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Vigers Building ConsultancyISO 9001:2008
Certificate No: CC1210
Vigers Appraisal & ConsultingISO 9001:2008
Certificate No: CC8115
Vigers Property Management Services (HK)

Our Ref : RHKK/CTSK/VA16993-2012

26 October 2012

The Directors
SIM Technology Group Limited
Unit 2908 on 29th Floor
No. 248 Queen's Road East
Wanchai
Hong Kong

Dear Sirs,

In accordance with your instructions for us to value the property interests held by SIM Technology Group Limited (referred to as the "Company") and its subsidiaries (together referred to as the "Group") in the People's Republic of China ("the PRC"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of such property interests as at 31 July 2012 ("date of valuation") for the purpose of incorporation in the circular.

Our valuation is our opinion of the market value of the property interest which we would define market value as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

In valuing the property interests in Group I, which is held by the Group for owner occupation in the PRC, we have adopted a combination of the market and depreciated replacement cost approach in assessing the land portion of the property and the buildings and structures standing on the land respectively. Hence, the sum of the two results represents the market value of the property as a whole. In the valuation of the land portion, reference has been made to the standard land price and the sales evidence as available to us in the locality. As the nature of the buildings and structures cannot be valued on the basis of market value, they have therefore been valued on the basis of their depreciated replacement costs. The depreciated replacement cost approach considers the current cost of replacement (reproduction) of the buildings and improvements less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The depreciated replacement cost

approach generally furnishes the most reliable indication of value for property in the absence of a known market based on comparable sales. The approach is subject to adequate potential profitability of the business.

In valuing the property interest in Group II which is held by the Group under development for sale in the PRC,, we have valued on the basis that the property will be developed and completed in accordance with the latest development proposal as provided to us by the Group. We have assumed that all consents, approvals and licences from relevant government authorities for the development proposal have been obtained or will be obtained without onerous conditions or undue time delays. We have also assumed that the design and construction of the development are in compliance with the local planning regulations and have been approved by the relevant authorities. In arriving at our opinion of value, we have adopted the direct comparison approach by making reference to comparable sales evidences as available in the relevant market and have also taken into account the expended construction costs and the costs that will be expended to complete the development to reflect the quality of the completed development.

In valuing the property interest in Group III, which is held by the Group for owner occupation and investment in the PRC, we have valued either on the basis of capitalization of net rental income derived from the existing tenancies with allowance for the reversionary income potential of the properties or by reference to comparable market transactions.

Our valuation has been made on the assumption that the owner sells the property interests on the open market in their existing state without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property interests. In addition, no forced sale situation in any manner is assumed in our valuation.

We have not caused title searches to be made for the property interests at the relevant government bureau in the PRC. We have been provided with certain extracts of title documents relating to the property interests. However, we have not inspected the original documents to verify the ownership, encumbrances or the existence of any subsequent amendments which may not appear on the copies handed to us. In undertaking our valuation for the property interests, we have relied on the legal opinion (the "PRC legal opinion") provided by the Company's PRC legal adviser, Allbright Law Offices.

We have relied to a considerable extent on information provided by the Company and have accepted advice given to us by the Company on such matters as planning approvals or statutory notices, easements, tenure, occupation, lettings, site and floor areas and in the identification of the property and other relevant matter. We have also been advised by the Company that no material facts had been concealed or omitted in the information provided to us. All documents have been used for reference only.

All dimensions, measurements and areas included in the valuation certificates are based on information contained in the documents provided to us by the Company and are approximations only. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out a structural survey nor have we inspected woodwork or other parts of the structures which are covered, unexposed or inaccessible and we are therefore unable to report that any such parts of the property are free from defect. No tests were carried out on any of the services.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interest nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

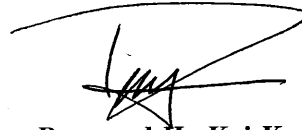
Our valuation is prepared in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by The Hong Kong Institute of Surveyors (HKIS) and the requirements set out in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and Rule 11 of the Codes on Takeovers and Mergers and Share Repurchases (the "Takeovers Code") issued by the Securities and Futures Commission.

