INDEPENDENT ADVISER'S REPORT

Certification of Fairness and Reasonableness

In relation to the consideration offered in the Acquisition Notice to minority shareholders of Chow Group Limited dated 29 March 2016

CAMPBELL MACPHERSON LTD

CORPORATE ADVISORS

29 March 2016

STATEMENT OF INDEPENDENCE

Campbell MacPherson Limited confirms that it:

- has no conflict of interest that could affect its ability to provide an unbiased report; and,
- has no direct or indirect pecuniary or other interest in the proposed transaction considered in the report, including any success or contingency fee or remuneration, other than to receive the cash fee for providing this report.

Campbell MacPherson Limited has satisfied the Takeovers Panel, on the basis of the material provided to the Panel, that it is independent under the Takeovers Code for the purposes of preparing this report.

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GLOSSARY

Campbell MacPherson	Campbell MacPherson Limited
CGL, the Company	Chow Group Limited
CGML	CGML Limited
Code	The Takeovers Code
Colliers	Colliers International New Zealand Limited
Colliers Valuations	The draft independent market valuations of the Properties by Colliers undertaken in March 2016.
Consideration	1.1 cents per ordinary share in CGL
Contract for Services	The contract for services between CGL and CGML in relation to the provision of company secretarial and management services to CGL by CGML.
Convertible Notes	The Convertible Notes issued by CGL to VIG on 8 November 2014.
DCF	Discounted Cash Flow
Directors, the Board	The Directors of CGL
EBIT	Earnings before Interest and Tax
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EV	Enterprise Value
Holly Springs	Holly Springs Investments Limited
NAV	Net Asset Value
NPAT	Net Profit after Tax
NZAX	Alternative Board of NZX Limited
NZSX	Main Board of NZX Limited
NZX	NZX Limited
PAL	16 Park Avenue Limited
Properties	The two properties located at 10-14 Park Avenue, Otahuhu, Auckland and 16-20 Park Avenue, Otahuhu, Auckland.
Report	This Independent Adviser’s Report
RIS PTY	Retail Information Systems Pty Limited
Trusts	John Chow and Michael Chow (as trustees of The John Chow Investment Trust and The Michael Chow Investment Trust)
USG	USG Tech Solutions Limited
VIG	VIG Limited
VWAP	Volume Weighted Average Price

1. BACKGROUND AND SCOPE

1.1 Background

Chow Group Limited (**CGL** or the **Company**) is listed on the Alternative Board (**NZAX**) of NZX Limited (**NZX**). The Company has a current market capitalisation of $61.7 million (as at 18 March 2016) and unaudited net assets of approximately $7.8 million (as at 29 February 2016).

CGL (formerly RIS Group Limited) was the subject of a reverse takeover on 26 February 2016 whereby it acquired 100% of the shares in 16 Park Avenue Limited (**PAL**) for a purchase price of $7,599,000. PAL formed part of the Chow Group of companies (**Chow Group**). PAL is the owner of the Park Avenue Residence, an Auckland residential accommodation complex comprising two adjacent properties (the **Properties**) and an associated accommodation business located in Park Avenue, Otahuhu.

The purchase price for PAL was satisfied by CGL issuing 19,491,232,812 new ordinary shares to two trusts associated with brothers Ka-Yu (John) Chow and Ka-Ming (Michael) Chow (the **Trusts**). As a result of the reverse takeover the Trusts acquired a 94.93% interest in the voting securities of CGL and became the dominant owner of CGL.

We note that, subsequent to the reverse takeover, the Trusts have collectively sold down 1,296,483,332 shares in CGL. In addition, a further 1,597,537 new shares were issued by CGL on 15 March 2016 in satisfaction of the conversion of Convertible Notes held by VIG Limited. As a result of these transactions, and the recent 25 for 1 share consolidation, the Trusts currently hold 727,789,978 shares representing 88.4% of the voting securities on issue.

CGL is a Code company under the Takeovers Code (the **Code**). Pursuant to Rule 51 of the Code, the Trusts issued a Notice of Dominant Ownership on 26 February 2016. By virtue of becoming the dominant owner of CGL the Trusts are required under Rule 54 of the Code to issue an acquisition notice (the **Acquisition Notice**) to all other CGL shareholders offering them the opportunity to sell their shares to the Trusts. The latest date that the Acquisition Notice can be sent to CGL shareholders is 29 March 2016.

Pursuant to Rule 57(1) of the Code, the Acquisition Notice, in this case, must specify a cash sum as consideration for each security certified as fair and reasonable by an Independent Adviser. The Trusts have engaged Campbell MacPherson Limited (**Campbell MacPherson**) to act as Independent Adviser in respect of their obligations under Rule 57(1) the Takeovers Code.

We note that the circumstances of our Report are rare and somewhat counter-intuitive. In most cases dominant ownership arises from a takeover offer for a public company whereby the offeror is seeking to acquire 100% of the target company (and often results in the subsequently de-listing of the target company). In this case the Trusts have undertaken the reverse takeover of CGL in order to obtain a public listed vehicle for the assets of PAL and such future assets that the Company may acquire. The Trusts are therefore not seeking to enforce their right to compulsorily acquire the balance of the shares in CGL. However, the provisions of the Code still require them to make an offer to all other shareholders to acquire their shares.

1.2 Takeovers Code Requirements

The *Guidance Note on Independent Advisers and the Takeovers Code* dated September 2015 (the **Guidance Note**) issued by the Takeovers Panel includes the following guidance in respect of Independent Adviser Reports under Rule 57 of the Code.

> Rule 57 of the Code relates to cases of compulsory acquisition where a person (whether alone or acting jointly or in concert with one or more other persons) has

become a dominant owner (i.e., has become the holder or controller of 90% or more of the voting rights in a Code company) by means other than a takeover offer.

In such cases, the consideration specified in the acquisition notice under Rule 55 of the Code, for the purposes of a compulsory acquisition of the outstanding securities in the Code company must be a cash sum certified as fair and reasonable by an independent adviser.

For the purposes of Rule 57, the fair and reasonable value of an equity security must be calculated by:

(a) first assessing the value of all the equity securities in the class of equity securities of which the equity security forms part; and

(b) then allocating that value pro rata among all the securities of that class.

The Rule 57(1) Report should include a valuation of the Code company. This is important because outstanding security holders can object to the acquisition consideration. Accordingly, in order to exercise their objection rights in a considered manner, the outstanding security holders should have access to the financial analysis undertaken by the independent adviser.

In our view Rule 57 and the Guidance Note together provide a clear and unambiguous framework for determining the "fair and reasonable value" of the CGL shares that are the subject of the Acquisition Notice.

We note that the reduction in the Trusts' interests in CGL below 90% subsequent to the issue of the Notice of Dominant Ownership does not negate the requirement for the Acquisition Notice. The Trusts are obligated to purchase any shares sold by other shareholders pursuant to the Acquisition Notice.

1.3 Acquisition Notice

The Acquisition Notice dated 29 March 2016 issued by John Chow and Michael Chow as trustees of the Trusts offers $0.011 per share (i.e. 1.1 cents per share) in cash (the **Consideration**) for all 95,113,770 ordinary shares in CGL that the Trusts do not already hold or control).

