

The information set forth in this appendix does not form part of the accountants' report on the financial information of the Group for the three years ended December 31, 2012 prepared by Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set forth in Appendix I to this prospectus. For the purpose of this Appendix II, China Galaxy Securities Co., Ltd. is referred to as the "Company" and, together with its subsidiaries, the "Group".

The following unaudited pro forma financial information prepared in accordance with paragraph 29 of Chapter 4 of the Listing Rules is for illustrative purposes only, and is set out here to provide investors with further information about how the proposed Global Offering might have affected the consolidated net tangible assets of the Group attributable to the owners of the Company after completion of the Global Offering. Although reasonable care has been exercised in preparing the said information, prospective investors who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a true picture of the Group's financial position following the Global Offering or at any future dates.

(A) UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The following unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company have been prepared based on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at December 31, 2012 set out in the Accountants' Report, the text of which is included in Appendix I to this prospectus, and is adjusted as described below.

The following unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company have been prepared to illustrate the effect of the Global Offering on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at December 31, 2012 as if it had occurred on December 31, 2012.

The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company have been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2012 or any future dates.

	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at December 31, 2012	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per share	
	RMB' million (Note 1)			RMB' million (Note 2)	RMB' million (Note 3)
Based on offer price of HK\$4.99 for each Offer Share	16,843.8	5,765.6	22,609.4	3.01	3.76
Based on offer price of HK\$6.77 for each Offer Share	16,843.8	7,840.4	24,684.2	3.29	4.11

Notes:

- (1) The audited consolidated net tangible assets of the Group attributable to the owners of the Company as at December 31, 2012 is derived from the Accountants' Report set out in Appendix I to the prospectus, which is based on the audited consolidated net assets of the Group attributable to the owners of the Company at December 31, 2012 of approximately RMB17,429.9 million with an adjustment for goodwill and other intangible assets in an aggregate amount of approximately RMB586.1 million at December 31, 2012.

- (2) The estimated net proceeds from the Global Offering are based on the offer price of HK\$4.99 per share and HK\$6.77 per share after deduction of the underwriting fees and other related expenses payable by the Company, and do not take into account any shares which may be issued upon the exercise of the Over-allotment Option for the Global Offering.
- (3) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per share is calculated after the adjustments referred to in note (2) above and on the basis that 7,500,000,000 shares are issued and outstanding following the completion of the Global Offering and assuming that the Over-allotment Option for the Global Offering is not exercised.
- (4) The translation between Renminbi and Hong Kong dollar has been made at the rate of RMB0.80119 to HK\$1.00, PBOC rate prevailing on April 26, 2013. No representation is made that the Hong Kong dollar amounts have been, could have been or could be converted to Renminbi, or vice versa, at that rate or at any other rates or at all.
- (5) On January 25, 2013, the Shareholders approved a cash dividend (the “Special Dividend”), in respect of the period from January 1, 2013 to the last day of the month immediately prior to the completion of its Global Offering (the “Special Dividend Date”), to Shareholders on the Company’s register of members as of the Special Dividend Date in an amount equal to the audited net profit of the Company for the period from January 1, 2013 to the Special Dividend Date, after the required appropriations to the statutory reserve, the reserve for general risk and the transaction risk reserve. The amount of the Special Dividend will be determined based on the audited financial statements of the Company prepared in accordance with PRC GAAP and IFRS, whichever is lower.

The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company and the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per share have not taken into account the effect of the Special Dividend. If the Special Dividend has been accounted for, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company and the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per share would be reduced.

- (6) No adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company to reflect any trading results or other transactions which the Group entered into subsequent to December 31, 2012.

(B) REPORT FROM THE REPORTING ACCOUNTANTS ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of an accountants' report, prepared for the purpose of incorporation in this prospectus, received from the reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, in respect of the Group's unaudited pro forma financial information.

**ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF CHINA GALAXY SECURITIES CO., LTD.**

We report on the unaudited pro forma financial information of China Galaxy Securities Co., Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") (the "Unaudited Pro Forma Financial Information") set out in Part (A) of Appendix II to the Prospectus dated 9 May 2013 (the "Prospectus") in connection with the Global Offering, which has been prepared by the directors of the Company (the "Directors") for illustrative purposes only, to provide information about how the Global Offering might have affected the financial information of the Group presented, for inclusion in Appendix II to the Prospectus. The basis of preparation of the Unaudited Pro Forma Financial Information is set out in Part (A) of Appendix II to the Prospectus.

Respective responsibilities of the Directors and reporting accountants

It is the responsibility solely of the Directors to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion solely to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments, and discussing the Unaudited Pro Forma Financial Information with the Directors. This engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that

the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Our work has not been carried out in accordance with the auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) and, accordingly, should not be relied upon as if it has been carried out in accordance with those standards.

The Unaudited Pro Forma Financial Information is for illustrative purpose only, based on the judgments and assumptions of the Directors and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Group as at 31 December 2012 or any future dates.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
9 May 2013