Unless otherwise stated, all money amounts stated are in Renminbi (RMB). The exchange rate used in valuing the property interest in the PRC as at 31 July 2012 was HK\$1 = RMB0.8206. There has been no significant fluctuation in the exchange rate for Renminbi against Hong Kong Dollars (HK\$) between that date and the date of this letter.

In order to comply with Rule 11.3 of the Takeovers Code, the potential tax liability which may arise on the disposal of the property interests held by the Group in the PRC mainly includes PRC sales tax (5% of sales revenue), PRC land appreciation tax (30%-60% of the net appreciation amount) and PRC corporate income tax (25%). However, the likelihood of the relevant tax liability being crystallized is remote as the Group has no plan to dispose of or transfer all of the relevant property interests yet at the current stage. According to our established practice, in the course of our valuation, we have neither verified nor taken into account such tax liability.

We enclose herewith a summary of valuation and valuation certificates.

Yours faithfully,
For and on behalf of
Vigers Appraisal & Consulting Limited



Raymond Ho Kai Kwong
Registered Professional Surveyor (GP)
MRICS MHKIS MSc(e-com)
China Real Estate Appraiser
Managing Director

Note: Mr. Raymond Ho Kai Kwong, Chartered Surveyor, MRICS MHKIS MSc(e-com), has over twenty five years' experiences in undertaking valuations of properties in Hong Kong and has over eighteen years' experiences in valuations of properties in the PRC.

SUMMARY OF VALUATION

Group I – Property interests held by the Group for owner occupation in the PRC

Property	Market Value in existing state as at 31 July 2012	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31 July 2012
1. An industrial complex located at No. 37 Shenbei Road, Shenbei New District, Shenyang City, Liaoning Province, the PRC	RMB27,750,000 (equivalent to approximately HK\$33,820,000)	100%	RMB27,750,000 (equivalent to approximately HK\$33,820,000)
2. An industrial complex located at No. 888 Shengli Road, Qingpu District, Shanghai City, the PRC	RMB84,500,000 (equivalent to approximately HK\$102,970,000)	100%	RMB84,500,000 (equivalent to approximately HK\$102,970,000)
Sub-total:	RMB112,250,000 (equivalent to approximately HK\$136,790,000)		RMB112,250,000 (equivalent to approximately HK\$136,790,000)

Group II – Property interest held by the Group under development for sale in the PRC

Property	Market Value in existing state as at 31 July 2012	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31 July 2012
3. Chenxing Garden, No. 32 Shenbei Road, Shenbei New District, Shenyang City, Liaoning Province, the PRC	RMB272,000,000 (equivalent to approximately HK\$331,500,000)	60%	RMB163,200,000 (equivalent to approximately HK\$198,900,000)
Sub-total:	RMB272,000,000 (equivalent to approximately HK\$331,500,000)		RMB163,200,000 (equivalent to approximately HK\$198,900,000)

Group III – Property interest held by the Group for owner occupation and investment in the PRC

Property	Market Value in existing state as at 31 July 2012	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 31 July 2012
4. Blocks 1 and 2, SIM Technology Building, No. 633 Jinzhong Road, Changning District, Shanghai City, the PRC	RMB455,300,000 (equivalent to approximately HK\$554,800,000)	100%	RMB455,300,000 (equivalent to approximately HK\$554,800,000)
Sub-total:	RMB455,300,000 (equivalent to approximately HK\$554,800,000)		RMB455,300,000 (equivalent to approximately HK\$554,800,000)
Grand total:	RMB839,550,000 (equivalent to approximately <u>HK\$1,023,090,000</u>)		RMB730,750,000 (equivalent to approximately <u>HK\$890,490,000</u>)

VALUATION CERTIFICATES

Group I – Property interests held by the Group for owner occupation in the PRC

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2012
1. An industrial complex located at No. 37 Shenbei Road, Shenbei New District, Shenyang City, Liaoning Province, the PRC	<p>The property comprises two parcels of land having a total site area of approximately 133,575 sq.m. with 10 buildings and various structures completed in between 2010 and 2012 erected thereon.</p> <p>The total gross floor area of the buildings is approximately 58,458.91 sq.m. The buildings mainly include a comprehensive building, workshops, dormitories and a guard house.</p> <p>The land use rights of the property were granted for terms expiring on 26 November 2059 and 24 May 2059 for industrial use.</p>	<p>The property is currently occupied for production, office and dormitory uses.</p> <p>Upon our site inspection, the buildings of the property were kept in a good condition.</p>	<p style="text-align: right;">RMB27,750,000</p> <p style="text-align: right;">(equivalent to approximately HK\$33,820,000)</p> <p style="text-align: right;">Interest attributable to the Group</p> <p style="text-align: right;">100%</p> <p style="text-align: right;">Market Value in existing state attributable to the Group as at 31 July 2012</p> <p style="text-align: right;">RMB27,750,000</p> <p style="text-align: right;">(equivalent to approximately HK\$33,820,000)</p>