1.4 Issue of this Report

The Trusts have engaged Campbell MacPherson to prepare an Independent Adviser's Report to certify that the cash consideration offered in the Acquisition Notice is fair and reasonable in accordance with Rule 57(1)(a) of the Code. Campbell MacPherson was approved by the Takeovers Panel on 21 March 2016 to prepare this Report.

Campbell MacPherson issues this Report to:

- John Chow and Michael Chow as trustees of the John Chow Investment Trust, and;
- John Chow and Michael Chow as trustees of the Michael Chow Investment Trust.

This Report is not required by the Code to accompany the Acquisition Notice that is sent to each CGL security holder. However, the Trusts must send a copy of it free of charge on request to any person (i.e. outstanding CGL security holders) within one day of the request (Rule 57(5)). A similar requirement applies if the consideration is referred to expert determination (Rule 57(6)).

The sources of information that Campbell MacPherson has had access to and relied upon in relation to the preparation of this Report are set out in Appendix I. This Report is provided to the Trusts subject to the statements set out in Appendix I and Appendix II.

We note that Campbell MacPherson was recently engaged by RIS Group Limited (**RIS**) to prepare the Independent Adviser's Report dated 18 January 2016 for the RIS shareholders in relation to the reverse takeover by the Trusts (**RIS IAR**).

References to $ relate to New Zealand dollars unless otherwise specified. References to financial years (**FY**) means CGL's financial year ending 30 June. Summary information and tables may not add due to rounding.

2. VALUATION SUMMARY AND CERTIFICATION

2.1 Valuation Summary

As noted above, Rule 57 of the Code specifies that the fair and reasonable value of an equity security (in this case the ordinary shares of CGL) is to be calculated by assessing the value of all securities in that class in the relevant company and then pro-rating that value across those securities. The impact of this provision of the Code is that there is no minority discount to be attributed to the value of the CGL shares offered to be acquired under the Acquisition Notice.

As set out in Section 4, we have assessed the fair market equity value of 100% of CGL to be $9.03 million. Accordingly, we assess the value of each CGL share to be 1.1 cents per share.

CGL - Net Asset Valuation	
NZ$000	
Reported Net Assets (29 Feb 2016)	7,796
Adjustments	
Removal of Convertible Notes Liability	21
Net Property Valuation Gain	860
	881
Adjusted Net Asset Value	**8,677**
Premium over net assets (NZAX listing)	350
Assessed Equity Value of 100% of CGL	**9,027**
Shares outstanding (thousands)	822,904
Assessed value per share (cents)	**1.10**

2.2 Certification of Fairness and Reasonableness

The Trusts have specified that the cash sum Consideration in the Acquisition Notice is $0.011 per share

The Consideration offered is equal to our assessed valuation of CGL of 1.1 cents per share. Accordingly, we certify that, for the purposes of Rule 57 of the Code, the Consideration is fair and reasonable.

3. CHOW GROUP LIMITED – COMPANY PROFILE

3.1 Background and History

CGL was listed on the NZAX in June 2006 as Holly Springs Investments Limited (**Holly Springs**), an investment company. CGL has been the subject of two reverse takeovers, the first in 2009 in relation to the acquisition of 100% of the shares in Retail Information Systems Pty Limited (**RIS PTY**), an Australian based information technology company that provided EFTPOS terminal and payment system services. The Company subsequently changed its name to RIS Group Limited.

In December 2012, RIS Group Limited sold RIS PTY to USG Tech Solutions Limited (**USG**) for US$1.0 million. CGL received US$0.15 million in cash and US$0.85 million in USG shares and effectively became a listed shell company.

As outlined in Section 1, the second reverse takeover took place in February 2016 when RIS Group Limited acquired 100% of the shares in PAL for approximately $7.6 million. The Company issued approximately 19 billion shares to the vendors of PAL (i.e. the Trusts) at an issue price of 0.039 cents per CGL share in consideration for the acquisition. RIS Group Limited subsequently changed its name to Chow Group Limited and undertook a 25 for 1 share consolidation on 7 March 2016.

PAL is now a 100% owned subsidiary of CGL. PAL is the owner of the Park Avenue Residence, an Auckland based short-stay and long-stay residential accommodation complex comprising two adjacent properties and an associated accommodation business.

3.2 Park Avenue Limited

Background

PAL was incorporated on 12 March 2012 as a commercial property investment company. During 2014, PAL purchased two adjacent Otahuhu properties, 10-14 Park Avenue and 16-20 Park Avenue (the **Properties**).

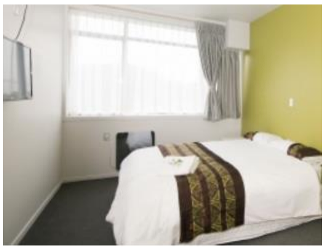
These commercial properties, previously tenanted by the IRD, have been recently refurbished into a 132 room residential accommodation complex known as the Park Avenue Residence.

Summary of the Properties

We note that the Capital Valuation of both 10-14 Park Avenue and 16–20 Park Avenue have been reassessed as a result of the issue of the Code of Compliance for both sites subsequent to Colliers' initial valuation in May 2015, which was used in the RIS IAR.

A brief overview of the Properties is set out below.

10-14 Park Avenue, Otahuhu, Auckland	
Location	10 – 14 Park Avenue, Otahuhu, Auckland
Zoning	Mixed use
Description	▪ A two story building constructed in the 1970s. ▪ The entire interior fit-out has been replaced as part of a recent renovation, whereby the property has been converted into a 45 room accommodation complex with communal kitchen, dining room and bathroom amenities. Laundry facilities are located in the adjacent building (16-20 Park Avenue). ▪ Each room has an average size of 14m^2 and has been furnished with a bed, table and chairs, microwave, kettle, fridge and TV.
Tenancy Profile	Long-stay and short-stay tenancies.
Site Area	857m^2
Floor Area	1,004m^2
Capital Valuation	$3,100,000 (as at 1st July 2014)


16-20 Park Avenue, Otahuhu, Auckland	
Location	16 – 20 Park Avenue, Otahuhu, Auckland
Zoning	Mixed use
Description	▪ A four story commercial building constructed in the 1970s. ▪ The entire interior fit-out has been replaced as part of a renovation, whereby the property has been converted into an 87 room accommodation complex with individual ensuites and communal kitchen/dining room and laundry amenities. ▪ Each room has an average size of 14m^2 and has been furnished with a bed, table and chairs, microwave, kettle, fridge and TV.
Tenancy Profile	Long-stay and short-stay tenancies.
Site Area	931m^2
Floor Area	3,203.04m^2
Capital Valuation	$6,000,000 (as at 1st July 2014)



Source: Colliers Valuations

Business Strategy & Operations

The Park Avenue Residence is owned by CGL and managed by CGML. It provides budget short-stay and long-stay accommodation in the growing South Auckland region. The accommodation can be compared to a basic hotel room and rooms are marketed on Trade-Me and other web-based accommodation platforms.

The development of the Park Avenue Residence has benefited from a lower-cost construction approach using two existing former office blocks which have been completely re-fitted. Current room rates as noted by Colliers in its March 2016 valuations (**Colliers Valuations**) are:

Monday – Thursday	$119 per night
Friday – Sunday	$129 per night
Weekly	$343 per week - couples
Weekly	$250 per week - single

The rates are highly competitive when compared with typical budget hotel rates and demand has been strong since the first accommodation block opened in July, 2015.

