

The texts of a letter, a summary of values and the valuation certificate, prepared for the purpose of incorporation in this prospectus, received from Chesterton Petty Limited, an independent valuer, in connection with their valuation of our property interests at 30 April 2002 are set out below. As described in the section headed "Documents Delivered and Available for Inspection — Documents Available for Inspection" in Appendix VIII, a copy of the full valuation report (in English and in Chinese) which complies with the requirements of Rule 5.06 and Practice Note 12 of the Listing Rules and paragraph 34 of the Third Schedule to the Companies Ordinance is available for public inspection.



International Property Consultants

Chesterton Petty Ltd
16/F CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

The Directors
BOC Hong Kong (Holdings) Limited
14th Floor, Bank of China Tower
1 Garden Road
Central, Hong Kong

15 July 2002

Dear Sirs

In accordance with your instructions for us to value various interests in properties in Hong Kong, the People's Republic of China (the "PRC"), Macau and the United States of America held by BOC Hong Kong (Holdings) Limited (the "Company") or its subsidiaries (hereinafter together known as the "Group"), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the open market values of these properties as at 30 April 2002.

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

- (a) a willing seller;
- (b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation; and
- (d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- (e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion".

Our valuation has been made on the assumption that the owners sell the properties on the open market without the benefit of any deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to increase the

values of the properties. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the properties and no forced sale situation in any manner is assumed in our valuation.

In valuing the properties in Groups A to H, which are held by the Group for occupation and investment in Hong Kong, the PRC and Macau, we generally have made reference to sales evidence as available on the market and where appropriate on the basis of capitalisation of the net income shown on schedules handed to us. We have allowed for outgoings and in appropriate cases made provisions for reversionary income potential. Properties which are owned and occupied by the Group have been valued on vacant possession basis.

In preparing our valuation for the properties in Hong Kong, we have made reference to the use as shown on the approved building plans /alterations and additions plans and as permitted under the relevant Government leases. Any use which is permitted under the relevant Government lease but is not authorised by the Building Authority is normally disregarded.

Due to the specific purposes for which the building and structures of Property no. A1 have been constructed, there are no readily identifiable market comparables. Therefore the property cannot be valued by direct comparison. We have valued the property on a depreciated replacement cost basis which is based on the theoretical assumption that the capital value of the property is the costs of equivalent reinstatement as depreciated. We would define "depreciated replacement cost" for this purpose as our opinion of the aggregate of the open market value of the land in its existing use and our estimate of the new replacement costs of the buildings and other site works from which deductions are then made to allow for age, condition and functional obsolescence.

The properties in Groups J, K, L and M, which are leased by the Group in Hong Kong, the PRC, Macau and the United States of America, have no commercial value mainly due to the short term nature of the tenancies, the prohibitions against assignment contained in the leases and tenancy agreements or the lack of substantial profit rent.

In respect of the properties held by the Group in Hong Kong, we have not been provided with copies of title documents relating to the properties but we have caused searches to be made at the relevant Land Registries. However, we have not inspected the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies of title documents obtained by us. We are not in a position to advise you on the titles to the properties which is more properly the sphere of the Group's Hong Kong legal advisers.

We have been advised that a total of 49 properties with an aggregate attributable value of HK\$928,482,532 owned by the Group in Hong Kong are subject to title defects, such as the omission of board minutes or other proofs in relation to execution of title documents by corporations (29 cases); illegible/incomplete Government grants (10 cases); discrepancy in property descriptions/particulars (14 cases) etc. Moreover, various owned properties are subject to orders or directions issued by Government departments and certain other properties are suspected to have unauthorized building works or are not being used in accordance with the permitted users. We are given to understand that the Group has been dealing with the required works to comply with the Government orders/directions or to reinstate the relevant properties or to regularize the unauthorized structures/uses within such properties. We also understand that the Group has made provisions for the estimated costs involved in respect of such works.

In respect of the properties held by the Group in the PRC, we have relied on the legal advice given by the Group's PRC legal advisers on the relevant laws and regulations in the PRC in relation to the Group's legal title to and the nature of the Group's interest in such properties

as at the date of valuation. In respect of the properties held by the Group in Macau, we have been provided by the Group with copies of extracts of title documents.

We have been provided with copies of extracts of title documents relating to the properties in the PRC, such as land use right certificates and building ownership certificates. However, we have not inspected the original documents to verify any amendments which may not appear on the copies of the extracts of title documents handed to us. We have relied to a considerable extent on information given by the Group and the legal opinion of the Group's PRC legal advisers. We have no reason to doubt the truth and accuracy of the information provided to us by the Group and/or its PRC legal advisers. We were also advised that no material facts have been omitted from the information so supplied. We consider we have been provided with sufficient information to reach an informed view.

Pursuant to the legal opinion of the Group's PRC legal advisers, 13 properties in the PRC have defective titles and are not freely transferable in the open market. Those properties with defective titles are being classified under Group I and in the course of our valuation, we have taken into account of the said opinion and assigned no commercial value to those properties.

In valuing the properties in Groups C, F, G, I and K, we have complied with all requirements contained in Practice Note No. 12 issued by The Stock Exchange of Hong Kong Limited.

We have relied to a very considerable extent on information given by you and have accepted advice given to us on such matters as the properties to be valued, planning approvals or statutory notices, easements, tenure, ownership, lettings, occupancy, site and floor areas, attributable interests and all other relevant matters. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents and leases provided to us and are therefore only approximations. We have not at this stage verified the correctness of such areas so provided.

We have inspected the exterior of all the properties valued and, where possible, we have also inspected the interior of the properties. No structural survey has been made but, in the course of our inspection, we did not notice any serious defects. We are not, however, able to report that whether or not the properties are free from rot, infestation or any other structural defects. No tests were carried out to any of the services. Moreover, we have not carried out any investigation on site to determine the suitability of the ground conditions and the services etc. for any future redevelopment. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period.

No allowance has been made in our valuation for any title defect, charge, mortgage or amount owing on any property nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that all properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

Unless otherwise stated, all sums stated in our valuation are in Hong Kong dollars.

The exchange rate adopted in our valuation is HK\$1=RMB1.05 and there has been no material fluctuation in exchange rates between our valuation date and the date of this valuation certificate.

We enclose herewith a summary of values and our valuation certificate. Properties with capital value of less than HK\$100,000,000 are presented in summary form in each group, except for Group C that is presented in certificate form, of our valuation certificate.

Yours faithfully

For and on behalf of
Chesterton Petty Limited
Charles C K Chan
MSc FRICS FHKIS MCI Arb RPS(GP)
Executive Director

Note: Mr. Charles C K Chan, Chartered Estate Surveyor, MSc FRICS, FHKIS, MCI Arb, RPS(GP), has been a qualified valuer with Chesterton Petty Limited since June 1987 and has about 17 years' experience in the valuation of properties in Hong Kong and has extensive experience in the valuation of properties in Macau and in the PRC as required under Practice Note No. 12 issued by The Stock Exchange of Hong Kong Limited. Mr. Charles C K Chan also has experience in the valuation of properties in the United States of America.

SUMMARY OF VALUES

<u>Property</u>	<u>Capital Value in existing state attributable to the Group as at 30 April 2002</u>
Group A — Wholly-owned properties primarily held and occupied by the Group in Hong Kong	HK\$11,527,865,800
Group B — Wholly-owned properties primarily held by the Group for investment in Hong Kong	HK\$542,200,000
Group C — Wholly-owned properties primarily held and occupied by the Group in the PRC	HK\$46,265,814
Group D — Strata-title properties primarily held and occupied by the Group in Hong Kong	HK\$6,457,584,191
Group E — Strata-title properties primarily held by the Group for investment in Hong Kong	HK\$1,105,987,150
Group F — Strata-title properties primarily held and occupied by the Group in the PRC	HK\$202,212,322
Group G — Strata-title properties primarily held by the Group for investment in the PRC	HK\$117,117,785
Group H — Strata-title properties primarily held by the Group for investment in Macau	HK\$15,300,000
Group I — Properties held by the Group with defective title in the PRC ...	No commercial value
Group J — Properties leased by the Group in Hong Kong	No commercial value
Group K — Properties leased by the Group in the PRC	No commercial value
Group L — Properties leased by the Group in Macau	No commercial value
Group M — Property leased by the Group in the United States of America	<u>No commercial value</u>
Total:	HK\$20,014,533,062

Notes:

1. The total capital value attributable to the Group as at 30 April 2002 included 2 properties in Group D which were sold by the Group on 31 May 2002. These 2 properties were valued at HK\$52,350,000 as at 30 April 2002.
2. Since the date of valuation of 30 April 2002, the Group has acquired the whole of the issued share capital of Sin Chiao Enterprises Corporation, Limited and Perento Limited (“**Sin Chiao and Perento**”) on 6 July 2002. The capital value of the property interests held by Sin Chiao and Perento, which is set out in the valuation certificate herein, under the following groups according to the status of the properties as at the date of the valuation certificate is:

	<u>Capital Value as at 30 April 2002</u>
Group A — Wholly-owned properties primarily held and occupied by the Group in Hong Kong	HK\$111,000,000
Group B — Wholly-owned properties primarily held by the Group for investment in Hong Kong	HK\$159,000,000
Group D — Strata-title properties primarily held and occupied by the Group in Hong Kong	HK\$492,530,000
Group E — Strata-title properties primarily held by the Group for investment in Hong Kong	HK\$168,930,000
Group F — Strata-title properties primarily held and occupied by the Group in the PRC	<u>HK\$3,493,000</u>
Total:	HK\$934,953,000

3. The capital value of the entire property portfolio of the Group as at the date of the valuation certificate, after taking into account subsequent events that took place after 30 April 2002 as referred to in Notes 1 and 2 above and valued at 30 April 2002 is HK\$20,897,136,062.

VALUATION CERTIFICATE

Group A — Wholly-owned properties primarily held and occupied by the Group in Hong Kong

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A1	39 Tam Kung Temple Road, A Kung Ngam, Shau Kei Wan, Hong Kong	The property comprises a site with an area of approximately 4,564 sq m (49,127 sq ft). Currently standing on the site is a 10-storey warehouse building used as vaults and ancillary offices and dormitories completed in 1997. The total gross floor area of the property is approximately 25,240.21 sq m (271,686 sq ft).	The property is occupied by the Group as vaults and ancillary offices and dormitories.	HK\$404,000,000 100% interest attributable to the Group: HK\$404,000,000
	Shaukiwan Inland Lot No. 828	Shaukiwan Inland Lot No. 828 is held under Conditions of Grant No. 12328 for a term from 25 November 1994 to 30 June 2047. The annual rent payable for the lot is 3% of the rateable value for the time being of the lot.		