Notes:

1. Pursuant to 2 State-owned Land Use Rights Certificates (Document Nos.: Shen Bei Guo Yong (2009) No. 270 and Shen Bei Guo Yong (2010) No. 044), the land use rights of the property having a total site area of approximately 133,575 sq.m. have been granted to Shenyang SIM Technology Limited for industrial use for terms expiring on 24 May 2059 and 26 November 2059 respectively.
2. Pursuant to 2 Planning Permits for Construction Land (Document Nos.: 210113200900025 and 210113200900032) issued by Shenyang City Planning and Land Resources Bureau, Puhe Branch, the construction sites of 2 parcels of land with a total site area of approximately 133,575 sq.m. are in compliance with the urban and village planning requirements and are approved.
3. Pursuant to 3 Permits for Commencement of Construction Works (Document Nos.: PH210113200909050201, PH210113201008280301 and 210132201106160701), the construction works of the property with a total gross floor area of approximately 58,197.80 are in compliance with the requirements for works commencement and are approved.
4. As advised by the Group, the Building Ownership Certificates for the 10 buildings erected on the property having a total gross floor area of approximately 58,458.91 sq.m. have not yet been obtained.
5. In the valuation of the property, we have attributed no commercial value to the 10 buildings erected on the property due to the absence of the relevant title document. For reference purpose, we are of the opinion that the depreciated replacement cost of the 10 buildings as at the date of valuation would be RMB121,800,000 (equivalent to approximately HK\$148,430,000) assuming relevant title documents have been obtained and they could be freely transferable in the open market.
6. Shenyang SIM Technology Limited is an indirect wholly-owned subsidiary of the Company.

7. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:-
 - (i) Shenyang SIM Technology Limited has legally owned the land use rights of the property.
 - (ii) Shenyang SIM Technology Limited is entitled to occupy, use, mortgage and transfer the land use rights of the property.
 - (iii) The land premium has been fully settled.
 - (iv) The property is free from any mortgages, charges and third party encumbrance.
8. The property was inspected by Mr. Kaka Li, China Real Estate Appraiser (CREA), on 21 August 2012.

VALUATION CERTIFICATES

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2012
2. An industrial complex located at No. 888 Shengli Road, Qingpu District, Shanghai City, the PRC	<p>The property comprises a parcel of land having a site area of approximately 66,829.80 sq.m. with 8 buildings completed in 2004 and 2012 erected thereon.</p> <p>The total gross floor area of the buildings is approximately 61,154.57 sq.m. The buildings mainly include workshops, dormitories and a canteen.</p> <p>The land use rights of the property were granted for a term expiring on 26 April 2054 for industrial use.</p>	<p>The property is currently occupied for production, office and dormitory uses.</p> <p>Upon our site inspection, the buildings of the property were kept in a fair condition.</p>	<p>RMB84,500,000 (equivalent to approximately HK\$102,970,000)</p> <p>Interest attributable to the Group 100%</p> <p>Market Value in existing state attributable to the Group as at 31 July 2012 RMB84,500,000 (equivalent to approximately HK\$102,970,000)</p>

Notes:

