

The information set forth in this appendix does not form part of the accountants' report on the historical financial information of the Group (the "Accountants' Report") from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set forth in Appendix I to this prospectus, and is included herein for information only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" and the "Accountants' Report" set forth in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED COMBINED NET TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted combined net tangible assets of the Group attributable to the equity holders of the Company has been prepared in accordance with paragraph 29 of Chapter 4 of the Listing Rules, which is set forth below to illustrate the effect of the Global Offering on the combined net tangible assets of the Group attributable to the equity holders of the Company as of 30 June 2013, as if it had taken place on 30 June 2013.

This unaudited pro forma statement of adjusted combined net tangible assets of the Group attributable to the equity holders of the Company has been prepared for illustrative purposes only and, due to its hypothetical nature, may not give a true picture of the combined net tangible assets (liabilities) of the Group attributable to the equity holders of the Company had the Global Offering been completed as of 30 June 2013 or at any future date. It is prepared based on the audited combined net tangible liabilities of the Group attributable to the equity holders of the Company as of 30 June 2013 as set forth in the Accountants' Report contained in Appendix I to this prospectus, and adjusted as described below.

	Audited combined net tangible liabilities of the Group attributable to the equity holders of the Company as of 30 June 2013	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted combined net tangible assets of the Group attributable to the equity holders of the Company	Unaudited pro forma adjusted combined net tangible assets of the Group attributable to the equity holders of the Company per Share
	RMB'000 (Note 1)	RMB'000 (Note 2)	RMB'000	RMB (Note 3)
Based on an Offer Price of HK\$5.88 per Share	(31,102)	857,471	826,369	1.03
Based on an Offer Price of HK\$7.38 per Share	(31,102)	1,086,514	1,055,412	1.31

Notes:

- (1) The audited combined net tangible liabilities of the Group attributable to the equity holders of the Company as of 30 June 2013 is extracted from the Accountants' Report set forth in Appendix I to this prospectus, which is based on the audited combined net assets of the Group attributable to the equity holders of the Company as of 30 June 2013 of approximately RMB285.1 million less the intangible assets of the Group as of 30 June 2013 of approximately RMB316.2 million.

- (2) The estimated net proceeds from the Global Offering are based on 200,907,000 Offer Shares of the indicative Offer Price of HK\$5.88 (equivalent to RMB4.66) and HK\$7.38 (equivalent to RMB5.84) per Offer Share, respectively after deduction of total estimated underwriting commissions and fees and other related expenses (excluding approximately RMB1.8 million listing expenses which has been accounted for up to 30 June 2013) payable by the Company, and does not take into account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or upon the exercise of options which may be granted under the Share Option Scheme or of any Shares which may be allotted and issued or repurchased by the Company under the general mandates for the allotment and issue or repurchase of Shares granted to the Directors.

For the purpose of the estimated net proceeds from the Global Offering, the amount denominated in Hong Kong dollars ("HK\$") has been converted in Renminbi ("RMB") at the rate of RMB1 to HK\$1.2630, as set out in "INFORMATION ABOUT THIS PROSPECTS AND THE GLOBAL OFFERING — CURRENCY TRANSLATIONS" to this prospectus. No representation is made that the HK\$ amounts have been, could have been or may be converted to RMB, or vice versa, at that rate or at all.

- (3) The unaudited pro forma adjusted combined net tangible assets of the Group attributable to the equity holders of the Company per Share is arrived at after the adjustments referred to in note 2 and on the assumption that 803,627,000 Shares (being the number of shares in issue as of date of this prospectus and those shares to be issued pursuant to the Global Offering) were in issue upon completion of the Global Offering. It takes no account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or upon the exercise of options which may be granted under the Share Option Scheme or of any Shares which may be allotted and issued or repurchased by the Company under the general mandates for the allotment and issue or repurchase of Shares granted to the Directors.
- (4) No adjustment has been made to the audited combined net tangible liabilities of the Group attributable to the equity holders of the Company as of 30 June 2013 to reflect any trading result or other transaction of the Group entered into subsequent to 30 June 2013.
- (5) Based on the property valuation reports as of 30 September 2013 as set forth in "Appendix III — Property Valuation Report", the property interests of the Group attributable to the equity holders of the Company had a revaluation surplus up to 30 September 2013 of approximately RMB36.3 million (please refer to "Financial information — Reconciliation of Appraised Property Values with Net Book Values" for more details), representing the excess of the market value of these properties over their book value to the extent attributable to equity holders of the Company. The unaudited pro forma adjusted combined net tangible assets of the Group attributable to the equity holders of the Company has not taken into account of the revaluation surplus of properties held for own use properties, nor will the Group incorporate the revaluation surplus in its future financial statements. If the revaluation surplus up to 30 September 2013 is to be incorporated in the Group's future financial statements, additional annual depreciation and amortisation of approximately RMB2.3 million would be charged as expenses in the combined statement of profit or loss and other comprehensive income.

B. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION



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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION**TO THE DIRECTORS OF PHOENIX HEALTHCARE GROUP CO. LTD**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Phoenix Healthcare Group Co. Ltd (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma statement of adjusted combined net tangible assets of the Group as at 30 June 2013 and related notes as set out on pages 1 to 2 of Appendix II to the prospectus issued by the Company dated 18 November 2013 (the "Prospectus"). The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described on pages 1 to 2 of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the Global Offering (as defined in the Prospectus) on the Group's financial position as at 30 June 2013 as if such event had taken place at 30 June 2013. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial information for the three years ended 31 December 2012 and the six months ended 30 June 2013, on which an accountant's report set out in Appendix I to the Prospectus has been published.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 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 ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion 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 pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2013 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong, November 18, 2013