Notes:

- (1) The registered owner of the property is Bank of China. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) The Conditions of Grant contains a non-alienation clause. The property is therefore valued assuming:
 - (a) the non-alienation clause has been modified/removed so that the property can be freely disposed of in the market; and
 - (b) the premium payable to the Government for the modification has been fully paid.
- (3) We have valued the property on a depreciated replacement cost basis which is based on the theoretical assumption that the capital value of the property is the costs of equivalent reinstatement as depreciated. We would define "depreciated replacement cost" for this purpose as our opinion of the aggregate of the open market value of the land in its existing use and our estimate of the new replacement costs of the buildings and other site works from which deductions are then made to allow for age, condition and functional obsolescence.
- (4) According to Shau Kei Wan Outline Zoning Plan No. S/H9/11 dated 8 February 2002, the property lies within an area zoned for "Other Specified Uses (Godown)" uses.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A2	Bank of China Building, 2A Des Voeux Road Central, Central, Hong Kong Inland Lot No. 6301	<p>The property comprises a pentagonal level site with an area of approximately 1,383.31 sq m (14,890 sq ft).</p> <p>Currently standing on the site is a 20-storey commercial / office building completed in about the 1950's.</p> <p>The Basement of the building is planned for carparking purposes whilst the Lower Ground Floor is designed as vaults. The Upper Ground Floor is used as a bank whilst the upper floors are planned for office uses. The total gross floor area of the building is approximately 17,007.34 sq m (183,067 sq ft). The building also comprises 19 car parking spaces in the Basement.</p> <p>Inland Lot No. 6301 is held under a Government lease for a term of 75 years commencing from 14 April 1947 renewable for a further term of 75 years. The annual rent payable for the lot is HK\$6,836.</p>	<p>The whole of Lower Ground Floor, Upper Ground Floor, Mezzanine Floor, First to Eleventh Floors and units 1-4 on Twelfth Floor of the property are occupied by the Group as a retail branch and offices. Part of the remainder of the property is let under a tenancy for a term of 3 years expiring on 31 December 2003 at a monthly rent of approximately HK\$1,310,000 exclusive of rates and management fees. 2 car parking spaces of the property are let under a monthly licence yielding a monthly income for May 2002 of HK\$6,600.</p>	<p>HK\$750,000,000</p> <p>100% interest attributable to the Group: HK\$750,000,000</p>

Notes:

- (1) The registered owner of the property is Bank of China. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Central Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (3) We have been advised that a portion of the property is not being used in accordance with the permitted users.
- (4) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$650,000,000
Investment portion	: <u>HK\$100,000,000</u>
Total	: <u><u>HK\$750,000,000</u></u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A3	Bank of China Tower, 1 Garden Road, Central, Hong Kong Inland Lot No. 8572	<p>The property comprises an irregularly shaped sloping site with an area of approximately 8,389.00 sq m (90,299 sq ft).</p> <p>Currently standing on the site is a 74-storey commercial / office building completed in about 1988.</p> <p>Carpark Levels 1, 2 and Storey 1 Mezzanine of the building are designated for carparking uses in which Carpark Level 2 is also designated as vaults. Storey 3 is planned as a bank whilst Storeys 1 Mezzanine, Storeys 4, 5, 18, 31, 44, 45, 57, 69 and 69 Mezzanine are designated for mechanical floors. The remainder of the building is used as office.</p> <p>The total gross floor area of the building is approximately 98,347.11 sq m (1,058,608 sq ft). The building also comprises 186 single carparking spaces and 81 twin carparking spaces on the two Carpark Levels.</p> <p>Inland Lot No. 8572 is held under Conditions of Grant No. 11711 for a term of 75 years commencing from 18 January 1984. The annual rent payable for the lot is HK\$1,000.</p>	<p>Portion of Carpark Level 2, the whole of storey 1 Mezzanine to storey 19, Unit A on storey 24, the whole of storeys 28, 33, 34, 52, 66 to 68 and 70 of the property are occupied by the Group as vaults, a retail branch and offices. The remainder of the property is let under various tenancies with the latest expiring in December 2007 at a total monthly rent of approximately HK\$10,300,000 exclusive of rates and management fees. Car parking portion of the property is let under various monthly tenancies yielding a gross annual income of approximately HK\$5,940,000 from May 2001 to April 2002.</p>	<p>HK\$6,570,000,000</p> <p>100% interest attributable to the Group: HK\$6,570,000,000</p>

Notes:

- (1) The registered owner of the property is Bank of China (Hong Kong) Limited.
- (2) Unit A on storeys 24 and 27, Units B on storeys 27 and 43, Unit C on storey 29 and the whole of storeys 33, 34 and 35 of the property occupied by the Group are let to related parties with the latest expiring in February 2005 at a total monthly rent of approximately HK\$2,164,000 exclusive of rates and management fees.
- (3) The Conditions of Grant contains a non-alienation clause (except for under-letting). The property is therefore valued assuming:
 - (a) the non-alienation clause has been modified/removed so that the property can be freely disposed of in the market; and
 - (b) the premium payable to the Government for the modification has been fully paid.
- (4) According to Central Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (5) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 3,570,000,000
Investment portion	: <u>HK\$ 3,000,000,000</u>
Total	: <u><u>HK\$ 6,570,000,000</u></u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A4	1 Gough Hill Road, The Peak, Hong Kong Rural Building Lot No. 1100	<p>The property comprises a site with an area of approximately 3,900 sq m (41,980 sq ft).</p> <p>Currently standing on the site are four 3-storey houses over a podium of carport (accommodating 9 carparking spaces) and a club house completed in 1996. Recreational facilities provided in the development include tennis court, swimming pool, gymnasium room, sauna rooms and children’s play area. The total gross floor area of the property is approximately 2,341.92 sq m (25,208 sq ft).</p> <p>Rural Building Lot No. 1100 is held under Conditions of Exchange No. 12145 for a term from 10 May 1991 to 9 December 2028. The annual rent payable for the lot is 3% of the rateable value for the time being of the lot.</p>	The property is occupied by the Group as a staff resort.	<p>HK\$254,000,000</p> <p>100% interest attributable to the Group: HK\$254,000,000</p>

Notes:

- (1) The registered owner of the property is Attempt Fit Enterprises Limited, a wholly-owned subsidiary of the Group.
- (2) According to The Peak Area Outline Zoning Plan No. S/H14/5 dated 22 March 2002, the property lies within an area zoned for “Residential (Group C) 3” uses.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A5	Ground Floor, Mezzanine Floor, Upper Ground Floor, 1st to 30th Floors (4th, 13th, 14th and 24th Floors omitted), the Signage Areas and the External Walls of the Office Accommodation between Ground Floor and Roof Level, Bank of China Centre, Olympian City 1, 11 Hoi Fai Road, Tai Kok Tsui, Kowloon	Bank of China Centre is a 26-storey office tower built over a 3-level podium of entrance foyer, lift hall, shops and ancillary accommodation and two basements of carparking spaces completed in 2000. The property comprises the whole of the office tower and office entrance halls/ancillary accommodation on Ground, Mezzanine and Upper Ground Floors of the development. The total gross floor area of the office tower is approximately 27,999.81 sq m (301,390 sq ft). Kowloon Inland Lot No. 11074 is held under Conditions of Grant No. 12375 for a term commencing from 31 January 1996 and expiring on 30 June 2047. The annual rent payable for the lot is 3% of the rateable value for the time being of the lot.	The property is occupied by the Group as offices.	HK\$1,040,000,000 100% interest attributable to the Group: HK\$1,040,000,000
	301,395/3,980,030th shares of and in Kowloon Inland Lot No. 11074			

Notes:

- (1) The registered owner of the property is Bank of China (Hong Kong) Limited.
- (2) According to South West Kowloon Outline Zoning Plan No. S/K20/11 dated 21 September 2001, the property lies within an area zoned for "Comprehensive Development Area" uses.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A6	China State Bank Building, 39 and 41 Des Voeux Road Central, Central, Hong Kong	The property comprises a rectangular level site with an area of approximately 239.32 sq m (2,576 sq ft). Currently standing on the site is a 16-storey commercial / office building completed in about 1963.	The property is vacant.	HK\$190,000,000 100% interest attributable to the Group: HK\$190,000,000
	Inland Lots Nos. 2183 and 2184	The property comprises the Basement, Ground Floor and 16 storeys office. The total gross floor area of the building is approximately 3,246.01 sq m (34,940 sq ft). Inland Lots Nos. 2183 and 2184 are each held under a Government lease for a term of 999 years commencing from 3 May 1900. The total annual rent payable for the lots is HK\$48.		

Notes:

- (1) The registered owner of the property is The China State Bank Limited. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Central District Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (3) The property is subject to Directions Nos. BD FS/019/99, BD FS/002/99 and FS45/4780 dated 18 January 1999 issued by the Buildings Department / Fire Services Department.
- (4) The property is subject to an agreement for sale and purchase dated 27 May 2002 entered into between Bank of China (Hong Kong) Limited as vendor and Given Co. Ltd. as purchaser. The purchase price is HK\$190,000,000 and completion of the transaction is scheduled on 31 July 2002.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A7	Hua Chiao Commercial Building, 88-98 Des Voeux Road Central, Central, Hong Kong	The property comprises a rectangular level site with an area of approximately 331.94 sq m (3,573 sq ft). Currently standing on the site is a 23-storey commercial/office building completed in about 1976.	The property is vacant.	HK\$165,000,000 100% interest attributable to the Group: HK\$165,000,000
	Inland Lots Nos. 6946, 6947, 6983, 6984, 6985 and 6986	The property comprises Ground Floor and 23 storeys office. The total gross floor area of the building is approximately 4,972.97 sq m (53,529 sq ft). Inland Lots Nos. 6946, 6947, 6983, 6984, 6985 and 6986 are each held under a Government lease for a term of 999 years commencing from 9 July 1844. The total annual rent payable for the lots is HK\$70.		