1. Pursuant to the Shanghai Certificate of Real Estate Ownership (Document No.: Hu Fang Di Qing Zi (2010) No. 007167), the land use rights of the property having a site area of approximately 66,829.80 sq.m. have been granted to Shanghai Sunrise Simcom Limited for industrial use for a term expiring on 26 April 2054.
2. Pursuant to the Shanghai Certificate of Real Estate Ownership (Document No.: Hu Fang Di Qing Zi (2010) No. 007167), 2 buildings having a total gross floor area of approximately 16,741.64 sq.m. erected on the property were vested in Shanghai Sunrise Simcom Limited.
3. As advised by the Group, the Certificates of Real Estate Ownership the 6 buildings erected on the property having a total gross floor area of approximately 44,412.93 sq.m. have not yet been obtained.
4. In the valuation of the property, we have attributed no commercial value to the 6 buildings erected on the property due to the absence of the relevant title document. For reference purpose, we are of the opinion that the depreciated replacement cost of the 6 buildings as at the date of valuation would be RMB91,300,000 (equivalent to approximately HK\$111,260,000) assuming relevant title documents have been obtained and they could be freely transferable in the open market.
5. Shanghai Sunrise Simcom Limited is an indirect wholly-owned subsidiary of the Company.
6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:—
 - (i) Shanghai Sunrise Simcom Limited has legally owned the land use rights and the building ownership rights of 2 buildings of the property.
 - (ii) Shanghai Sunrise Simcom Limited is entitled to occupy, use, mortgage and transfer the property.

- (iii) The land premium has been fully settled.
 - (iv) 2 buildings of the property is subject to a mortgage in favour of Bank of Communications Limited, Changning Branch for a drawdown term from 29 November 2011 to 10 November 2012 at a loan amount of RMB60,000,000.
7. The property was inspected by Mr. Kaka Li, China Real Estate Appraiser (CREA), on 23 August 2012.

VALUATION CERTIFICATES

Group II – Property interest held by the Group under development for sale in the PRC

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2012										
3. Chenxing Garden, No. 32 Shenbei Road, Shenbei New District, Shenyang City, Liaoning Province, the PRC	<p>The property comprises a parcel of land having a site area of approximately 85,141 sq.m.</p> <p>The property has been planned to be developed into a composite residential and commercial development. According to the Group, the proposed gross floor area of the property is as follows:</p> <table border="0" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Use</th> <th style="text-align: right;">Approximate Gross Floor Area (sq.m.)</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td style="text-align: right;">155,208.66</td> </tr> <tr> <td>Commercial</td> <td style="text-align: right;">12,162.91</td> </tr> <tr> <td>Basement</td> <td style="text-align: right; border-top: 1px solid black;">4,782.00</td> </tr> <tr> <td>Total:</td> <td style="text-align: right; border-top: 3px double black;">172,153.57</td> </tr> </tbody> </table>	Use	Approximate Gross Floor Area (sq.m.)	Residential	155,208.66	Commercial	12,162.91	Basement	4,782.00	Total:	172,153.57	<p>The property is currently under construction.</p>	<p>RMB272,000,000</p> <p>(equivalent to approximately HK\$331,500,000)</p> <p>Interest attributable to the Group</p> <p style="text-align: right;">60%</p> <p>Market Value in existing state attributable to the Group as at 31 July 2012</p> <p>RMB163,200,000</p> <p>(equivalent to approximately HK\$198,900,000)</p>
Use	Approximate Gross Floor Area (sq.m.)												
Residential	155,208.66												
Commercial	12,162.91												
Basement	4,782.00												
Total:	172,153.57												
	<p>According to the Group, the development is scheduled to be completed in the second half of 2015.</p> <p>The land use rights of the property were granted for terms expiring on 21 May 2060 and 21 May 2050 for residential and commercial uses respectively.</p>												

Notes:

1. Pursuant to the State-owned Land Use Rights Certificate (Document No.: Shen Bei Guo Yong (2011) No. 256), the land use rights of the property having a site area of approximately 85,141 sq.m. have been granted to Shenyang SIM Real Estate Limited for terms expiring on 21 May 2060 and 21 May 2050 for residential and commercial uses respectively.