The ability to blend short-term and long-term accommodation provides flexibility to maximise returns when demand is high, through maximising short-stays. Current and recent customers have included a range of professionals and other persons including doctors and nurses working at Middlemore Hospital, as well as a mix of WINZ-funded tenants. All long-term tenants are fully vetted prior to their stay including security checks, references and other relevant information.

Local competition includes a small number of traditional boarding houses in the Otahuhu area, largely already tenanted. A new accommodation complex (ASTRO Residence) has recently opened directly opposite the Park Avenue Residence. ASTRO Residence provides competition in the form of approximately 30 units for short-term and long-term accommodation.

Whilst CGL has not indicated any plans to replicate the Park Avenue Residence, it would appear that, based on the initial performance to date, this business model may also work well elsewhere in Auckland.

Park Avenue Trading Statistics

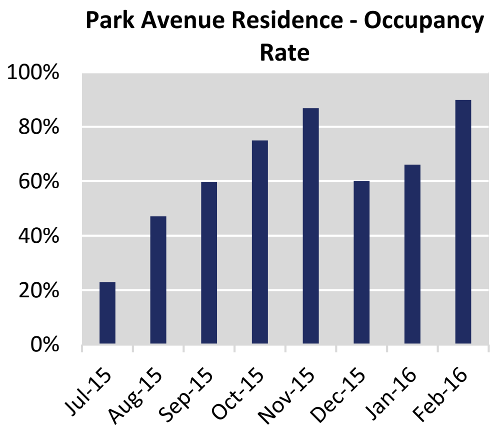
PAL commenced trading in July 2015 following the renovation of the 16 – 20 Park Avenue property. PAL’s occupancy rate exhibited stable growth over the following five month period, reaching 87% occupancy as at 30 November 2015.

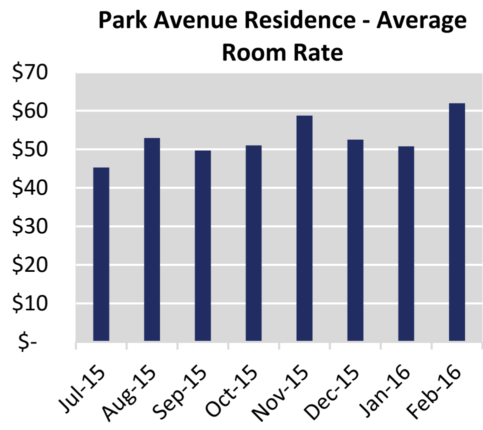
PAL’s second property (10-14 Park Avenue) was opened during December 2015, resulting in a significant increase in the number of rooms available at the Park Avenue Residence. This additional capacity led to a short-term drop in the Company’s overall occupancy rate. However, PAL’s additional rooms were quickly tenanted, with the total occupancy rate for the Park Avenue Residence increasing to 90% by February 2016.

PAL’s current occupancy rate is slightly above that assumed in the Company’s prospective financial performance (87%), which is set out in Section 3.10.

The Park Avenue Residence has achieved an average room rate of approximately $53 per night (per occupied room) over the 8 month period ending 29 February 2016. This is above the average room rate assumed in the Company’s prospective financial performance ($45 per night).

Recent trading statistics for the Park Avenue Residence are summarised below:





Source: CGL

3.3 Contract for Services

Following the acquisition of PAL, the Company has entered into a Contract for Services with CGML under which CGML is providing secretarial and management services to CGL.

Key of terms of the Contract for Services include:

- **Term**: 5 years commencing 26 February 2016 (or such shorter period as determined by CGL).
- **Termination Rights**: The Contract for Services may be terminated by CGL at any time without penalty by giving one month's written notice to the Manager.
- **Management Fees**: An annual management fee will be payable based on CGML's existing hourly charge out rates (plus GST). The management fee is capped at $150,000 (plus GST) per annum.
- **Management Services**: CGML will provide a range of management services to CGL, including, but not limited to, property management / administration services, tax and accounting services, recruitment assistance, payroll management and record keeping.

3.4 New Zealand Hotel Accommodation Sector

Whilst there is little information available on the long-stay boarding accommodation market, key trends in short-stay accommodation are outlined below.

New Zealand Overview[1]

The New Zealand hotel and tourism sector continued its strong run during 2015, with many regions throughout the country setting new highs in occupancy levels as well as undergoing record growth in room rates and revenue per available room (**RevPAR**).

New Zealand has now reached three million international visitors for the first time, with annual international visitor arrivals reaching 3.02 million in the year ending August 2015, up 7.8% compared to the same period in 2014.

In the short/medium-term, further increases in inbound visitation numbers are likely with the added benefit of a lower New Zealand dollar and New Zealand's growing reputation as a safe holiday destination. This is supported by recent research by the Ministry of Business, Innovation and Employment (MBIE), which has forecast that annual international visitation numbers will reach 3.8 million by 2021.

[1] Source: Colliers International – NZ Hotel Market – October 2015

The supply of accommodation in key markets remains heavily constrained. Auckland and Queenstown in particular are both suffering from a critical shortage of guest rooms over peak visitation periods. This trend looks set to continue with no new hotels currently under construction in these regions and minimal new supply throughout the entire country.

Constrained supply, combined with increasing demand, is having a positive impact on key performance metrics. Auckland has continued its strong performance over recent months with RevPAR growth of 12.6% for the year ending September 2015, with Wellington and Christchurch both recording RevPAR growth of 8% over the same period. Overall, performance metrics in all key markets are likely to remain strong over the short/medium-term given the strong levels of demand and low levels of new supply. Campbell MacPherson expects that this level of strong demand will underpin new hotel construction contracts and commercial building conversion into accommodation in key markets.

Colliers believe that the investment market is in the first stages of the next transaction cycle. In the first nine months of 2015, hotel transactions exceeded $200 million, up by 500% over the same period in 2014. This has been highlighted by the record sale price achieved for the Novotel Ibis Auckland Ellerslie Hotel, the largest hotel to be sold in New Zealand since the Hilton Auckland in 2012. Market commentators are anticipating further significant sales.

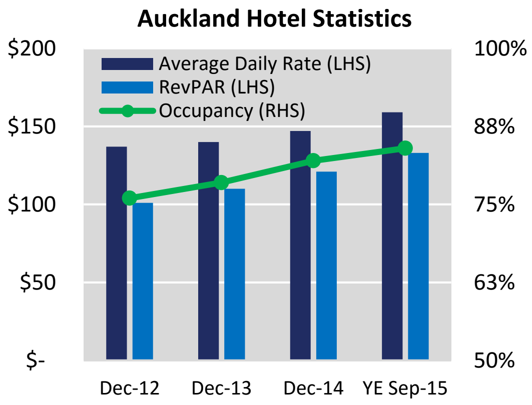
Sale prices for existing hotels in recent months confirms an emerging view that there is a 'repricing' occurring in the marketplace. The significant improvement in bottom-line profitability and compressing investment yields is now resulting in record hotel values, particularly in New Zealand's main cities.

Auckland Overview[2]

Key features of the Auckland hotel sector include:

- Occupancy rates reached a record high of 83.5% for the year ending September 2015, the highest occupancy rate observed across New Zealand's five major cities. This represents an increase of 1.6% compared to the 82.2% occupancy recorded for the 2014 calendar year.
- With market occupancy at record highs, average daily rates have improved significantly.
- Strong improvements in occupancy and average daily rates have resulted in RevPAR increasing for the year ending September 2015, up 9.6% since the end of 2014.