Notes:

- (1) The registered owner of Ground, 1st and 2nd Floors of the property is Hua Chiao Commercial Bank Limited. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong). The registered owner of 3rd to 22nd Floors, External Walls and Roof of the property is Arene Trading Limited, a wholly-owned subsidiary of the Group.
- (2) The Ground and First Floors of the building are subject to a superseding order no. C/CP/7246/00/K under s.24 (1) of the Buildings Ordinance issued by the Building Authority.
- (3) The property together with the whole of 1st Floor, Cheong K Building, Nos. 84 and 86 Des Voeux Road Central, Hong Kong are subject to an agreement for sale and purchase dated 29 May 2002 entered into between Bank of China (Hong Kong) Limited and Arene Trading Limited as vendor and Hee Lee Investment Company Limited as purchaser. The purchase price is HK\$171,380,000 and completion of the transaction is scheduled on 4 September 2002.
- (4) According to Sai Ying Pun & Sheung Wan Outline Zoning Plan No. S/H3/15 dated 27 July 2001, the property lies within an area zoned for "Commercial/Residential" uses.
- (5) The property is subject to Direction No. BD FSI/140/00 dated 24 March 2000 issued by the Buildings Department/Fire Services Department.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A8	Kincheng Bank Building, 55 Des Voeux Road Central, Central, Hong Kong	The property comprises a rectangular level site with an area of approximately 443.61 sq m (4,775 sq ft). Currently standing on the site is a 28-storey commercial / office building completed in about 1995.	The property is vacant.	HK\$332,000,000
	Section A of Inland Lot No. 2185	The Ground to Second Floors of the building are used as a bank and ancillary offices whilst the Third, Third Mezzanine and Twenty-ninth Floors are designated for mechanical floors (Fourth, Fourteenth and Twenty-fourth Floors are excluded from floor numbering). The upper floors are planned for office uses. The total gross floor area of the building is approximately 6,659.88 sq m (71,687 sq ft). Inland Lot No. 2185 is held under a Government lease for a term of 999 years commencing from 9 October 1900. The annual rent payable for the lot is HK\$176.		100% interest attributable to the Group: HK\$332,000,000

Notes:

- (1) The registered owner of the property is Kincheng Banking Corporation. The property is vested and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Central Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (3) We have been advised that the property is suspected to have unauthorized building works.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A9	The Kwangtung Provincial Bank Building, 589 Nathan Road, Mong Kok, Kowloon	The property comprises a rectangular level site with an area of approximately 403.20 sq m (4,340 sq ft). Currently standing on the site is a 18-storey commercial / office building completed in about 1970.	The whole of Basement, Ground to Fourth Floors, Units 2, 3 and 4 on Fifth Floor and Sixth Floor of the property are occupied by the Group as a retail branch and ancillary offices. The remainder of the property is partially let under various tenancies with the latest expiring in February 2004 at a total monthly rent of approximately HK\$80,400 exclusive of rates and management fees.	HK\$234,000,000 100% interest attributable to the Group: HK\$234,000,000
	Kowloon Inland Lots Nos. 6427 and 6429	Basement, Ground to First Floors of the building are planned as a bank and offices whilst the upper floors are planned for office uses. The total gross floor area of the building is approximately 6,033.07 sq m (64,940 sq ft). Kowloon Inland Lots Nos. 6427 and 6429 are held under Conditions of Regrant Nos. 5097 and 5094 respectively each for a term of 150 years commencing from 25 December 1887. The total annual rent payable for the lots is HK\$300.		

Notes:

- (1) The registered owner of the property is The Kwangtung Provincial Bank. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Mong Kok Outline Zoning Plan No. S/K3/16 dated 16 February 2001, the property lies within an area zoned for "Commercial" uses.
- (3) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$185,400,000
Investment portion	: <u>HK\$ 48,600,000</u>
Total	: <u><u>HK\$234,000,000</u></u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A10	Sin Hua Bank Centre, 134 and 136 Des Voeux Road Central and 35-43 Gilman's Bazaar, Central, Hong Kong Inland Lots Nos. 4793, 4794, 4795, 4796, 4797, 4798 and 4799	The property comprises a trapezium level site with an area of approximately 466.28 sq m (5,019 sq ft). Currently standing on the site is a 23-storey commercial/office building completed in about 1987. The Basement, Ground and First Floors of the building are planned for retail uses whilst the upper floors are planned for office uses. The total gross floor area of the building is approximately 6,989.41 sq m (75,234 sq ft). Inland Lots Nos. 4793, 4794, 4795, 4796, 4797, 4798 and 4799 are each held under a Government lease for a term of 999 years commencing from 26 June 1843. The total annual rent payable for the lots is HK\$112.	The whole of Ground Floor of the property is occupied by the Group as a retail branch and offices. The remainder of the property is vacant.	HK\$193,000,000 100% interest attributable to the Group: HK\$193,000,000

Notes:

- (1) The registered owner of the property is Sin Hua Trust Savings & Commercial Bank Limited. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Sai Ying Pun and Sheung Wan Outline Zoning Plan No. S/H3/15 dated 27 July 2001, the property lies within an area zoned for "Commercial/Residential" uses.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A11	Sin Hua Bank Building, 774 Nathan Road, Mong Kok, Kowloon	The property comprises a rectangular level site with an area of approximately 388.05 sq m (4,177 sq ft). Currently standing on the site is a 16-storey composite commercial/residential building completed in about 1968.	Basement, Ground to Second Floors of the property are occupied by the Group as a bank and ancillary offices.	HK\$111,000,000 100% interest attributable to the Group: HK\$111,000,000
	The Remaining Portion of Kowloon Inland Lot No. 2696 and The Remaining Portion of Kowloon Inland Lot No. 2697	Basement, Ground to Second Floors of the building are used as a bank and offices whilst the upper floors are planned for residential uses. The total saleable area of the building is approximately 3,698.35 sq m (39,809 sq ft). Kowloon Inland Lots Nos. 2696 and 2697 are each held under a Government Lease for a term of 75 years commencing from 28 April 1930 renewable for a further term of 75 years. The total annual rent payable for the lots is HK\$38.	Unit E on Fifth Floor, Units B, D and F on Seventh Floor, Unit E on Eighth Floor, Units B, C and F on Ninth Floor, Unit F on Tenth Floor, Unit E on Eleventh Floor and Unit A on Twelfth Floor are occupied by the Group as staff quarters. The remainder of the property is let under various tenancies with the latest expiring in May 2004 at a total monthly rent of approximately HK\$173,000 exclusive of rates and management fees.	

Notes:

- (1) The registered owner of the property is Sin Chiao Enterprises Corporation, Limited, a wholly-owned subsidiary of the Group.
- (2) According to Mong Kok Outline Zoning Plan No. S/K3/16 dated 16 February 2001, the property lies within an area zoned for "Commercial" uses.
- (3) The property is subject to an Order No. C/CP/7683/00/K under S.24(1) of the Buildings Ordinance issued by the Building Authority.
- (4) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 63,000,000
Investment portion	: HK\$ 48,000,000
Total	: <u>HK\$111,000,000</u>
- (5) The property is subject to Directions Nos. BD FS 127/00, FSD 1147/2000 and FSD 1148/2000 all dated 27 November 2000 issued by the Buildings Department/Fire Services Department.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A12	Chiyu Building, 74, 76 and 78 Des Voeux Road Central, Central, Hong Kong Sections 10, 11, 12, 13 and 14 of Inland Lot No. 1622	<p>The property comprises a trapezium level site with an area of approximately 358.14 sq m (3,855 sq ft).</p> <p>Currently standing on Sections 10, 11 and 12 (also known as 78 Des Voeux Road Central) is an 18-storey commercial/office building completed in about 1967. A 7-storey extension to the building was erected on Sections 13 and 14 (also known as 74 and 76 Des Voeux Road Central) in about 1993 for commercial/office uses. Curtain walling was installed to the existing building at the time of extension.</p> <p>The Ground Floor of the building is used as a bank whilst the Basement and the upper floors are planned for office uses. The total gross floor area of the building is approximately 4,333.15 sq m (46,642 sq ft).</p> <p>Inland Lot No. 1622 is held under a Government lease for a term of 999 years commencing from 26 June 1843. The annual rent payable for the subject sections of the lot is HK\$59.6.</p>	<p>The Basement of the property is vacant. The Ground to Twelfth Floors and Fifteenth Floor of the property are occupied by the Group as a retail branch and offices. The Thirteenth and Fourteenth Floors of the property are let under two tenancies with the latest expiring in February 2004. The total current monthly rent receivable from the two tenancies is approximately HK\$65,600 inclusive of air-conditioning charges and management fees.</p>	<p>HK\$142,000,000</p> <p>70.49% interest attributable to the Group: HK\$100,095,800</p>

Notes:

- (1) The registered owner of the property is Chiyu Banking Corporation Limited, a 70.49% owned subsidiary of the Group.
- (2) According to Central Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (3) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$133,000,000
Investment portion	: <u>HK\$ 9,000,000</u>
Total	: <u>HK\$142,000,000</u>
- (4) The breakdown of interest attributable to the Group is as follows:

Owner-occupied portion	: HK\$ 93,751,700
Investment portion	: <u>HK\$ 6,344,100</u>
Total	: <u>HK\$100,095,800</u>
- (5) The property is subject to Directions Nos. BD FS 111/99, BD FS 656/99, FSD/FSI/2279/99 and FSD/FSI/2280/99 all dated 23 July 1999 issued by the Buildings Department/Fire Services Department.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A13	Nanyang Commercial Bank Building, 151 Des Voeux Road Central, Sheung Wan, Hong Kong	The property comprises a rectangular level site with an area of approximately 671.59 sq m (7,229 sq ft). Currently standing on the site is an 18-storey commercial / office building completed in about 1967.	The property is occupied by the Group as a retail branch and offices.	HK\$296,000,000 100% interest attributable to the Group: HK\$296,000,000
	Inland Lots Nos. 2631, 2632, 2723 and The Remaining Portion of Marine Lot No. 446	The Ground Floor of the building is planned for commercial uses whilst the upper floors are planned for office uses. The total saleable area of the building is approximately 8,951.41 sq m (96,353 sq ft). Inland Lots Nos. 2631 and 2632 and Marine Lot No. 446 are each held under a Government lease for a term of 999 years commencing from 19 September 1903. Inland Lot No. 2723 is held under a Government lease for a term of 999 years commencing from 5 November 1903. The total annual rent payable for the lots is HK\$156.		

Notes:

- (1) The registered owner of the property is Nanyang Commercial Bank Limited, a wholly-owned subsidiary of the Group.
- (2) According to Sai Ying Pun and Sheung Wan Outline Zoning Plan No. S/H3/15 dated 27 July 2001, the property lies within an area zoned for "Commercial/Residential" uses.
- (3) We have been advised that a portion of the property is not being used in accordance with the permitted users.
- (4) The property is subject to Directions Nos. BD FS 119/00, FSD 1052/2000, FSD 368/2000 and FSD 369/2000 issued by the Buildings Department/Fire Services Department.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
A14	BOC Credit Card Centre, 68 Connaught Road West, Sheung Wan, Hong Kong	<p>The property comprises a rectangular level site with an area of approximately 636.15 sq m (6,848 sq ft).</p> <p>Currently standing on the site is a 30-storey commercial / office building completed in about 1996.</p> <p>The Ground Floor of the building is planned for commercial uses. The First Floor to Third Floor are used for car parking purposes and the Fourth Floor is the mechanical floor. The upper floors are planned for office uses. The total gross floor area of the building is approximately 10,264.59 sq m (110,488 sq ft).</p> <p>Sections A, B, C, D, E and The Remaining Portion of Marine Lot No. 500 are each held under a Government lease for a term of 999 years commencing from 29 September 1900. The total annual rent payable for the lots is HK\$140.</p>	Shops A and B on Ground Floor, Car Parking Spaces on First and Second Floors, Units 1 and 2 on Eighth Floor, Units 1 and 2 on Twelfth Floor, Units 3 to 5 on Thirteenth Floor, the whole of Fifth to Seventh, Ninth to Tenth and Fourteenth to Twenty-ninth Floors of the property are occupied by the Group. The remainder of the property is let under various tenancies with the latest expiring in April 2003 at a total monthly rent of approximately HK\$146,899 exclusive of rates and management fees.	<p>HK\$235,000,000</p> <p>100% interest attributable to the Group: HK\$235,000,000</p>

Notes:

