

The Board of Directors,  
Nantai Investment (Shenzhen) Co.,Ltd.,  
Zastron Electronic (Shenzhen) Co.,Ltd.,  
East Zone, Nantai industrial Zone,  
No.2 Nantai Road, Xixian Town,  
Baoan District,  
Shenzhen,  
Guangdong Province,  
PRC

Savills Real Estate Valuation  
(Guangzhou) Limited  
Room 2105, R&F Center  
10 Hua Xia Road  
Zhujiang New Town  
Guangzhou, PRC

1 June 2017

**Our Ref.: SZ/2017/L/23(b)/SL/AL**

**RE: THE PROPOSED OFFICE & RETAIL AND APARTMENT OF NAM TAI GUANGMING PROJECT, SOUTHERN SIDE OF GUANGMING ROAD, BAOAN DISTRICT, SHENZHEN, GUANGDONG PROVINCE, THE PEOPLE'S REPUBLIC OF CHINA (THE "PROPERTY")**

Yours faithfully,

For and on behalf of

**Savills Real Estate Valuation (Guangzhou) Limited**



**Market value  
in existing state  
as at  
11 May 2017**

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	
Nam Tai Guangming project, Southern side of Guangming Road, Baoan District, Shenzhen, Guangdong Province, PRC	Nam Tai Guangming Project (the "Development") is erected on a parcel of land with a site area of approximately 103,739.07 sq.m. (1,116,638.06 sq.ft.).  According to the provided information, upon completion, the Development will provide a total gross floor area (including Ancillary facilities) of approximately 335,808.36 sq.m. (3,614,611.10 sq.ft.).  the breakdown of which is as follows:	As at the date of valuation, the property was under construction.	RMB1,610,000,000

Use	Approximate Gross Floor Area	
	(sq.m.)	(sq.ft.)
Office	175,406	1,888,054
Retail	28,594	307,783
Apartment	61,000	656,599
Ancillary	<u>4,159.13</u>	<u>44,768.50</u>
Underground	<u>66,649.23</u>	<u>717,406.34</u>
<b>Total</b>	<b><u>335,808.36</u></b>	<b><u>3,614,611.10</u></b>

As advised, the Development is scheduled to be completed in 1 October 2019.

The land use rights of the property have been granted for a term of 50 years expiring on 28 December 2057 for industry use.

*Notes:*

1. Pursuant to a Real Estate Title Certificate – Shen Fang Di Zi Di No.5000316492, the land use rights of a parcel of land with a site area of approximately 118,001.3 sq.m. have been granted to Zastron Electronic for a term expiring on 28 December 2057 for industrial use. The object is the land transferred by agreement, and the nature of land is non-commercial housing; the parcel can be used only for projects fixed by the government when approving the land use; it is not allowed to transfer the parcel, and Real Estate Certificate cannot be divided; it is not allowed to be used for mortgage without approval.
2. Pursuant to a Land Use Rights Supplementary Contract of Shenzhen City – Supplementary Contract No.2 of Shen Di He Zi (2007) No.4150 entered into between the Urban Planning, Land & Resources Commission of Shenzhen Municipality, Guangming Branch (“深圳市规划和国土资源委员会光明管理局”) and Zastron Electronic, due to the adjustment of the land planning, the land use rights of a portion of the aforesaid land parcel with a site area of approximately 14,261.3 sq.m. was reverted to the government. The adjusted land parcel has a site area of approximately 103,739.07 sq.m. RMB50,996,184 of the land premium that had been paid by Zastron Electronic was transferred to land premium of the new land parcel. According to the relevant regulations, Zastron Electronic should apply for a new Shenzhen City Construction Land Planning Permit and nullify the Real Estate Title Certificate – Shen Fang Di Zi Di No.5000316492 mentioned in note 1.
3. The market value of the property as if compliance with the development proposals by the Company as at the valuation date is estimated to be approximately RMB5,503,100,000.
4. We have prepared our valuation based on the following assumptions:
  - i. Zastron Electronic (Shenzhen) Co., Ltd is in possession of a proper legal title to the property and is entitled to transfer the property freely in the market with the residual term of its land use rights at no additional land grant premium and any other associated charges payable to the government (Assuming that the property has been paid for land transfer and approved by the government);
  - ii. In the valuation process, we assume that 50% of office & retail and apartment building is for sales and 50% is to be leased.
  - iii. all land grant premium and costs of resettlement and public utilities services have been fully settled;
  - iv. the design and construction of the property are in compliance with the local planning regulations and have been approved by the relevant government authorities; and
  - v. the property may be freely disposed of to local and overseas purchasers.

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