
APPENDIX III

PROPERTY VALUATION

The following is the text of a letter, summary of value and valuation certificate, prepared for the purpose of incorporation in this document received from BMI Appraisals Limited, an independent valuer, in connection with its valuation as at 31 August 2016 of the property located in Hong Kong.

BMI APPRAISALS

BMI Appraisals Limited

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30 September 2016

The Directors

Goal Forward Holdings Limited

Workshop No. A-B, 1/F

Sunking Factory Building

No. 1-7 Shing Chuen Road

Shatin, New Territories

Hong Kong

Dear Sirs,

INSTRUCTIONS

We refer to the instructions from Goal Forward Holdings Limited (the “Company”) for us to value the property held by the Company and / or its subsidiaries (together referred to as the “Group”) located in Hong Kong. We confirm that we have conducted an inspection, made relevant enquiries and obtained such further information, as we consider necessary for the purpose of providing you with our opinion of the market value of the property as at 31 August 2016 (the “valuation date”).

BASIS OF VALUATION

Our valuation of the concerned property has been based on the Market Value, which is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

VALUATION METHODOLOGY

We have valued the property on market basis by the Comparison Approach assuming sale in its existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the market. Appropriate adjustments have then been made to account for the differences between the property and the comparables in terms of location, time, size and other relevant factors.

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TITLE INVESTIGATION

We have caused land searches to be made at the Land Registry of Hong Kong. However, we have neither examined the original documents to verify ownership nor to ascertain the existence of any amendments, which do not appear on the copies handed to us. All documents have been used for reference only.

VALUATION ASSUMPTIONS

Our valuation has been made on the assumptions that the property is sold in the market without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which would serve to affect the value of the property. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the property and no forced sale situation in any manner is assumed in our valuation.

VALUATION CONSIDERATIONS

The site inspection was conducted by Ms. Yates Wong (MSc in Real Estate) on 20 June 2016. We have inspected the property externally and where possible, the interior of the property. In the course of our inspection, we did not note any serious defects. However, no structural survey has been made. We are, therefore, unable to report whether the property is free from rot, infestation or any other structural defects. No tests were carried out on any of its services.

In the course of our valuation, we have relied to a considerable extent on the information given by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenures, particulars of occupancy, floor areas, identification of the property and other relevant information.

We have not carried out detailed on-site measurements to verify the correctness of the floor areas in respect of the property but have assumed that the floor areas shown on the documents handed to us are correct. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us by the Group and are therefore only approximations.

We have no reason to doubt the truth and accuracy of the information provided to us by the Group and we have relied on your confirmation that no material facts have been omitted from the information so supplied.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation, which may be incurred in effecting a sale.

Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

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Our valuation has been prepared in accordance with The HKIS Valuation Standards (2012 Edition) published by The Hong Kong Institute of Surveyors.

Our valuation has been prepared under the generally accepted valuation procedures and is in compliance with the Rules Governing the [REDACTED] of Securities on The Stock Exchange of Hong Kong Limited.

REMARKS

Unless otherwise stated, all money amounts stated herein are in Hong Kong Dollars (HK\$) and no allowances have been made for any exchange transfers.

Our Summary of Value and the Valuation Certificate are attached herewith.

Yours faithfully,
For and on behalf of
BMI APPRAISALS LIMITED
Joannau W.F. Chan
BSc., MSc., MRICS, MHKIS, RPS(GP)
Senior Director

Note: Ms. Joannau W.F. Chan is a member of the Hong Kong Institute of Surveyors (General Practice) who has over 23 years' experience in valuations of properties in Hong Kong.

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SUMMARY OF VALUE

Property held and occupied by the Group in Hong Kong

Property	Market Value in existing state as at 31 August 2016 HK\$
Workshops A and B on 1 st Floor, Sunking Factory Building, Nos. 1-7 Shing Chuen Road, Shatin, New Territories, Hong Kong	55,500,000
	<hr/>
Total:	<u>55,500,000</u>

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VALUATION CERTIFICATE

Property held and occupied by the Group in Hong Kong

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 August 2016 <i>HK\$</i>
Workshops A and B on 1 st Floor, Sunking Factory Building, Nos. 1-7 Shing Chuen Road, Shatin, New Territories, Hong Kong	The property comprises 2 units on the 1 st Floor of a 9-storey industrial building completed in about 1981. The total saleable area ("SA") of the property is approximately 12,073 sq.ft. (or about 1,121.6 sq.m.). The property is held under New Grant No. 11228 for a term of 99 years commencing on 1 July 1898 which has been extended until 30 June 2047 pursuant to Section 6 of the New Territories Leases (Extension) Ordinance (Cap. 150).	The property is occupied for industrial and ancillary office purposes.	55,500,000
64/850th equal and undivided shares of and in Shatin Town Lot No. 26			

Notes:

1. The registered owner of the property is Healthy Cheer International Limited vide Memorial No. 10122900300342 dated 10 December 2010.
2. The property is subject to the following material encumbrances:
 - a. Deed of Mutual Covenant vide Memorial No. ST200836 dated 19 June 1981;
 - b. Mortgage to secure all moneys in respect of general banking facilities (PT.) in favor of China Construction Bank (Asia) Corporation Limited vide Memorial No. 16051601320032 dated 28 April 2016; and
 - c. Assignment of Rentals in favor of China Construction Bank (Asia) Corporation Limited vide Memorial No. 16051601320047 dated 28 April 2016.
3. The property is located within an "Industrial" zone under the Approved Shatin Outline Zoning Plan No. S/ST/32 gazetted on 11 December 2015.