- (1) The registered owner of the property is Nanyang Commercial Bank Limited, a wholly-owned subsidiary of the Group.
- (2) According to Sai Ying Pun and Sheung Wan Outline Zoning Plan No. S/H3/15 dated 27 July 2001, the property lies within an area zoned for "Commercial/Residential" uses.
- (3) We have been advised that a portion of the property is not being used in accordance with the permitted users.
- (4) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$213,000,000
Investment portion	: <u>HK\$ 22,000,000</u>
Total	: <u><u>HK\$235,000,000</u></u>

Our Ref	Property	Description	Particulars of occupancy	Capital value in existing state as at 30 April 2002																				
A15	19 properties in Hong Kong	<p>The properties comprise a piece of land, 6 composite buildings, 10 commercial/office buildings, 1 residential building, 1 industrial building, 28 carparking spaces and 4 lorry parking spaces built between 1952 and 1994, situated in the territory of Hong Kong.</p> <p>The site area of the piece of land is approximately 2,996.10 sq m (32,250 sq ft).</p> <p>The total floor areas of other properties held and occupied by the Group in their respective uses category are summarized as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Use</th> <th colspan="2">Total Floor Area</th> </tr> <tr> <th>sq m</th> <th>sq ft</th> </tr> </thead> <tbody> <tr> <td>Shops</td> <td>6,664.44</td> <td>71,736</td> </tr> <tr> <td>Offices</td> <td>12,343.37</td> <td>132,864</td> </tr> <tr> <td>Workshop</td> <td>10,956.19</td> <td>117,932</td> </tr> <tr> <td>Residential Flats</td> <td>3,271.65</td> <td>35,216</td> </tr> <tr> <td>Total</td> <td>33,235.64</td> <td>357,748</td> </tr> </tbody> </table> <p>The properties also comprise ancillary areas of approximately 118.45 sq m (1,275 sq ft).</p>	Use	Total Floor Area		sq m	sq ft	Shops	6,664.44	71,736	Offices	12,343.37	132,864	Workshop	10,956.19	117,932	Residential Flats	3,271.65	35,216	Total	33,235.64	357,748	<p>Majority of the properties are occupied by the Group as retail branches, offices, staff quarters, stores, carparking spaces or are vacant.</p> <p>The remaining properties are mostly let under various tenancies for various terms with the latest expiry date in April 2004 at a total monthly rent of approximately HK\$690,489 mostly exclusive of rates and management fees.</p>	<p>HK\$764,770,000</p> <p>100% interest attributable to the Group: HK\$764,770,000</p>
Use	Total Floor Area																							
	sq m	sq ft																						
Shops	6,664.44	71,736																						
Offices	12,343.37	132,864																						
Workshop	10,956.19	117,932																						
Residential Flats	3,271.65	35,216																						
Total	33,235.64	357,748																						

Notes:

- (1) All the properties are owned by the Group.
- (2) Office unit 701 on Seventh Floor within 102, 104, 106 and 108 Castle Peak Road, Yuen Long occupied by the Group is let to a related party for a term of two years expiring in November 2002 at a monthly licence fee of about HK\$7,657 exclusive of rates and management fees but inclusive of Government rent.
- (3) Ground, First and Second Floors of Block B, Mui Ling Kok, Lam Tei, Tuen Mun is subject to a notice of creation of rights for the temporary occupation of land under G.N. 4961 with relevant plan no. WRM0052 under Section 21 of the Railways Ordinance (Chapter 519).
- (4) Various properties are subject to various Building Orders issued by the Building Authority.
- (5) Various properties are subject to various directions issued by the Buildings Department/Fire Services Department.
- (6) We have been advised that 1-3 Kam Wa Street, Shau Kei Wan, Hong Kong is subject to title defects in respect of the omission of board minutes or other proofs in relation to execution of title documents by corporations and certain properties are suspected to have unauthorized building works or are not being used in accordance with the permitted users.
- (7) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$613,080,000
Investment portion	: HK\$151,690,000
Total	: <u>HK\$764,770,000</u>

Group B — Wholly-owned properties primarily held by the Group for investment in Hong Kong

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
B1	Kiu Wah Building, 188, 190, 192, and 194 Java Road, North Point, Hong Kong Sections A, B and F and The Remaining Portion of Inland Lot No. 5081	<p>The property comprises a rectangular site with an area of approximately 368.64 sq m (3,968 sq ft).</p> <p>Currently standing on the site is a 24-storey commercial/residential building completed in 1992.</p> <p>The Ground and First Floors of the building are designed for commercial uses whilst the podium is planned for playground. The remaining upper floors are used as residential flats. The total gross floor area of the building is approximately 3,161.28 sq m (34,028 sq ft).</p> <p>Inland Lot No. 5081 is held under a Government lease for a term of 75 years commencing from 8 November 1937 renewable for a further term of 75 years. The total annual rent payable for the subject sections of the lot is HK\$85.</p>	<p>Except residential units A on Ninth, Fourteenth, Sixteenth and Twenty-second Floors and units B on Eleventh, Fifteenth and Seventeenth Floors as well as the whole of Sixth, Eighth, Tenth, Eighteenth, Nineteenth, Twentieth and Twenty-first Floors are occupied by the Group as staff quarters, the majority of the remainder of the property is let under various tenancies for terms of two years with the latest expiring in February 2004 at a total monthly rent of approximately HK\$44,100 inclusive of rates and management fees.</p>	<p>HK\$103,000,000</p> <p>100% interest attributable to the Group: HK\$103,000,000</p>

Notes:

- (1) The registered owner of the property is Po Hay Enterprises Limited, a wholly-owned subsidiary of the Group.
- (2) According to North Point Outline Zoning Plan No. S/H8/16 dated 19 April 2002, the property lies within an area zoned for "Commercial/Residential" uses.
- (3) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 38,400,000
Investment portion	: <u>HK\$ 64,600,000</u>
Total	: <u><u>HK\$103,000,000</u></u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
B2	The China and South Sea Bank Building, 22-26 Bonham Strand, Sheung Wan, Hong Kong	The property comprises a rectangular level site with an area of approximately 344.39 sq m (3,707 sq ft). Currently standing on the site is a 24-storey commercial / office building completed in about 1984.	The whole of Lower Ground Floor, Ground Floor and First Floor of the property are occupied by the Group as a retail branch. The remainder of the property is let under various tenancies with the latest expiring in March 2004 at a total monthly rent of approximately HK\$308,658 exclusive of rates and management fees.	HK\$106,000,000 100% interest attributable to the Group: HK\$106,000,000
	The Remaining Portion of Inland Lot No. 7667	The Lower Ground Floor, Ground Floor and First Floor of the building are used as a bank whilst the Ninth Floor is the mechanical floor. The remaining floors are planned for office uses. The total gross floor area of the building is approximately 5,383.50 sq m (57,948 sq ft). Inland Lot No. 7667 is held under Conditions of Exchange No. 6383 for a term of 999 years commencing from 26 June 1843. The annual rent payable for the lot is HK\$74.		

Notes:

- (1) The registered owner of the property is Chung Chiat Company Limited, a wholly-owned subsidiary of the Group.
- (2) According to Sai Ying Pun and Sheung Wan Outline Zoning Plan No. S/H3/15 dated 27 July 2001, the property lies within an area zoned for "Commercial/Residential" uses.
- (3) We have been advised that a portion of the property is not being used in accordance with the permitted users.
- (4) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 40,000,000
Investment portion	: <u>HK\$ 66,000,000</u>
Total	: <u><u>HK\$106,000,000</u></u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
B3	Kincheng Commercial Centre, 412-420 Castle Peak Road, Cheung Sha Wan, Kowloon	The property comprises a rectangular level site with an area of approximately 489.59 sq m (5,270 sq ft). Currently standing on the site is a 26-storey commercial/office building completed in about 1984.	A portion of the property is occupied by the Group as a retail branch. The remainder of the property is vacant or let under various tenancies with the latest expiring in February 2004 at a total monthly rent of approximately HK\$339,835 exclusive of rates and management fees.	HK\$119,000,000 100% interest attributable to the Group: HK\$119,000,000
	The Remaining Portions of Section D, E, F, H and I of New Kowloon Inland Lot No. 420	The Ground Floor of the building is used as a bank whilst the upper floors are planned for office uses. The total gross floor area of the building is approximately 7,865.01 sq m (84,659 sq ft). New Kowloon Inland Lot No. 420 is held under a Government lease for a term expiring on 30 June 2047. The annual rent payable for the lot is 3% of the ratable value for the time being of the lot.		

Notes:

- (1) The registered owner of the property is Kincheng Investments and Developments (H.K.) Limited, a wholly-owned subsidiary of the Group.
- (2) According to Cheung Sha Wan Outline Zoning Plan No. S/H5/22 dated 22 February 2002, the property lies within an area zoned for "Residential (Group A)" uses.
- (3) A portion of the property held by Presluck Limited (now known as Kincheng Investments & Developments (H.K.) Limited), a wholly-owned subsidiary of the Group, is subject to a mortgage and a further legal charge to secure general banking facilities both in favour of Kincheng Banking Corporation.
- (4) We have been advised that the property is suspected to have unauthorized building works and a portion thereof is not being used in accordance with the permitted users.
- (5) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 14,000,000
Investment portion	: <u>HK\$105,000,000</u>
Total	: <u><u>HK\$119,000,000</u></u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
B4	The Kwangtung Provincial Bank Building, 409, 411, 413 & 415 Hennessy Road, Wan Chai, Hong Kong	The property comprises a rectangular site with an area of approximately 340.38 sq m (3,664 sq ft). Currently standing on the site is a 24-storey commercial / office building completed in 1983. The Basement and Ground Floors of the building are planned as a bank. The Fourth Floor is the mechanical floor and the remaining upper floors are planned as offices. The total saleable area of the building is approximately 4,238.57 sq m (45,624 sq ft).	The whole of Basement and Ground Floor of the property are occupied by the Group as a retail branch and ancillary offices. The remainder of the property is mostly let under various tenancies with the latest expiring in March 2004 at a total monthly rent of approximately HK\$397,000 exclusive of rates and management fees.	HK\$131,000,000 100% interest attributable to the Group: HK\$131,000,000
	The Remaining Portion of Sub-Section 2 of Section E, The Remaining Portion of Section E, The Remaining Portion of Section B and The Remaining Portion of Sub-Section 1 of Section B of Inland Lot No. 2617	Inland Lot No. 2617 is held under a Government lease for a term of 99 years commencing from 1 December 1928 renewable for a further term of 99 years. The annual rent payable for the subject sections of the lot is HK\$68.39.		