Waterfront Auckland's request for expressions of interest in the Wynyard Quarter Development included a 5 star 220-270 room hotel opposite the Viaduct Events Centre. Recently Sky City and Central Government have agreed terms for funding and construction of the International Convention Centre to be built in Auckland which is expected to help improve occupancy rates in the winter and shoulder seasons. Work has begun on the conversion of the Reserve Bank building in the CBD into a 5 star 130 room hotel owned by the CP Group.



Source: Colliers International – NZ Hotel Market – October 2015

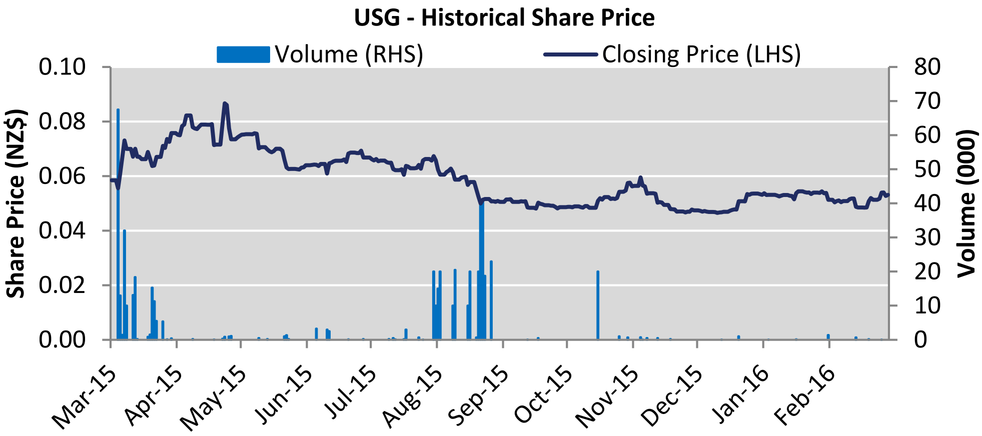
[2] Source: Colliers International – NZ Hotel Market – October 2015

3.5 USG Tech Solutions

CGL has an 8.8% shareholding in USG, an Indian-based company which develops payment processing and loyalty systems for large retailers, corporates and financial services companies. USG is listed on the Bombay Stock Exchange with a market capitalisation of approximately NZ$2.09 million (as at 18 March 2016).

Trading of USG shares has been relatively thin over the 12 month period to 18 March 2016, with the traded volume of shares representing only 1.3% of the total number of shares on issue (i.e. only 0.5 million shares have traded over the past 12 months, less than the number of shares held by CGL).

The lack of liquidity in USG shares represents a key risk to CGL in relation to its ability to realise the market value of its USG investment. We understand that CGL is currently considering its options in relation to the sale of its USG shares, however, no decisions have been made at this stage.



Source: Capital IQ

3.6 Board of Directors

The current directors of CGL are:

John (Ka-yu) Chow - Chairman

John Chow is an Auckland-based businessman with considerable expertise in commercial and residential property investment and development. John co-founded the Chow Group in 1999, which now has extensive property interests in Wellington, Auckland and Rotorua, as well as the Exodus gym and adult entertainment businesses in both Auckland and Wellington. CGML (a company associated with the Chow Group) reportedly manages a property portfolio in excess of $200 million. John Chow is a graduate of Victoria University of Wellington where he obtained a Bachelor of Science in Computer Science.

Michael (Ka-ming) Chow - Director

Michael Chow is a Wellington-based businessman with considerable expertise in commercial and residential property investment and development. Michael co-founded the Chow Group in 1999, which now has extensive property interests in Wellington, Auckland and Rotorua, as well as the Exodus gym and adult entertainment businesses in both Auckland and Wellington. CGML (a company associated with the Chow Group) reportedly manages a property portfolio in excess of $200 million. Michael Chow is a graduate of Victoria University of Wellington where he obtained a Business Degree.

Brent King - Director

Brent King is an Auckland based Investment Banker who has over 30 years of experience in public markets, finance and investments. He has served on a number of public and private company Boards and is currently a New Zealand public company director on the boards of Australasian Food Corporation Limited and Mykco Limited.

Mr King has advised on a number of high profile listings and capital raisings in New Zealand. He holds a degree from Canterbury University (BCom) and is a Chartered Accountant (C.A.) and a registered financial adviser (R.F.A.).

Mr King was the founder and Managing Director of Dorchester Pacific Limited for 17 years before resigning in December 2005. Mr King has also served on the Boards of other New Zealand public companies, comprising Finzsoft Solutions Limited, 42 Below Limited and Charlies Limited.

Clint Webber - Director

Clint Webber has almost 20 years' experience in the banking and finance industry, including director roles at ANZ Bank New Zealand Limited (where he specialised in property and construction finance and property investment lending) and Lloyds Banking Group (where he specialised in loan recoveries). More recently, Mr Webber established his own finance house, Webber Capital Limited, and in October 2015 cofounded Inno Capital Management Limited with John and Michael Chow.

3.7 Current Ownership & Capital Structure

CGL Shareholding

Following the completion of a 25 for 1 share consolidation, CGL now has 822,903,748 ordinary shares on issue, held by over 1,800 shareholders. All shares have equal voting rights and there are currently no other equity securities on issue.

As a result of the reverse takeover of CGL in February 2016, the Trusts collectively acquired a 94.9% shareholding in CGL. The Trusts have subsequently reduced their collective shareholding in CGL to 88.4% through a series of off-market transactions. These transactions form part of the Trusts' long-term plan to reduce their shareholding in CGL to meet the shareholder spread requirements for a NZX Main Board company.

CGL's top ten shareholders as at 18 March 2016 are listed below.

CGL - Top 10 Shareholders (as at 18 March 2016)		
	# Shares	**%**
The Michael Chow Investment Trust	364,478,656	44.3%
The John Chow Investment Trust	363,311,322	44.1%
High Street Nominees No 7 Limited	7,400,000	0.9%
Snowdon Peak Investments Limited	7,000,000	0.9%
Ra Compusoft Private Limited	5,000,000	0.6%
Ideaqu Pte. Limited	4,400,000	0.5%
Advanced Retail Technologies Limited	3,600,000	0.4%
Qijun Zhu	2,790,000	0.3%
Lup Yen Chow	2,520,000	0.3%
Hung Yee Chow	2,400,000	0.3%
Other	60,003,770	7.3%
Total	**822,903,748**	**100%**

Convertible Notes

In November 2014, CGL issued 100,000 convertible notes to VIG Limited (**VIG**), raising $100,000 (**Convertible Notes**).

On 16 March 2016, CGL announced that all remaining Convertible Notes held by VIG had been converted into ordinary CGL shares on previously agreed terms. As at the date of this Report, there were no further Convertible Notes outstanding.

3.8 Historical Financial Information

A summary of CGL's financial results for the 11 month period ending 29 February 2016, based on unaudited management accounts, is set out below. CGL's financial results prior to the acquisition of PAL reflect the Company's status as a list shell with no material operating assets or revenue, and have therefore not been reported.

