scheme of arrangement (the “Scheme”) under Section 86 of the Companies Law, involving the cancellation of all the ordinary shares of HK\$0.10 each in the issued share capital of NWCL (the “NWCL Shares”) (other than those held by the Offeror and the Company) (the “Scheme Shares”) in exchange for an amount (the “Cancellation Price”) of HK\$6.80 for every Scheme Share, subject to and conditional upon the conditions set out, and as described, in the circular (the “Circular”, a copy of which has been produced to the meeting marked “A” and initialled by the chairman of the meeting for identification purposes) of the Company dated 19 May 2014 (the “Proposal”) be and is hereby approved, confirmed and ratified;
- (B) the offer made by The Hongkong and Shanghai Banking Corporation Limited on behalf of the Offeror to the holders of the outstanding, vested and unvested share options (the “NWCL Options”) granted under the share option schemes of NWCL adopted on 26 November 2002 and 22 November 2011 respectively, each giving the holder thereof the right to subscribe for one new NWCL Share, of a cash consideration equal to the Cancellation Price less the relevant exercise price of NWCL Option (the “Option Offer Price”) for each NWCL Option, for the cancellation of every vested and unvested NWCL Option in accordance with Rule 13 of the Code on Takeovers and Mergers of Hong Kong, which is conditional upon the Scheme becoming effective, as described in the Circular (the “Rule 13 Offer”) be and is hereby approved, confirmed and ratified; and
- (C) the directors of the Company (the “Directors”), acting collectively and individually, be and are hereby authorised, for and on behalf of the Company, (i) to do all such acts and things and to sign, execute, seal (where required) and deliver all such documents and to take all such steps as the Directors in their discretion may consider necessary, appropriate, desirable or expedient to give effect to, to implement or in connection with or incidental to the Scheme, the Proposal and/or the Rule 13 Offer and any and all of the transactions

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contemplated thereunder, and (ii) to agree to such variation and amendment of the terms of the Scheme, the Proposal and/or the Rule 13 Offer as are, in the opinion of the Directors, in the interest of the Company and its shareholders as a whole provided that the Cancellation Price shall not exceed HK\$6.80 and the Option Offer Price shall not exceed the amount of HK\$6.80 minus the relevant exercise price of NWCL Option.”

By Order of the Board
Wong Man-Hoi
Company Secretary

Hong Kong, 19 May 2014

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and speak and, on a poll, vote instead of him at the meeting, and separate proxies may be appointed by a member to represent the respective number of shares held by him as specified in the relevant proxy form. A proxy need not be a member of the Company.
2. To be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notorially certified copy thereof, must be lodged with the Company's share registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).
3. Delivery of an instrument appointing a proxy should not preclude such member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of a share, any one of such joint holders may vote at the above meeting, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. Voting on the above resolution will be taken by poll.
6. For the purpose of determining entitlement of shareholders to the right to attend and vote at the meeting (or any adjournment thereof), the register of members of the Company will be closed from Thursday, 12 June 2014 to Monday, 16 June 2014, both days inclusive, during which period no share transfer will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 11 June 2014.
7. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
8. As at the date of this notice (a) the executive directors of the Company are Dr. Cheng Kar-Shun, Henry, Mr. Cheng Chi-Kong, Adrian, Mr. Chen Guanzhan, Ms. Ki Man-Fung, Leonie, Mr. Cheng Chi-Heng, Ms. Cheng Chi-Man, Sonia and Mr. Au Tak-Cheong; (b) non-executive directors of the Company are Mr. Doo Wai-Hoi, William and Mr. Cheng Kar-Shing, Peter; and (c) independent non-executive directors of the Company are Mr. Yeung Ping-Leung, Howard, Mr. Cha Mou-Sing, Payson (*alternate director to Mr. Cha Mou-Sing, Payson: Mr. Cha Mou-Zing, Victor*), Mr. Ho Hau-Hay, Hamilton, Mr. Lee Luen-Wai, John and Mr. Liang Cheung-Biu, Thomas.