Notes:

- (1) The registered owner of the property is The Kwangtung Provincial Bank. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Wan Chai Outline Zoning Plan No. S/H5/20 dated 19 April 2002, the property lies within an area zoned for "Commercial/Residential" uses.
- (3) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 48,000,000
Investment portion	: <u>HK\$ 83,000,000</u>
Total	: <u>HK\$131,000,000</u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
B5	Sin Hua Bank Building, 198-200 Cheung Sha Wan Road, Sham Shui Po, Kowloon	The property comprises a rectangular level site with an area of approximately 682.83 sq m (7,350 sq ft). Currently standing on the site is a 13-storey commercial/office/residential composite building completed in about 1975.	A portion of the property is occupied by the Group as a retail branch and staff quarters. The remainder of the property is vacant or let under various tenancies with the latest expiring in February 2004 at a total monthly rent of approximately HK\$840,386 exclusive of rates and management fees.	HK\$159,000,000 100% interest attributable to the Group: HK\$159,000,000
	The Remaining Portions of New Kowloon Inland Lot No. 1082, 2133 and 2134	The Ground Floor of the building is used as a bank, the First and Second Floors as office whilst the upper floors are planned for residential uses. The total gross floor area of the building is approximately 5,803.60 sq m (62,470 sq ft). New Kowloon Inland Lots Nos. 1082, 2133 and 2134 are each held under a Government lease for a term expiring on 30 June 2047. The total annual rent payable for the lots is 3% of the ratable value for the time being of the lots.		

Notes:

- (1) The registered owner of the property is Sin Chiao Enterprises Corporation, Limited, a wholly-owned subsidiary of the Group.
- (2) The property is subject to an order no. C/CP/7676/00/K under s.24(1) of the Buildings Ordinance by the Building Authority.
- (3) We have been advised that a portion of the property is not being used in accordance with the permitted users.
- (4) According to Cheung Sha Wan Outline Zoning Plan No. S/H5/22 dated 22 February 2002, the property lies within an area zoned for "Residential (Group A)" uses.
- (5) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 60,000,000
Investment portion	: <u>HK\$ 99,000,000</u>
Total	: <u><u>HK\$159,000,000</u></u>

Our Ref	Property	Description	Particulars of occupancy	Capital value in existing state as at 30 April 2002																	
B6	Two properties in Hong Kong	<p>The properties comprise 1 commercial / office building and 1 residential building together with 16 carparking spaces, built between 1950s and 1981, situated in the territory of Hong Kong.</p> <p>The total floor areas of the properties held by the Group for investment in their respective uses category are summarized as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th rowspan="2" style="text-align: left;">Use</th> <th colspan="2" style="text-align: center;">Total Floor Area</th> </tr> <tr> <th style="text-align: center;">sq m</th> <th style="text-align: center;">sq ft</th> </tr> </thead> <tbody> <tr> <td>Shops</td> <td style="text-align: center;">158.49</td> <td style="text-align: center;">1,706</td> </tr> <tr> <td>Offices</td> <td style="text-align: center;">272.58</td> <td style="text-align: center;">2,934</td> </tr> <tr> <td>Residential flats</td> <td style="text-align: center;">1,174.28</td> <td style="text-align: center;">12,640</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">1,605.35</td> <td style="text-align: center;">17,280</td> </tr> </tbody> </table> <p>The properties also comprise ancillary areas of approximately 190.08 sq m (2,046 sq ft).</p>	Use	Total Floor Area		sq m	sq ft	Shops	158.49	1,706	Offices	272.58	2,934	Residential flats	1,174.28	12,640	Total	1,605.35	17,280	<p>The properties are let under various tenancies for various terms with the latest expiry date in May 2005 at a total monthly rent of approximately HK\$264,600 mostly exclusive of rates and management fees.</p>	<p>HK\$83,200,000</p> <p>100% interest attributable to the Group: HK\$83,200,000</p>
Use	Total Floor Area																				
	sq m	sq ft																			
Shops	158.49	1,706																			
Offices	272.58	2,934																			
Residential flats	1,174.28	12,640																			
Total	1,605.35	17,280																			

Notes:

- (1) All the properties are owned by the Group.
- (2) We have been advised that the Government Grant of 111-113 Castle Peak Road, Yuen Long is incomplete and further proofs are required to confirm the permitted users.
- (3) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 15,000,000
Investment portion	: <u>HK\$ 68,200,000</u>
Total	: <u>HK\$ 83,200,000</u>

Group C — Wholly-owned properties primarily held and occupied by the Group in the PRC

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
C1	Block No. 707 Pengji Industrial Zone Liantong Luohu District Shenzhen Guangdong Province The PRC	The property comprises a 6-storey industrial building completed in 1994 with a total gross floor area of approximately 13,357.68 sq m (143,782 sq ft). The land use right of the property is held for a term of 50 years commencing from 25 February 1992 for industrial/storage uses.	The property is occupied by the Group as warehouse.	HK\$21,800,000 100% interest attributable to the Group: HK\$21,800,000

Notes:

- (1) Pursuant to 6 Realty Title Certificates Nos. 4203229, 4203231 and 4203233 to 4203236 all dated 10 November 1995 issued by the People's Government of Shenzhen, the title to the property with a total gross floor area of 13,357.68 sq m is held by 深銀倉儲(深圳)有限公司 (Shenyin Storage (Shenzhen) Co., Ltd) for a land use right term of 50 years commencing from 25 February 1992 for industrial/storage uses. Shenyin Storage (Shenzhen) Co., Ltd. is a wholly-owned subsidiary of the Group.
- (2) We have been provided with legal opinion on the title to the property issued by the Group's PRC legal advisers, which contains, inter alia, the following information:
 - (i) The Group can occupy the property according to the uses as stated in the title document within the land use right term.
 - (ii) The Group can lease, mortgage or transfer the property according to the law within the land use right term and no premium is payable.
 - (iii) The property is free from any mortgage or encumbrances.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
C2	Block No. 708 Pengji Industrial Zone Liantong Luohu District Shenzhen Guangdong Province The PRC	The property comprises a 6-storey industrial building completed in 1994 with a total gross floor area of approximately 8,611.86 sq m (92,698 sq ft). The land use right of the property is held for a term of 50 years commencing from 25 February 1992 for industrial/storage uses.	The property is occupied by the Group as warehouse.	HK\$13,900,000 100% interest attributable to the Group: HK\$13,900,000

Notes:

- (1) According to 6 Realty Title Certificate Nos. 4205553 to 4205558 all dated 29 December 1995 issued by the People's Government of Shenzhen, the title to the property with a total gross floor area of 8,611.86 sq. m. is held by 深銀倉儲(深圳)有限公司 (Shenyin Storage (Shenzhen) Co., Ltd.) for a land use right term of 50 years commencing from 25 February 1992 for industrial/ storage uses. Shenyin Storage (Shenzhen) Co., Ltd. is a wholly-owned subsidiary of the Group.
- (2) We have been provided with legal opinion on the title to the property issued by the Group's PRC legal advisers, which contains, inter alia, the following information:
 - (i) The Group can occupy the property according to the uses as stated in the title document within the land use right term.
 - (ii) The Group can lease, mortgage or transfer the property according to the law within the land use right term and no premium is payable.
 - (iii) The property is free from any mortgage or encumbrances.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
C3	An office building Honghu Road Luohu District Shenzhen Guangdong Province The PRC	The property comprises a 6-storey composite building erected upon a site with a site area of approximately 1,624.00 sq m (17,481 sq ft) completed in 1987. The total gross floor area of the property is approximately 3,710.30 sq m (39,938 sq ft). The land use right of the property is held for a term of 30 years commencing from 1 January 1982 to 31 December 2011 for warehouse uses.	The property is occupied by the Group as warehouse.	HK\$5,940,000 100% interest attributable to the Group: HK\$5,940,000

Notes:

- (1) According to a Realty Title Certificate No. 0004565 dated 7 May 1990 issued by Shenzhen Real Estate Registration Bureau, the property with a site area of approximately 1,624.00 sq. m. and a total gross floor area of approximately 3,710.30 sq. m. is held by 中銀電腦（深圳）軟件開發中心 (Bank of China Computer Software Centre Shenzhen) for a land use right term of 30 years commencing from 1 January 1982 to 31 December 2011 for warehouse uses. Bank of China Computer Software Centre Shenzhen is a wholly-owned subsidiary of the Group.
- (2) We have been provided with legal opinion on the title to the property issued by the Group's PRC legal advisers, which contains, inter alia, the following information:
 - (i) The Group can occupy the property according to the uses as stated in the title document within the land use right term.
 - (ii) The Group can lease, mortgage or transfer the property according to the law within the land use right term and no premium is payable.
 - (iii) The property is free from any mortgage or encumbrances.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
C4	Villa No. 6 Mingshi Yu Yuen Xiamen Fujian Province The PRC	The property comprises a 3-storey villa with a gross floor area of approximately 461.19 sq m (4,964 sq ft) completed in 1994. The land use right of the property is held for a term of 50 years commencing from 10 August 1989 and expiring on 9 August 2039 for residential uses.	The property is occupied by the Group as staff quarters.	HK\$1,860,000 70.49% interest attributable to the Group: HK\$1,311,114

Notes:

- (1) According to the Realty Title Certificate No. 00007367 dated 15 December 1997 issued by Xiamen Land and Building Administration Bureau, the title to the property with a gross floor area of 461.19 sq. m. is held by Chiyu Banking Corporation Ltd., Xiamen Branch for a land use right term of 50 years commencing from 10 August 1989 and expiring on 9 August 2039 for residential uses. Chiyu Banking Corporation Ltd., Xiamen Branch is a 70.49% owned subsidiary of the Group.
- (2) We have been provided with legal opinion on the title to the property issued by the Group's PRC legal advisers, which contains, inter alia, the following information:
 - (i) The Group can occupy the property according to the uses as stated in the title document within the land use right term.
 - (ii) The Group can lease, mortgage or transfer the property according to the law within the land use right term and no premium is payable.
 - (iii) The property is free from any mortgage or encumbrances.

APPENDIX IV
PROPERTY VALUATION

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
C5	Villa No. A9 Junyue Villa Tongpang Road Gulou District Fuzhou Fujian Province The PRC	The property comprises a 3-storey villa with a gross floor area of approximately 498.69 sq m (5,368 sq ft) completed in 1999. The land use right of the property is held for an unspecified term.	The property is vacant.	HK\$3,000,000 70.49% interest attributable to the Group: HK\$2,114,700

Notes:

- (1) According to the Building Ownership Certificate No. 0137847 issued by Fuzhou Real Estate Administration Bureau on 12 November 2001, the ownership of the property is held by Chiyu Banking Corporation Limited, Fuzhou Branch, a 70.49% owned subsidiary of the Group.
- (2) According to the Pre-sale Contract for Commodity Housing No. 950530 entered into between Yunsheng (Fujian) Real Estate Company Limited (Party A) and Chiyu Banking Corporation Limited, Fuzhou Branch (Party B), Party A agreed to pre-sell the property to Party B.
- (3) We have been provided with legal opinion on the title to the property issued by the Group's PRC legal advisers, which contains, inter alia, the following information:
 - (i) The Group can occupy the property according to the uses as stated in the title document within the land use right term.
 - (ii) The Group can lease, mortgage or transfer the property according to the law within the land use right term and no premium is payable.
 - (iii) The property is free from any mortgage or encumbrances.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
C6	Villa No. 4 Lane H of Mudan Village Yijing Garden Yijing Road Luohu District Shenzhen Guangdong Province The PRC	The property comprises a 2-storey villas with a gross floor area of approximately 163.52 sq m (1,760 sq ft) completed in 1984. The land use right of the property is held for a term of 50 years commencing from 8 June 1982 and expiring on 7 June 2032 for residential uses.	The property is occupied by the Group as staff quarters.	HK\$1,200,000 100% interest attributable to the Group: HK\$1,200,000

Notes:

- (1) According to a Realty Title Certificate No. 2000074978 dated 24 August 2001 issued by the People's Government of Shenzhen, the title to the property with a gross floor area of 163.52 sq. m. is held by Nanyang Commercial Bank Ltd., Shenzhen Branch, a wholly-owned subsidiary of the Group.
- (2) We have been provided with legal opinion on the title to the property issued by the Group's PRC legal advisers, which contains, inter alia, the following information:
 - (i) The Group can occupy the property according to the uses as stated in the title document within the land use right term.
 - (ii) The Group can lease, mortgage or transfer the property according to the law within the land use right term and no premium is payable.
 - (iii) The property is free from any mortgage or encumbrances.