Financial Performance

CGL - Summary Financial Performance	
NZ$000	**Unaudited 11 months[1] Feb-16**
Operating Revenue	
Rental income	902
Other income	51
Unrealised gain in value of investment properties	8,104
	9,057
Operating Expenses	
Operational expenses	(386)
Impairment of assets available for sale	(49)
CGML management fee	(55)
PAL transaction costs	(550)
Directors fees	-
Compliance costs	-
	(1,040)
Operating profit before finance costs	**8,017**
Finance expense	(233)
Profit / (loss) before taxation	**7,784**
Tax expense	(96)
Total comprehensive income	**7,688**

Notes

1. The Company's YTD performance reflects 11 months of trading for PAL (31 March financial year) and 8 months of trading for CGL - the parent company (30 June financial year).

The Park Avenue Residence commenced trading in July 2015 with the opening of 16-20 Park Avenue, followed by the opening of 10-14 Park Avenue in December 2015.

CGL's rental revenue of $0.9 million for the reported period reflects a partial year of trading for the Park Avenue Residence. CGL has also recorded an $8.1 million unrealised gain in the value of its investment properties, which reflects the accounting treatment of the PAL acquisition.

CGL's total comprehensive income of $7.7 million primarily comprises the unrealised (non-cash) valuation gain associated with its investment properties.

Financial Position

CGL - Summary Financial Position	
	Unaudited
NZ$000	**Feb-16**
Current Assets	
Cash and equivalents	644
Trade debtors	8
	651
Non-current assets	
Investment properties	14,650
Assets available for sale	162
Deferred tax asset	(1)
	14,811
Current liabilities	
Trade creditors	117
Related party payables	190
	307
Non-current liabilities	
Borrowings	7,346
Other Payables	13
	7,359
Net assets	**7,796**

As at 29 February 2016, CGL had net assets of approximately $7.8 million. The Company's assets largely comprise the two Otahuhu properties associated with the Park Avenue Residence and cash reserves of $0.6 million.

Following the completion of the acquisition of PAL, CGL refinanced its debt facilities with the ANZ Bank. The Company now has term debt of approximately $7.3 million, representing a gearing ratio of 50% relative to the market value of the Properties as at 29 February 2016.

In line with the latest Colliers Valuations, the value of the Properties has increased subsequent to the preparation of CGL's 29 February 2016 management accounts.

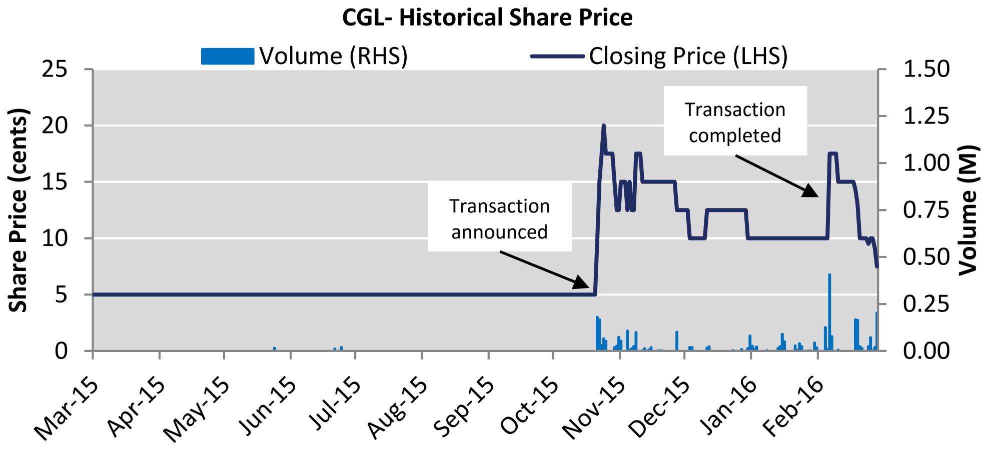
3.9 Share Price History

CGL's share price as at 18 March 2016 was 7.5 cents per share (after the completion of the recent share consolidation), representing a market capitalisation of approximately $61.1 million. We note that CGL's share price and market capitalisation do not currently align with the Company's projected financial performance or asset base (i.e. net assets of $7.8 million as at 29 February 2016). As explained in Section 4.2, we do not consider that the use of market share price data provides a strong basis for determining the equity value of CGL.

Trading of CGL shares has been sporadic with very limited liquidity. The traded volume of CGL shares over the 12 month period to 18 March 2016 (after allowing for the recent share consolidation) represents less than 1% of the total number of shares currently on issue. The traded volume of CGL shares has increased since the completion of the acquisition of PAL, but remains limited.

The Trusts have recently reduced their collective shareholding in CGL to 88.4% through a series of off-market transactions. The weighted average price of these trades was 3.3 cents per share (on a post share consolidation basis).

CGL's share price (adjusted for the recent share consolidation) for the 12 month period ending 18 March 2016 is set out below.



Source: Capital IQ

3.10 Prospective Financial Information

A summary of CGL's unaudited prospective financial results for the two year period ending 30 June 2017 is set out below.

CGL - Prospective Financial Performance		
NZ$000	**Unaudited Jun-16**	**Unaudited Jun-17**
Operating Revenue		
Rental income	1,397	1,899
Other income	26	25
Unrealised gain in value of investment properties	8,964	390
	10,387	2,314
Operating Expenses		
Operational expenses	(348)	(396)
Impairment of assets available for sale	(49)	-
CGML management fee	(95)	(150)
PAL transaction costs	(550)	-
Directors fees	(70)	(70)
Compliance costs	(100)	(100)
	(1,212)	(716)
Operating profit before finance costs	**9,175**	**1,598**
Finance expense	(383)	(358)
Profit / (loss) before taxation	**8,792**	**1,240**
Tax expense	(119)	(238)
Total comprehensive income	**8,673**	**1,002**

CGL - Prospective Financial Position		
NZ$000	**Unaudited Jun-16**	**Unaudited Jun-17**
Current Assets		
Cash and equivalents	271	885
Trade debtors	23	23
	294	908
Non-current assets		
Investment properties	15,510	15,900
Assets available for sale	162	162
	15,672	16,062
Current liabilities		
Trade creditors	30	33
	30	33
Non-current liabilities		
Borrowings	7,325	7,325
	7,325	7,325
Net assets	**8,611**	**9,612**

CGL - Prospective Cash Flows		
NZ$000	**Unaudited Jun-16**	**Unaudited Jun-17**
Cash flow from operating activities	638	614
Cash flow from investing activities	-	-
Cash flow from financing activities	(433)	-
Net increase / (decrease) in cash	**205**	**614**

Key assumptions underpinning the prospective financial statements for CGL to 30 June 2017 are summarised below.

General assumptions

- An effective transaction date of 1 February 2016 for the acquisition of PAL.
- Transaction costs of $0.55 million (incurred during FY16).
- External compliance costs of $100,000 per annum (including NZAX costs of $25,000 per annum).
- An unrealised property valuation gain of $8.96 million in FY16 (based on the recent Colliers Valuation dated March 2016) and a further 2.5% valuation gain in FY17.

Trading assumptions

- The 16 – 20 Park Avenue property begins trading in July 2015.
- The 10 – 14 Park Avenue property begins trading in December 2015.
- An average occupancy rate of 87% for both properties (following a suitable ramp-up period).
- An average occupied room rate of $45 per night for both properties.
- Other income of $25,000 per annum (generated from cell tower rent received).

- CGML management fees of $95,000 in FY16 and $150,000 in FY17 (the maximum allowed under the Contract for Services).