2. Pursuant to the Planning Permit for Construction Land (Document No.: Di Zi No. 210113201000123) issued by Shenyang City Planning and Land Resources Bureau, Puhe Branch, the construction site of a parcel of land with a site area of approximately 85,141 sq.m. are in compliance with the urban and village planning requirements and are approved.
3. Pursuant to 2 Planning Permit for Construction Works (Document Nos. Jian Zi Nos. 210113201100034 and 2101132012000674) issued by Shenyang City Planning and Land Resources Bureau, Puhe Branch, the construction works of the property with a total gross floor area of 172,153.57 sq.m. are in compliance with the urban and village construction requirements and are approved.
4. Pursuant to the Permit for Commencement of Construction Works (Document No.: 210132201111210601), the construction works of portion of the property with a total gross floor area of approximately 63,119.48 are in compliance with the requirements for works commencement and are approved.
5. Pursuant to 2 Commodity Housing Pre-sale Permits (Document Nos.: Shen Fang Yu Shou No. 12009 and 12062) issued by Shenyang City Real Estate Administration Bureau, part of the property with a total gross floor area of 37,523.24 sq.m. are permitted for pre-sale.
6. According to the Group, the construction to complete the property is estimated to be approximately RMB400,000,000.
7. The capital value when completed of the proposed development is approximately RMB878,000,000.
8. Shenyang SIM Real Estate Limited is an indirect 60% – owned subsidiary of the Company.
9. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:–
 - (i) Shenyang SIM Real Estate Limited has legally owned the land use rights of the property and obtained the relevant permits issued by the government concerning the development of the property.
 - (ii) Shenyang SIM Real Estate Limited is entitled to occupy, use, mortgage and transfer the property.
 - (iii) The land premium has been fully settled.
 - (iv) The property is free from any mortgages, charges and third party encumbrance.
10. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Planning Permit for Construction Land	Yes
(iii)	Planning Permit for Construction Works	Yes
(iv)	Permit for Commencement of Construction Works	Yes (Portion)
(v)	Commodity Housing Pre-sales Permit	Yes (Portion)
11. The property was inspected by Mr. Kaka Li, China Real Estate Appraiser (CREA), on 21 August 2012.

VALUATION CERTIFICATES

Group III – Property interest held by the Group for owner occupation and investment in the PRC

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2012
4. Blocks 1 and 2, SIM Technology Building, No. 633 Jinzhong Road, Changning District, Shanghai City, the PRC	<p>The property comprises two 7-storey buildings completed in 2009.</p> <p>The property has a total gross floor area of approximately 37,250.92 sq.m.</p> <p>The land use rights of the property were granted for a term expiring on 9 April 2057 for research use.</p>	<p>Portion of the property having a total gross floor area of approximately 12,507.46 sq.m. is leased to various tenants for various terms at a total yearly rent of RMB15,083,843, with the last lease term expiring on 17 May 2022. The remaining portion of the property is occupied by the Group for office use.</p> <p>Upon our site inspection, the property was kept in a good condition.</p>	<p>RMB455,300,000</p> <p>(equivalent to approximately HK\$554,800,000)</p> <p>Interest attributable to the Group</p> <p style="text-align: right;">100%</p> <p>Market Value in existing state attributable to the Group as at 31 July 2012</p> <p>RMB455,300,000</p> <p>(equivalent to approximately HK\$554,800,000)</p>

Notes:

- Pursuant to a Shanghai Certificate of Real Estate Ownership (Document No.: Hu Fang Di Chang Zi (2010) No. 008177), the ownership right of SIM Technology Building is vested in Shanghai SIM Technology Limited. The details are as follows:

Shanghai Certificate of Real Estate Ownership	Use	Expiry Date	Site Area (sq.m.)	Gross Floor Area (sq.m.)
Hu Fang Di Chang Zi (2010) No. 008177	Research	9 April 2057	13,333	37,250.92

- Shanghai SIM Technology Limited is an indirect wholly-owned subsidiary of the Company.
- We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:–
 - (i) Shanghai SIM Technology Limited has legally owned the land use rights and the building ownership rights of the property.
 - (ii) Shanghai SIM Technology Limited is entitled to occupy, use, mortgage and transfer the property.
 - (iii) The land premium has been fully settled.

- (iv) Basement, Levels 1 and 2 of Block 1 of the property is subject to a mortgage in favour of China Merchants Bank Limited for a drawdown term from 30 March 2012 to 29 March 2015 at a loan amount of RMB60,000,000.
 - (v) Levels 3 and 4 of Block 1 of the property is subject to a mortgage in favour of China Construction Bank Limited for a drawdown term from 3 February 2012 to 2 February 2013 at a loan amount of RMB81,600,000.
4. The property was inspected by Mr. Kaka Li, China Real Estate Appraiser (CREA), on 23 August 2012.