Group D — Strata-title properties primarily held and occupied by the Group in Hong Kong

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
D1	Whole of Basement Shops Nos. 2 and 3 on Ground Floor, President Commercial Centre, 608 Nathan Road, Mong Kok, Kowloon	President Commercial Centre is a 22-storey commercial/office building completed in about 1975. The property comprises three shop units on the Basement and Ground Floor of the building with a total saleable area of approximately 763.66 sq m (8,220 sq ft). Kowloon Inland Lots Nos. 7061, 7062 and 7063 are each held under a Government lease for a term of 75 years commencing from 28 January 1907 renewable for a further term of 75 years. The annual rent payable for the property is HK\$47,880.	The property is occupied by the Group as a retail branch.	HK\$106,000,000 100% interest attributable to the Group: HK\$106,000,000
	36/320th shares of and in The Remaining Portions of Kowloon Inland Lots Nos. 7061, 7062 and 7063			

Notes:

- (1) The registered owner of the property is Bank of China Hong Kong Branch. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Mong Kok Outline Zoning Plan No. S/K3/16 dated 16 February 2001, the property lies within an area zoned for "Commercial" uses.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
D2	Flats A, B, C, D, E and F on 6th to 17th Floors of Tower 2, Private Car Parking Space Nos. 99 to 106 on 4th Floor, Sherwood Court, 12-20 Kwai Sing Lane, Happy Valley, Hong Kong 4,920/20,098th shares of and in Inland Lot No. 8601	<p>Sherwood Court is a private residential development comprising two residential towers over a 6-level podium of entrance foyer, community centre and carparking spaces completed in about 1989.</p> <p>The property comprises 72 residential units in Tower 2 and 8 car parking spaces within the podium.</p> <p>The total gross floor area of the property is approximately 4,836.12 sq m (52,056 sq ft).</p> <p>Inland Lot No. 8601 is held under Conditions of Sale No. 11793 for a term of 75 years commencing from 26 April 1985 renewable for a further term of 75 years. The annual rent payable for the lot is HK\$1,000.</p>	The property is partly occupied by the Group as staff quarters and partly vacant.	<p>HK\$205,000,000</p> <p>100% interest attributable to the Group: HK\$205,000,000</p>

Notes:

- (1) The registered owner of the property is Bank of China Hong Kong Branch. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Wong Nai Chung Outline Zoning Plan No. S/H7/9 dated 19 October 2001, the property lies within an area zoned for "Government, Institution or Community" purposes.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
D3	The Whole of Ground, 1st, 2nd, 7th, 8th, 9th, 10th and 20th Floors, South China Building, 1 Wyndham Street, Central, Hong Kong	South China Building is a 23-storey commercial/office building completed in about 1973. The property comprises the whole of Ground, First, Second, Seventh, Eighth, Ninth, Tenth and Twentieth Floors of the building. The Ground Floor of the building is used as a bank whilst the upper floors are planned for office uses. The total saleable area of the building is approximately 2931.62 sq m (31,556 sq ft). Inland Lot No. 80 is held under a Government lease for a term of 999 years commencing from 26 June 1843. The annual rent payable for the lot is HK\$107.47.	Ground Floor and Unit B on First Floor are occupied by the Group as a retail branch and office. The remainder of the property is vacant.	HK\$182,000,000 100% interest attributable to the Group: HK\$182,000,000
	130/300th shares of and in Sections K and L of Inland Lot No. 80			

Notes:

- (1) The registered owner of the property is The National Commercial Bank Limited. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Central District Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (3) We have been advised that Seventh Floor of the property is subject to title defect in respect of the omission of board minutes or other proofs in relation to execution of title documents by corporations.
- (4) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$171,000,000
Investment portion	: <u>HK\$ 11,000,000</u>
Total	: <u>HK\$182,000,000</u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
D4	Shops Nos. 4, 5 and 6 on Ground Floor, Shops Nos. 2 to 6 on Lower Ground Floor, Yue Man Building, 389-399 Kwun Tong Road, 14-24 Yue Man Square, Kwun Tong, Kowloon, Hong Kong	Yue Man Building is an 8-storey composite building completed in about 1964. The property comprises 3 shop units on Ground Floor and 5 shop units on Lower Ground Floor of the building with a total saleable area of approximately 654.31 sq m (7,042.99 sq ft). Kwun Tong Inland Lot No. 198 is held under Conditions of Sale No. 7032 for a term expiring on 30 June 2047. The annual rent payable for the lot is 3% of the rateable value for the time being of the lot.	The property is occupied by the Group as a retail branch.	HK\$100,000,000 100% interest attributable to the Group: HK\$100,000,000
	38/216th shares of and in Kwun Tong Inland Lot No. 198			

Notes:

- (1) The registered owner of the property is The National Commercial Bank Limited. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to The Kwun Tong (South) Outline Zoning Plan No. S/K14S/9 dated 19 October 2001, the property lies within an area zoned for "Residential (Group A)" uses.
- (3) The property is subject to Orders Nos. D97/K/99, C/CP/70412/01/K and C/CP/71162/01/K under s.24(1) of the Buildings Ordinance by the Building Authority.
- (4) The property is subject to Directions Nos. BD FS 030/01, FSD 183/2001 and FSD 184/2001 all dated 27 April 2001 and FSD 828/00 issued by the Buildings Department/Fire Services Department.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
D5	The Whole of Basement, Shops B, C1 to C3, D1 to D12, D14 to D15, Y1 and Y2 on Ground Floor, the whole of 1st, 2nd and 20th Floors, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong	Wing On House is a 32-storey commercial / office building completed in about 1967. The property comprises the whole of Basement, various shop units on the Ground Floor, the whole of First, Second and Twentieth Floors of the building. The total saleable area of the property is approximately 5,274.53 sq. m (56,775 sq ft). Marine Lot No. 381 is held under a Government lease for a term of 999 years commencing from 15 August 1903. The annual rent payable for the subject sections of the lot is HK\$298.	The Twentieth Floor is let under a tenancy for a term of three years expiring in April 2005 at a monthly rent of approximately HK\$155,000 exclusive of rates and management fees. The remainder of the property is occupied by the Group as a retail branch and offices or vacant.	HK\$330,000,000 100% interest attributable to the Group: HK\$330,000,000
	11,708 / 42,700th shares of and in Section A and The Remaining Portion of Marine Lot No. 381			

Notes:

- (1) The registered owner of the property is Po Sang Bank Limited (now known as Bank of China (Hong Kong) Limited).
- (2) According to Central District Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (3) The breakdown of our valuation is as follows:

Owner-occupied portion:	HK\$295,600,000
Investment portion	: HK\$34,400,000
Total	: <u>HK\$330,000,000</u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
D6	Shops 1-4 on Ground Floor and the External Walls of such Shops, the Offices on 1st, 2nd and 3rd Floors and the Lavatories on 1st, 2nd and 3rd Floors and the External Walls of such Offices, Tung Hip Commercial Building, 244-248 Des Voeux Road Central, Central Hong Kong	<p>Tung Hip Commercial Building is a 27-storey commercial/office building (excluding platform level, mechanical level, interchange level and concourse level) completed in about 1987.</p> <p>The property comprises 4 shop units on Ground Floor and the External Walls of such shops, 3 office units and the lavatories from First to Third Floors and the External Walls of such offices. The total saleable area of the property is approximately 2,172.33 sq m (23,383 sq ft).</p> <p>Inland Lots Nos. 1864, 1865, 1866, 1556 and 1557 are each held under a Government lease for a term of 999 years commencing from 26 December 1866. The total annual rent payable for the lots is HK\$154.</p>	Portion of the property is occupied by the Group as a retail branch. The remainder of the property is vacant.	<p>HK\$108,000,000</p> <p>100% interest attributable to the Group:</p> <p>HK\$108,000,000</p>
	47,793,000 / 133,900,000th shares of and in The Remaining Portions of Inland Lots Nos. 1864, 1865 and 1866, The Remaining Portions of Inland Lots Nos. 1556 and 1557 and The Remaining Portions of Sections A of Inland Lots Nos. 1556 and 1557			

Notes:

- (1) The registered owner of the property is Yien Yieh Commercial Bank Limited. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Sai Ying Pun and Sheung Wan Outline Zoning Plan No. S/H3/15 dated 27 July 2001, the property lies within an area zoned for "Commercial/Residential" uses.
- (3) We have been advised that the property is suspected to have unauthorized building works.

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
D7	Flats A-D on 2nd-27th Floors and Roofs, Common Areas and Easements, Rights and Privileges reserved unto the Registered Owner, Ever Rise Mansion, 63 Bonham Road, Mid-Levels, Hong Kong	<p>Ever Rise Mansion is a 26-storey residential tower over a 3 level podium of entrance foyer, shops and landscaped garden completed in about 1994.</p> <p>The property comprises the whole 104 units of the residential tower and ancillary accommodation and rights.</p> <p>The total saleable area of the property is approximately 3,995.17 sq m (43,004 sq ft). The property also comprises roof area of approximately 115.11 sq m (1,239 sq ft).</p> <p>Inland Lot No. 694 is held under a Government lease for a term of 999 years commencing from 25 June 1861. The annual rent payable for the subject section of the lot is HK\$24.66.</p>	The property is vacant.	<p>HK\$205,000,000</p> <p>97.52% interest attributable to the Group: HK\$199,916,000</p>
	23,264 / 28,000th shares of and in The Remaining Portion of Inland Lot No. 694			

Notes:

- (1) The registered owner of the property is Eversound Investments Limited, a 97.52% owned subsidiary of the Group.
- (2) According to Sai Ying Pun & Sheung Wan Outline Zoning Plan No. S/H3/15 dated 27 July 2001 the property lies within an area zoned for "Residential (Group A)" purposes.