Financing assumptions

- Interest on intercompany balances charged at IRD prescribed rates.
- All related party balances between PAL and CGML are settled as at 30 June 2016.
- PAL refinances with an external bank on 1 February 2016 (total drawdown equal to 50% of the market value of the Properties at the time of the PAL transaction.
- Bank debt financed on interest only terms until at least the end of FY17.
- External financing costs of BKBM (2.9%) plus an agreed margin %
- VIG converts its remaining Convertible Notes to ordinary CGL shares following the completion of the Proposed Transaction.

Tax assumptions

- Income tax expense of 28%.

Commentary

FY17 represents the first full year of operations of the Park Avenue Residence. CGL anticipates earning annual rental income of approximately $1.4 million in FY16 and $1.9 million in FY17.

Operating profits are expected from FY16 onwards. However, FY16 profitability is negatively impacted by one-off costs of $550,000 relating to the acquisition of PAL and $49,000 relating to the impairment of CGL's investment in USG. CGL's profitability is positively impacted by an unrealised gain in the value of the Properties. Excluding these non-operating costs/revenues, the prospective financial information indicates EBIT of $810,000 in FY16, increasing to $1,208,000 in FY17.

Cash flow from operations is expected to be similar in FY16 and FY17 at $638,000 in FY16 and $614,000 in FY17.

Based on the prospective financial information summarised above, CGL anticipates having net assets of approximately $8.6 million at the end of FY16, increasing to $9.6 million by the end of FY17. The anticipated increase primarily relates to higher retained earnings together with the unrealised gain on the Properties. Borrowings (including bank debt) are projected to remain unchanged at $7.3 million in each financial year.

We note that CGL has not included any dividend payments in its projected financial information.

4. VALUATION OF CHOW GROUP LIMITED

4.1 Basis of Valuation

Campbell MacPherson considers that the most appropriate valuation approach is to assess the underlying value of CGL on the basis of fair market value. Fair market value is defined as:

"The price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, both acting at arm's length."

A range of valuation methodologies can be applied to determine fair market value, including:

- Discounted cash flow.
- Capitalisation of earnings / dividends.
- Net asset value / liquidation value.

Each of these valuation methodologies is applicable in different circumstances. The appropriate methodology is determined by a number of factors including the future prospects of the business, the availability of information, the stage of development of the business and the valuation practice or benchmark usually adopted by purchasers of the type of business involved.

A brief summary of potential valuation methodologies is outlined below.

Discounted Cash Flow Methodology

The Discounted Cash Flow (**DCF**) methodology estimates the value of a company based on the net present value (**NPV**) of its future free cash flows, recognising the time value of money and company specific risk factors. The DCF methodology requires a detailed, long-range cash flow forecast for the business, together with an assessment of the cost of capital or "discount rate" that should be applied to determine the NPV of those cash flows.

The DCF methodology is usually calculated in a two-stage process, which combines the NPV of expected future free cash flows over an explicit forecast period and a terminal value representing the NPV of free cash flows beyond that period. Valuations derived using the DCF methodology are often highly sensitive to the cost of capital used and the terminal value.

Capitalisation of Earnings Methodology

The capitalisation of earnings methodology is an adaptation of the DCF methodology. It requires an assessment of the future maintainable earnings of the business and the selection of a capitalisation rate (or earnings multiple) appropriate for that particular business. This methodology is based on the principle that comparable companies engaged in similar business activities will have similar operating and financial risks and returns, and can therefore be valued using a similar multiple of earnings.

The advantage of the capitalisation of earnings methodology over the DCF methodology is that earnings multiples can often be directly observed in the market. A multiple is often applied to earnings before interest, tax, depreciation and amortisation (**EBITDA**) or earnings before interest and tax (**EBIT**) in order to determine the enterprise value of the business. The capitalisation of earnings methodology is generally most appropriate for established companies with stable earnings.

Comparable multiples are generally derived using two key sources of information:

- Earnings multiples based on recent transactions involving comparable companies.
- Earnings multiples based on the current share price of comparable listed companies.

Multiples derived from comparable transactions are often the most relevant when determining the fair market value of 100% a company. However, this data is often confidential and can be difficult to obtain due to its commercial sensitivity. Earnings multiples calculated using the current share price of comparable listed companies are generally easier to obtain, but are typically less relevant as issues of liquidity and the implicit minority discount must be taken into consideration.

Capitalisation of Dividends Methodology

The capitalisation of dividends method is similar to the capitalisation of earnings approach and is generally used to value minority equity shareholdings. This method involves a direct determination of the equity value of a company using an assessment of its future maintainable dividends. The future maintainable dividends are capitalised using an appropriate dividend yield to determine the equity value per share. This method is often used in situations where minority share parcels of stable dividend paying companies are being valued.

Asset-based Methodologies

Asset based methodologies are often used for asset holding companies (e.g. property investment companies) or in circumstances where the assets of a company may have a market value independent of the profitability of the company that owns them.

Asset based methodologies include:

- Net assets on a going concern basis.
- Orderly realisation of assets.
- Liquidation of assets.

A valuation based the market value of a company’s net assets on a going concern basis will exclude any asset disposal / realisation costs.

A valuation based on an orderly realisation of assets is normally restricted to instances where the investor holds sufficient control to effect a sale of the assets and/or there is some indication that an orderly realisation is contemplated. Asset disposal / realisation costs are deducted from the value of the company’s net assets under this methodology.

Net asset value (**NAV**) is a useful benchmark for property investment companies because each property is generally independently valued (i.e. marked to market) on an annual basis as part of the annual financial audit process.

4.2 Valuation Approach

Taking into account the available information on CGL, we consider that it is appropriate to assess the value of CGL using the net assets on a going concern basis methodology. We note that, CGL has engaged Colliers International to independently value the Properties as at 31 March 2016 as part of its year-end accounting process, and draft valuation reports from Colliers have been provided to Campbell MacPherson.

In order to determine the fair market value of 100% of CGL's net assets, we have reviewed the Company's unaudited management accounts as at 29 February 2016 and considered a range of factors including:

- Whether any adjustments to the book value of CGL's net assets are required to reflect:
  - The market value of the Properties as at 31 March 2016 (as determined by Colliers).
  - A change in the value of CGL's investment in USG.
- Whether it is appropriate to apply a premium (or a discount) to CGL's NAV to reflect:
  - CGL's status as a listed property investment company.
  - The impact of CGL's cost structure on the value of CGL.
  - The value ascribed to CGL's NZAX listing.

Campbell MacPherson has also reviewed CGL's traded share price. However, given the lack of liquidity, extreme price volatility and the apparent disconnect between the traded share price and the underlying NAV, we do not consider that the use of market data (e.g. CGL's VWAP) provides a strong basis for determining the equity value of CGL.

4.3 CGL Net Asset Value (Book Value)

As summarised in Section 3.8, CGL had unaudited net assets of approximately $7.8 million as at 29 February 2016, equivalent to 1.05 cents per share. This comprised total assets of approximately $15.5 million and total liabilities of approximately $7.7 million.

A summary of CGL's unaudited balance sheet as at 29 February 2016 is set out below.