Our Ref	Property	Description	Particulars of occupancy	Capital value in existing state as at 30 April 2002
D8	330 properties in Hong Kong	The properties comprise 607 shops, 68 offices, 227 residential flats and 18 workshops together with 43 carparking spaces, built between 1954 and 1998, situated in the territory of Hong Kong. The total floor area of properties held and occupied by the Group in their respective uses and carparking spaces are summarized as follows:	Majority of the properties are occupied by the Group as retail branches, offices, staff quarters, stores and carparking spaces. The remaining properties are let under various tenancies for various terms with the latest expiry date in December 2003 at a total monthly rent of approximately HK\$224,300 mostly exclusive of rates and management fees.	HK\$5,786,360,000 Interest attributable to the Group: HK\$5,719,198,191
		Total Floor Area		
		Use	sq m	sq ft
		Shops	87,847.98	945,596
		Offices	3,967.76	42,709
		Workshop	1,967.21	21,175
		Residential flats	13,636.85	146,787
		Total	107,419.80	1,156,267
		The properties also comprise ancillary areas of approximately 4,215.16 sq m (45,372 sq ft).		

Notes:

- (1) All the properties are owned by the Group.
- (2) Two properties occupied by the Group are let to related parties with the latest expiring in June 2004 at a total monthly rent of approximately HK\$146,000 exclusive of rates and management fees.
- (3) Three properties are subject to legal charges in favour of Hua Chiao Commercial Bank Limited, one property is subject to a mortgage in favour of Chiyu Banking Corporation Limited and one property is subject to a mortgage in favour of Nanyang Commercial Bank Limited.
- (4) Various properties are subject to various Building Orders issued by the Building Authority.
- (5) Various properties are subject to various directions issued by the Buildings Department/Fire Services Department.
- (6) We have been advised that various properties are subject to title defects in respect of the omission of board minutes or other proofs in relation to execution of title documents by corporations; illegible/incomplete Government grants; discrepancy in property descriptions/particulars etc.; and certain properties are suspected to have unauthorized building works or are not being used in accordance with the permitted users.
- (7) Basement, Shops D and E on Ground Floor, Tung Hing Building, 129-135 Johnston Road, 1 and 1A O'Brien Road, Wan Chai, Hong Kong was sold on 31 May 2002 for the purchase price of HK\$48,000,000.
- (8) Shops Nos. 9 and 10 on Ground Floor of Honour Building, 78-80W To Kwa Wan Road, To Kwa Wan, Kowloon was sold on 31 May 2002 for the purchase price of HK\$4,400,000.
- (9) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$5,758,460,000
Investment portion	: <u>HK\$ 27,900,000</u>
Total	: <u><u>HK\$5,786,360,000</u></u>
- (10) The breakdown of interest attributable to the Group is as follows:

Owner-occupied portion	: HK\$5,691,711,331
Investment portion	: <u>HK\$ 27,486,860</u>
Total	: <u><u>HK\$5,719,198,191</u></u>

Group E — Strata-title properties primarily held by the Group for investment in Hong Kong

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
E1	Shop B on Basement, Shops W and X on Ground Floor, the whole of 1st, 2nd, 3rd, 11th, 14th, 18th and 19th Floors, Euro Trade Centre, 13-14 Connaught Road Central, 21-23 Des Voeux Road Central, Hong Kong	<p>Euro Trade Centre is a 24-storey commercial / office building completed in about 1982.</p> <p>The property comprises Shop B on Basement, Shops W and X on Ground Floor, the whole of First, Second, Third, Eleventh, Fourteenth, Eighteenth and Nineteenth Floors of the building.</p> <p>Shops W and X on Ground Floor and First to Third Floors of the building are used as a bank whilst the upper floors are planned for office uses. The total saleable area of the property is approximately 3,984.86 sq m (42,893 sq ft).</p> <p>Marine Lot No. 366 is held under a Government lease for a term of 999 years commencing from 30 January 1900. The annual rent payable for the lot is HK\$166.</p>	Shop B on Basement, Shops W and X on Ground Floor and First Floor are occupied by the Group as a retail branch and office. The remainder of the property is vacant.	<p>HK\$300,000,000</p> <p>100% interest attributable to the Group: HK\$300,000,000</p>
	2,339/5,675th shares of and in Marine Lot No. 366			

Notes:

- (1) The registered owner of the property is The Kwangtung Provincial Bank. The property is vested in and is deemed to have been registered in the name of Bank of China (Hong Kong) Limited under and by virtue of the Bank of China (Hong Kong) Limited (Merger) Ordinance (Chapter 1167, Laws of Hong Kong).
- (2) According to Central District Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (3) We have been advised that Shop B on Basement and Shop X on Ground Floor of the property are subject to title defects in respect of the omission of board minutes or other proofs in relation to execution of title documents by corporations.
- (4) We have been advised that the property is suspected to have unauthorized building works.
- (5) The breakdown of our valuation is as follows:-

Owner-occupied portion	: HK\$111,300,000
Investment portion	: <u>HK\$188,700,000</u>
Total	: <u>HK\$300,000,000</u>

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
E2	Shop Nos. 1 & 2 on Ground Floor, Shop Nos. 1-6 on Upper Ground Floor, Whole Floor of 1st to 3rd Floors, Office Nos. 1 & 2 on 4th Floor and Flat Roof, Whole Floor of 5th Floor, Office No. 1 on 6th Floor, Whole Floor of 8th Floor, Office Nos. 1-2 on 17th Floor and Flat Roof, Office Nos. 1-2 on 19th to 20th Floors, the Pent-House, Main Roof and External Wall, Sin Hua Bank Building, 5-11 Wyndham Street, 2-8 Wellington Street, Central, Hong Kong	<p>Sin Hua Bank Building is a 22-storey commercial/office building completed in 1983.</p> <p>The Ground, Upper Ground, First to Fourth Floors of the building are planned for banking office purposes whilst the Fifth to Twentieth Floors are planned for office purposes.</p> <p>The property comprises various shops on Ground and Upper Ground Floors, commercial units on First to Third Floors, various offices on upper floors and ancillary accommodation of the building.</p> <p>The total saleable area of the property is approximately 2,933.95 sq m (31,581 sq ft). The property also comprises flat roofs with a total area of approximately 223.89 sq m (2,410 sq ft).</p> <p>Inland Lots Nos. 4770, 4771, 4772, 4773, 4774, 4775, 4777 and 4778 are each held under a Government lease for a term of 999 years commencing from 22 January 1844. The total annual rent payable for the lots is HK\$78.</p>	<p>Portions of the property are let under various tenancies with the latest expiring in May 2005 at a total monthly rent of approximately HK\$348,239 mostly exclusive of rates and management fees.</p> <p>The remainder of the property is vacant.</p>	<p>HK\$146,000,000</p> <p>100% interest attributable to the Group: HK\$146,000,000</p>
	204 /300th shares of and in Inland Lot No. 4774, Inland Lot No. 4773 and Extension, The Remaining Portions of Inland Lots Nos. 4770, 4771, 4772, 4775, 4777 and 4778			

Notes:

- (1) The registered owner of the property is Sin Chiao Enterprises Corporation, Limited, a wholly-owned subsidiary of the Group.
- (2) According to Central District Outline Zoning Plan No. S/H4/11 dated 22 February 2002, the property lies within an area zoned for "Commercial" uses.
- (3) We have been advised that a portion of the property is not being used in accordance with the permitted users.

Our Ref	Property	Description	Particulars of occupancy	Capital value in existing state as at 30 April 2002
E3	91 properties in Hong Kong	The properties comprise 87 shops, 129 offices, 55 residential flats and 3 workshops together with 13 carparking spaces, built between 1960 and 1997, situated in the territory of Hong Kong. The total floor areas of properties held by the Group for investment in their respective uses category are summarized as follows:	The properties are let under various tenancies for various terms with the latest expiry date in February 2005 at a total monthly rent of approximately HK\$3,835,991 mostly exclusive of rates and management fees.	HK\$829,950,000 Interest attributable to the Group: HK\$828,917,150
		Total Floor Area		
		Existing Use	sq m	sq ft
		Shops	7,914.81	85,195
		Offices	12,914.90	139,016
		Workshops	804.25	8,657
		Residential Flats	2,833.70	30,502
		Total	24,467.66	263,370

The properties also comprise ancillary areas of approximately 784.84 sq m (8,448 sq ft).

Notes:

- (1) All the properties are owned by the Group.
- (2) Two properties are subject to legal charges in favour of Hua Chiao Commercial Bank Limited.
- (3) Various properties are subject to various Building Orders issued by the Building Authority.
- (4) Various properties are subject to various directions issued by the Buildings Department/Fire Services Department.
- (5) We have been advised that various properties are subject to title defects in respect of the omission of board minutes or other proofs in relation to execution of title documents by corporations; illegible/incomplete Government grants; discrepancy in property descriptions/particulars etc.; and certain properties are suspected to have unauthorized building works or are not being used in accordance with the permitted users.
- (6) We have been advised that Eton Building, 288 Des Voeux Road Central, Sheung Wan, Hong Kong (the "Building"), is erected on certain adjoining lots respectively owned by Easy Fact Company Limited and Bank of China (Hong Kong) Limited. The Building was developed pursuant to a joint development agreement whereby subject to the entering into of a deed of exchange and a deed of mutual covenant, Bank of China (Hong Kong) Limited shall have exclusive right to the use and enjoyment and to all rents and profits of and in various units in the Building. The deed of exchange and the deed of mutual covenant are being approved by the Lands Department.
- (7) Flat 1, 12th Floor, Kiu Fai Mansion, 413-423 King's Road, North Point, Hong Kong is subject to an agreement for sale and purchase dated 25 June 2002 entered into between Bank of China (Hong Kong) Limited as vendor and Lam Wing Fai James as purchaser. The purchase price is HK\$1,480,000 and completion of the transaction is scheduled on 9 August 2002.
- (8) Parking Space No. 1, Lower Basement, Bayview Mansion, 54 MacDonnell Road, Mid-Levels, Hong Kong is subject to an agreement for sale and purchase dated 7 June 2002 entered into between Bank of China (Hong Kong) Limited as vendor and Tong Wai Ching as purchaser. The purchase price is HK\$365,000 and completion of the transaction is scheduled on 23 September 2002.
- (9) The breakdown of valuation is as follows:

Owner-occupied portion	: HK\$ 18,000,000
Investment portion	: <u>HK\$811,950,000</u>
Total	: <u>HK\$829,950,000</u>
- (10) The breakdown of interest attributable to the Group is as follows:

Owner-occupied portion	: HK\$ 18,000,000
Investment portion	: <u>HK\$810,917,150</u>
Total	: <u>HK\$828,917,150</u>

Group F — Strata-title properties primarily held and occupied by the Group in the PRC

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
F1	28 properties in the PRC	The properties comprise various shops, offices, residential flats, car parking spaces and workshops, built between the 1980's and 1990's, situated in the PRC. The total floor areas of the properties in their respective uses category are summarized as follows:	Majority of the properties are occupied by the Group as retail branches, offices, car parking spaces and staff quarters. The remaining properties are vacant.	HK\$207,411,000 Interest attributable to the Group: HK\$205,705,322
		Total Floor Area		
		Existing Use	sq m	sq ft
		Shops	4,269.45	45,956
		Offices	6,476.66	69,715
		Workshops	6,801.37	73,210
		Residential flats	9,275.09	99,837
		Total	26,822.57	288,718

The land use rights of the properties are held for respective terms for commercial, industrial and residential uses.