CGL - Summary Financial Position	
NZ$000	**Unaudited Feb-16**
Current Assets	651
Non-current Assets	14,811
Total Assets	**15,462**
Current Liabilities	307
Non-current Liabilities	7,359
Total Liabilities	**7,666**
Net Assets	**7,796**

Investment Properties

The book value of the Properties as at 29 February 2016 was based on an independent market valuation undertaken by Colliers in May 2015. Given this valuation was undertaken prior to PAL commencing trading, Colliers included an allowance for reduced occupancy during the first six months of trading, which resulted in a lower valuation than if PAL had commenced trading and had a track record of achieving its occupancy targets.

As set out below, the Properties have been subsequently revalued by Colliers as at 31 March 2016 to reflect CGL's current trading statistics. Campbell MacPherson has used the updated Colliers Valuations for the purposes of assessing CGL's net asset value.

USG Investment

CGL has an 8.8% shareholding in USG, an Indian domiciled company which develops payment processing software products. USG is listed on the Bombay Stock Exchange with a market capitalisation of approximately NZ$2.09 million (as at 18 March 2016).

The Directors of CGL estimated the market value of the Company's investment in USG to be approximately $162,000 as 31 December 2015. This value was determined by reference to the quoted price of USG shares as at 31 December 2015.

On the basis that USG's share price has been relatively stable since 31 December 2015, we have made no adjustment to the value of CGL's investment in USG for the purposes of assessing CGL's net asset value.

4.4 CGL Adjusted Net Asset Value (Market Value)

Market Value of the Properties

CGL has engaged Colliers to undertake independent market valuations of the two Properties as at 31 March 2016, draft copies of which have been provided to Campbell MacPherson (**Colliers Valuations**).

As summarised below, Colliers has assessed the current market value of the Properties to be **$15.51 million.**

10-14 Park Avenue - Valuation Summary	
Assumptions	
Occupancy rate	93%
% of long-stay residents	100%
Rental rate ($ p/w)	275
Results	**NZ$000**
Annual income (net of GST)	584
Annual expenses	(183)
Net income	401
Capitalisation rate	8.00%
Current Market Value (rounded)	**5,010**

Source: Draft Colliers Valuation - March 2016

16-20 Park Avenue - Valuation Summary	
Assumptions	
Occupancy rate	90%
% of long-stay residents	100%
Rental rate ($ p/w)	300
Results	**NZ$000**
Annual income (net of GST)	1,189
Annual expenses	(356)
Net income	833
Capitalisation rate	8.00%
Capitalised Value	**10,410**
Present value of telecommunications revenue	85
Current Market Value (rounded)	**10,500**

Source: Draft Colliers Valuation - March 2016

Colliers previously valued the Properties in May 2015 on an "as if completed" basis at a total value of $14.65 million. The current valuation of $15.51 million represents an increase of 5.9% over the May 2015 valuation. This increase is mainly attributable to the removal of the "ramp-up period" discount applied by Colliers in their earlier valuation. A summary comparison is provided below.

Property Valuation Summary			
NZ$000	**May-15**	**Mar-16**	**% change**
10-14 Park Avenue	4,585	5,010	9.3%
16-20 Park Avenue	10,065	10,500	4.3%
Combined value	**14,650**	**15,510**	**5.9%**

Sources: Colliers Valuation May 2015 and Draft Colliers Valuation March 2016

Convertible Notes

On 16 March 2016, CGL announced that all remaining Convertible Notes held by VIG had been converted into ordinary CGL shares. CGL's Convertible Note liability of $21,446 as at 29 February 2016 has therefore been excluded from assessment of CGL's adjusted net asset value.

CGL Adjusted Net Asset Value - Summary

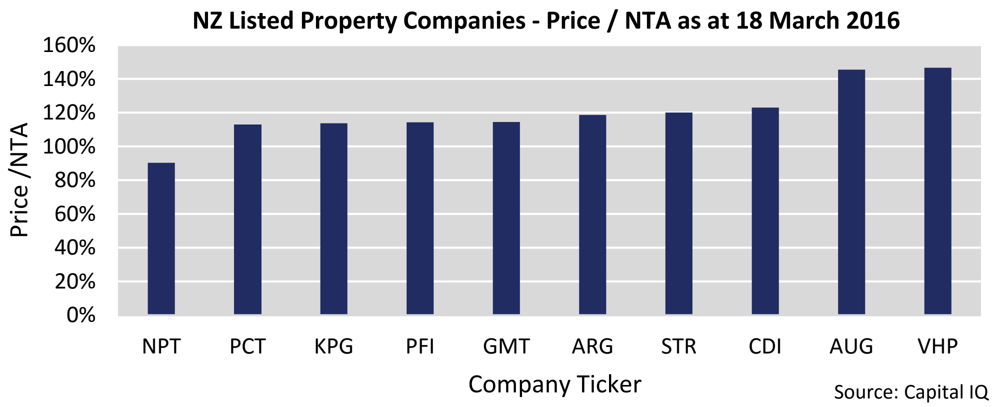
Based on the adjustments set out above, we have assessed CGL's adjusted net asset value to be $8.68 million.

CGL - Net Asset Valuation	
NZ$000	
Reported Net Assets (29 Feb 2016)	7,796
Adjustments	
Removal of Convertible Notes Liability	21
Net Property Valuation Gain	860
	881
Adjusted Net Asset Value	**8,677**

4.5 Premium / Discount to Adjusted Net Asset Value

As set out below, most of New Zealand's listed property companies trade at a premium to their net tangible asset value (**NTA**). Based on pricing data as at 18 March 2016, the average premium to NTA was approximately 20%. This premium is likely being driven by a number of factors including:

- Investor expectation of further property value increases (i.e. revaluation gains).
- The attractive dividend yields offered by listed property vehicles relative to current bank deposit rates in New Zealand.
- The value of a diversified property portfolio which reduces investment risk when compared to holding a single property.
- The economies of scale associated with large property investment companies.
- The time and cost of assembling a portfolio of property assets.
- Share liquidity.
- A proven track record of delivering shareholder returns.



Key factors we have considered in determining whether it is appropriate to apply premium (or a discount) to CGL's adjusted net asset value include:

- CGL's size relative to other listed property investment companies in New Zealand and the implicit risks associated with owning a single asset (i.e. the Park Avenue Residence).
- CGL's early stage of development and lack of an established track record as a listed entity.
- CGL's total cost structure relative to the costs associated with operating the Park Avenue Residence (as assumed in the Colliers Valuations).
- The value ascribed to CGL's NZAX listing and CGL's low share liquidity.
- CGL's lack of dividend payments in its prospective financial accounts.

CGL's Size and Risk Profile

CGL is at a very early stage of development, with only a single property asset (the Park Avenue Residence), no track record of delivering returns to shareholders, and no projected dividends for FY16 or FY17. In our view, CGL is likely to be significantly less attractive than other listed property companies in New Zealand and does not yet have the fundamental characteristics to support a market value which is significantly higher than NAV.

CGL's Cost Structure

We note that CGL has corporate costs in addition to those expenses directly related to operating the Park Avenue Residence. These costs essentially comprise the Management Agreement expense, director's fees and compliance costs (NZX fees, audit fees etc.), as per CGL's prospective financial statements.

In return for incurring these costs, we anticipate that the shareholders of CGL will expect to receive value in the form of future returns in excess of those solely generated by the Properties. The Disclosure Document issued by RIS in relation to the reverse takeover noted that:

- The transaction would provide the Company with access to John and Michael Chow's business experience and expertise in the commercial property market and would also provide the Company with a platform to seek further capital and expand its property portfolio.
- Going forward, the Company intends to acquire further properties.