Notes:

- (1) All the properties are beneficially owned by the Group.
- (2) We have been provided with legal opinion on the titles to the properties issued by the Group's PRC legal advisers, which contains, inter alia, the following information:
 - (i) The Group can occupy the properties according to the uses as stated in the title document within the land use right term.
 - (ii) In relation to those properties which are owned by the Group and in respect of which no perfection formalities are required, the Group can lease, mortgage or transfer the properties according to the law within the land use right term and no premium is payable.
 - (iii) In relation to those properties which are owned by the Group and in respect of which perfection formalities have not been completed, subject to completion of the same (for which there is no legal impediment), the Group can lease, mortgage or transfer the properties according to the law within the land use right term and no premium is payable.
 - (iv) The properties are free from any mortgage or encumbrances.

Group G — Strata-title properties primarily held by the Group for investment in the PRC

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
G1	5 properties in the PRC	The properties comprise various shops, offices and workshops, built between the 1980's and 1990's, situated in the PRC. The total floor areas of the properties in their respective uses category are summarized as follows:-	The properties are let under various tenancies for various terms with the latest expiry date in November 2005 at a total monthly rent of approximately HK\$346,993 mostly exclusive of management fees.	HK\$118,490,000 Interest attributable to the Group: HK\$117,117,785
		Total Floor Area		
		Existing Use	sq m	sq ft
		Shops	1,928.04	20,753
		Offices	7,873.16	84,747
		Workshops	2,893.28	31,143
		Total	12,694.48	136,643
		The land use rights of the properties are held for respective terms for commercial, residential and industrial uses.		

Notes:

- (1) All the properties are beneficially owned by the Group.
- (2) We have been provided with legal opinion on the titles to the properties issued by the Group's PRC legal advisers, which contains, inter alia, the following information:
 - (i) The Group can occupy the properties according to the uses as stated in the title document within the land use right term.
 - (ii) In relation to those properties which are owned by the Group and in respect of which no perfection formalities are required, the Group can lease, mortgage or transfer the properties according to the law within the land use right term and no premium is payable.
 - (iii) In relation to those properties which are owned by the Group and in respect of which perfection formalities have not been completed, subject to completion of the same (for which there is no legal impediment), the Group can lease, mortgage or transfer the properties according to the law within the land use right term and no premium is payable.
 - (iv) The properties are free from any mortgage or encumbrances.
- (3) The breakdown of our valuation is as follows:

Owner-occupied portion	: HK\$ 3,692,000
Investment portion	: HK\$114,798,000
Total	: <u>HK\$118,490,000</u>
- (4) The breakdown of interest attributable to the Group is as follows:

Owner-occupied portion	: HK\$ 2,602,491
Investment portion	: HK\$114,515,294
Total	: <u>HK\$117,117,785</u>

Group H — Strata-title properties primarily held by the Group for investment in Macau

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
H1	Flats O, P, Q, R, S and T on Ground Floor, Flats Q, R, S, T, U, V, W, and X on 1st to 4th Floors, Flats V and X on 8th Floors and 14 Carparking Spaces of Block 3 of San Vu San Chong, 2-26 Estrada Coronel Nicolau De Mesquita and 28 to 110C Beco de Pérola, Taipa, Macau	San Vu San Chong is a commercial/residential composite development comprising three 11-storey residential buildings surmounting a 5-level carparking/commercial podium completed in about 1996. The property comprises 40 residential units with a total saleable area of approximately 3,456 sq m (37,205 sq ft). The property also comprises 14 private carparking spaces on carparking levels. The lot is held under freehold interest.	The property is vacant.	HK\$15,300,000 100% interest attributable to the Group: HK\$15,300,000

Note: The registered owner of the property is Sanicon Investment Limited, a wholly-owned subsidiary of the Group.

Group I — Properties held by the Group with defective title in the PRC

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002																				
11	13 properties in the PRC	<p>The properties comprise two pieces of land, various shops, workshops, offices, car parking spaces and residential flats, built between the 1980's and 1990's, situated in the PRC.</p> <p>The total site area of the two pieces of land is approximately 9,000.86 sq m (96,885 sq ft).</p> <p>The total floor areas of the properties in their respective uses category are summarized as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Existing Use</th> <th colspan="2">Total Floor Area</th> </tr> <tr> <th>sq m</th> <th>sq ft</th> </tr> </thead> <tbody> <tr> <td>Shops</td> <td>894.00</td> <td>9,623</td> </tr> <tr> <td>Workshops</td> <td>6,206.74</td> <td>66,809</td> </tr> <tr> <td>Offices</td> <td>9,299.00</td> <td>100,094</td> </tr> <tr> <td>Residential flats</td> <td>10,606.62</td> <td>114,170</td> </tr> <tr> <td>Total</td> <td>27,006.36</td> <td>290,696</td> </tr> </tbody> </table>	Existing Use	Total Floor Area		sq m	sq ft	Shops	894.00	9,623	Workshops	6,206.74	66,809	Offices	9,299.00	100,094	Residential flats	10,606.62	114,170	Total	27,006.36	290,696	<p>Portions of the properties are occupied by the Group as retail branches, offices, car parking spaces and staff quarters and one of the properties is let under a tenancy for a term expiring in January 2004 at a monthly rent of approximately HK\$21,771 exclusive of management fees.</p>	No commercial value
Existing Use	Total Floor Area																							
	sq m	sq ft																						
Shops	894.00	9,623																						
Workshops	6,206.74	66,809																						
Offices	9,299.00	100,094																						
Residential flats	10,606.62	114,170																						
Total	27,006.36	290,696																						

Notes:

- (1) All the properties are beneficially owned by the Group.
- (2) According to the legal opinion on the titles to the properties issued by the Group's PRC legal advisers, due to insufficient title proofs, for instance, the lack of land use right certificates and/or building ownership certificates or real estate title certificates, the Group either cannot transfer, lease or mortgage the properties or may encounter legal obstacles in effecting the same.

Group J — Properties leased by the Group in Hong Kong

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
J1	147 properties in Hong Kong	The properties comprise 241 shops, 16 offices, 3 workshops and 2 residential flats, 7 storerooms together with 61 ATMs and 2 carparking spaces in various buildings and structures built between the 1960's and 2000's and situated in the territory of Hong Kong.	The properties are currently occupied by the Group as retail branches, offices, staff quarters, ATMs, stores, and carparking spaces.	No commercial value

The total floor areas of the properties leased by the Group in their respective uses category are summarised as follows:

Uses	Total Floor Area	
	sq m	sq ft
Shops	22,931.38	246,833
Offices	2,543.81	27,382
Workshops	902.57	9,715
Residential flats	176.14	1,896
Storerooms	256.33	2,759
Total	26,810.23	288,585

The properties also comprise ancillary areas with a total area of approximately 4.18 sq m (45 sq ft).

The properties are leased by the Group under various tenancies/licences/sub-lease mostly for terms of 2 to 6 years with the latest expiring in November 2005 at a total monthly rent/licence fees of approximately HK\$18,400,000 and a total annual waiver fees of HK\$1,080,000 mostly exclusive of rates and management fees.

Group K — Properties leased by the Group in the PRC

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002																				
K1	13 properties in the PRC	The properties comprise 5 shops, 5 offices, a warehouse and 2 residential flats in various buildings and structures built between the 1980's and 2000's and situated in the PRC. The total floor areas of the properties leased by the Group in their respective uses category are summarized as follows:	The properties are occupied by the Group as retail branches, offices, warehouse and staff quarters.	No commercial value																				
		<table border="1"> <thead> <tr> <th rowspan="2">Use</th> <th colspan="2">Total Floor Area</th> </tr> <tr> <th>sq m</th> <th>sq ft</th> </tr> </thead> <tbody> <tr> <td>Shops</td> <td>2,376.89</td> <td>25,585</td> </tr> <tr> <td>Offices</td> <td>930.51</td> <td>10,016</td> </tr> <tr> <td>Warehouse</td> <td>364.00</td> <td>3,918</td> </tr> <tr> <td>Residential flats</td> <td>212.00</td> <td>2,282</td> </tr> <tr> <td>Total</td> <td>3,883.40</td> <td>41,801</td> </tr> </tbody> </table>			Use	Total Floor Area		sq m	sq ft	Shops	2,376.89	25,585	Offices	930.51	10,016	Warehouse	364.00	3,918	Residential flats	212.00	2,282	Total	3,883.40	41,801
Use	Total Floor Area																							
	sq m	sq ft																						
Shops	2,376.89	25,585																						
Offices	930.51	10,016																						
Warehouse	364.00	3,918																						
Residential flats	212.00	2,282																						
Total	3,883.40	41,801																						
		The properties are leased by the Group under various tenancies mostly for terms of 2 to 3 years with the latest expiring in January 2008 at a total monthly rent of approximately HK\$360,405 exclusive of management fees.																						

Note: Levels 1 and 2 of 6 Yunxiao Road, Qingdao, Shandong Province occupied by the Group is let from a related party for a term of 1 year commencing from 1 January 2002 at a monthly rent of approximately HK\$31,746 exclusive of management fees.

Group L — Properties leased by the Group in Macau

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002														
L1	Two properties in Macau	<p>The properties comprise one office and one residential flat in two developments built between 1996 to 1998 situated in Macau.</p> <p>The total floor area of the properties leased by the Group in their respective uses category are summarised as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Uses</th> <th colspan="2">Total Floor Area</th> </tr> <tr> <th>sq m</th> <th>(sq ft)</th> </tr> </thead> <tbody> <tr> <td>Office</td> <td>369.38</td> <td>3,976</td> </tr> <tr> <td>Residential flat</td> <td>92.90</td> <td>1,000</td> </tr> <tr> <td>Total</td> <td>462.28</td> <td>4,976</td> </tr> </tbody> </table> <p>The properties are leased by the Group under their respective tenancies both for terms of two years with the latest expiring in May 2004 at a monthly rent of approximately MOP25,844 for the office unit exclusive of management fees and HK\$4,800 for the residential flat inclusive of rates and management fees.</p>	Uses	Total Floor Area		sq m	(sq ft)	Office	369.38	3,976	Residential flat	92.90	1,000	Total	462.28	4,976	The properties are occupied by the Group as office and staff quarters.	No commercial value
Uses	Total Floor Area																	
	sq m	(sq ft)																
Office	369.38	3,976																
Residential flat	92.90	1,000																
Total	462.28	4,976																

Note: The landlord of the office unit leased by the Group is a related party of the Group.

Group M — Property leased by the Group in the United States of America

Our Ref	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 April 2002
M1	31st Floor, 50 California Street, San Francisco, California, the United States of America	<p>The property comprises one office unit on the Thirty-first Floor of "50 California Street" situated in California of the United States of America.</p> <p>The lettable floor area of the property leased by the Group is approximately 506.50 sq m (5,452 sq ft).</p> <p>The property is leased by the Group under a tenancy for a term of 10 years expiring in May 2002 at a monthly rent of approximately US\$12,721 exclusive of operating and tax expenses.</p>	The property is occupied by the Group as office.	No commercial value