We are also aware that, were CGL to be the subject of a takeover, there is a likelihood the maximum price paid for the company would largely be a function of the underlying asset value (i.e. the Properties) and any cost-saving synergies that could be achieved. The most obvious costs savings would potentially relate to the corporate costs discussed above.

Taking into account all of the above factors, we consider that the impact of CGL's corporate cost structure on the value of the Company is offset by the potential future value gains associated with CGL. Therefore, we have not made any adjustment to CGL's net asset value to reflect the Company's current cost structure.

The Value of CGL's NZAX Listing

Whilst intangible in nature, there is value inherent in CGL's listing on the NZAX. The value ascribed to a listing on the NZAX reflects the time, risk and costs potentially saved by a company undertaking a reverse-listing rather than undertaking a direct compliance listing or initial public offering (**IPO**). Major costs associated with a direct compliance listing would likely include legal and other advisory fees, share registry expenses, accounting fees, NZX fees, disclosure statements and/or an investment statement and prospectus.

Increased compliance requirements and costs placed on NZX issuers involved in reverse listings has, in our view, reduced the attractiveness of reverse listings over time, and therefore, the value of an existing listing on the NZAX. Furthermore, the launch of the NXT market by the NZX, which provides small and mid-sized businesses with a platform to raise capital and publically trade their shares, may further reduce the attractiveness of reverse listings. The NXT market has simplified listing rules and disclosure requirements, which should ultimately reduce the cost of listing a company.

The value ascribed to a public listing is typically immaterial relative to the total value of a company, and is therefore not usually valued separately. This value is often implicitly captured in the valuation multiple or discount rate applied to a company's earnings (in the case of the Capitalisation of Earnings and DCF methodologies). However, given CGL's relatively small asset base, we have valued CGL's listing on the NZAX separately. This is also consistent with the valuation of RIS prior to the reverse takeover as set out in the RIS IAR.

Based on our analysis of selected reverse listing transactions undertaken in New Zealand (including the reverse listing of PAL), we have assessed the value of CGL's listing on the NZAX to be approximately $0.35 million.

Assessed Premium / Discount to NAV

Taking into consideration the factors above, Campbell MacPherson has concluded that a premium of approximately $0.35 million should be added to CGL's adjusted net asset value to reflect the value of the Company's NZAX listing. This is equivalent to a 4% premium to CGL's adjusted net asset value.

4.6 Assessed Value of CGL

As summarised below, we have assessed the fair market equity value of 100% of CGL to be $9.03 million, or 1.1 cents per share.

CGL - Net Asset Valuation	
NZ$000	
Reported Net Assets (29 Feb 2016)	7,796
Adjustments	
Removal of Convertible Notes Liability	21
Net Property Valuation Gain	860
	881
Adjusted Net Asset Value	**8,677**
Premium over net assets (NZAX listing)	350
Assessed Equity Value of 100% of CGL	**9,027**
Shares outstanding (thousands)	822,904
Assessed value per share (cents)	**1.10**

APPENDIX I: SOURCES OF INFORMATION

I.a Sources of Information

The statements and opinions expressed in this Report are based on the following main sources of information:

- Draft independent market valuations of the Properties as at 31 March 2016, prepared by Colliers International.
- CGL's audited annual reports for the years ended 30 June 2012 through 30 June 2015.
- CGL's unaudited management accounts as at 29 February 2016.
- CGL's prospective financial information for the years ended 30 June 2016 through 30 June 2017.
- New Zealand Companies Office records.
- Various NZAX announcements by CGL.
- Capital IQ (share price and financial data).
- Correspondence and/or discussions with the Directors of CGL.
- Discussion with representatives of CGL and PAL (including a site visit to the Park Avenue properties).

During the course of preparing this Report, we have had discussions with and/or received information from the Trusts, CGL and their respective advisers.

John Chow and Michael Chow have confirmed that we have been provided for the purpose of this Report with all information relevant to the valuation of CGL that is known to them and that all the information is true and accurate in all material aspects and is not misleading by reason of omission or otherwise. Including this confirmation, we have obtained all the information that we believe is necessary for the purpose of preparing this Report.

I.b Reliance on Information

In preparing this Report we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by the Trusts, CGL and its advisers.

We have evaluated that information through analysis, enquiry and examination for the purposes of preparing this report but we have not verified the accuracy or completeness of any such information or conducted an appraisal of any assets. We have not carried out any form of due diligence or audit on the accounting or other records of CGL. We do not warrant that our enquiries would reveal any matter which an audit, due diligence review or extensive examination might disclose.

I.c Disclaimer

We have prepared this Report with care and diligence and the statements in the Report are given in good faith and in the belief, on reasonable grounds, that such statements are not false or misleading. However, in no way do we guarantee or otherwise warrant any forward-looking statements included in this Report.

We assume no responsibility arising in any way whatsoever for errors or omissions (including responsibility to any person for negligence) for the preparation of the Report to the extent that such errors or omissions result from our reasonable reliance on information provided by others or assumptions disclosed in the Report or assumptions reasonably taken as implicit.

Our evaluation has been arrived at based on economic, exchange rate, market and other conditions prevailing at the date of this Report. Such conditions may change significantly over relatively short periods of time. We have no obligation or undertaking to advise any person of any change in circumstances which comes to our attention after the date of this Report or to review, revise or update our Report.

I.d Indemnity

John Chow, Michael Chow and the Trusts have agreed that, to the extent permitted by law, they will indemnify Campbell MacPherson and its directors and employees in respect of any liability suffered or incurred as a result of or in connection with the preparation of the Report. This indemnity does not apply in respect of any negligence, wilful misconduct or breach of law.

John Chow, Michael Chow and the Trusts have also agreed to indemnify Campbell MacPherson and its directors and employees for time incurred and any costs in relation to any inquiry or proceeding initiated by any person. Where Campbell MacPherson or its directors and employees are found liable for or guilty of negligence, wilful misconduct or breach of law or terms of reference Campbell MacPherson shall reimburse such costs.

APPENDIX II: QUALIFICATIONS AND DECLARATIONS

II.a Qualifications

Campbell MacPherson is an Auckland based investment bank and corporate finance advisory firm. It advises on mergers and acquisitions, prepares independent expert's reports and provides valuation advice. The persons in the Company responsible for issuing this Report are Alistair Ward, Tony Haworth and Brad Caldwell.

Campbell MacPherson has experience in the independent investigation of transactions and issuing opinions on the merits and fairness of the terms and financial conditions of transactions.

II.b Independence

Campbell MacPherson does not have at the date of this Report, and has not had, any relationship with John Chow and Michael Chow that could affect our ability to provide an unbiased opinion in relation to the value of CGL. Campbell MacPherson has no conflict of interest that could affect its ability to provide an unbiased Report.

Campbell MacPherson will receive a fixed fee for the preparation of this Report. This fee is not contingent on the conclusions of this Report. We will receive no other benefit from the preparation of this Report.

II.c Declarations

Advance drafts of this Report were provided to John and Michael Chow for their comments as to factual accuracy as opposed to opinions, which are the sole responsibility of Campbell MacPherson. Changes made to the Report as a result of the circulation of the drafts have not changed the methodology or conclusions reached by Campbell MacPherson. Our terms of reference for this engagement did not contain any term which materially restricted the scope of this Report.