

The information set forth below does not form part of the Accountants' Report from KPMG, Certified Public Accountants, Hong Kong, the reporting accountants, as set forth in Appendix I to this prospectus, and is included herein for illustrative purpose only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the financial information included in the Accountants' Report set forth in Appendix I to this prospectus.

(A) UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following statement of unaudited pro forma statement of adjusted net tangible assets of Hanhua Financial Holding Co., Ltd. (the "Company") and its subsidiaries (collectively the "Group") is prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and is set out below to illustrate the effect of the proposed offering by the Company of its shares (the "Global Offering") on the net tangible assets of the Group attributable to the shareholders of the Company as of October 31, 2013, as if the Global Offering had taken place on October 31, 2013.

The pro forma statement of adjusted net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as of October 31, 2013 or at any future date.

	Consolidated net tangible assets attributable to shareholders of the Company as of October 31, 2013	Estimated net proceeds from the Global Offering	Pro forma adjusted net tangible assets	Pro forma adjusted net tangible assets per share	
	RMB'000 Note (1)	RMB'000 Note (2)(5)	RMB'000 Note (3)	RMB Note (3)	HK\$ Note (6)
Based on an offer price of HK\$2.28 per share	4,760,788	1,673,117	6,433,905	1.46	1.84
Based on an offer price of HK\$2.88 per share	4,760,788	2,120,657	6,881,445	1.56	1.97

Notes:

- (1) The consolidated net tangible assets attributable to shareholders of the Company as of October 31, 2013 is based on the consolidated net assets attributable to the shareholders of the Company of RMB4,764.1 million as of October 31, 2013 after (i) deduction of intangible assets of RMB3.4 million; and (ii) adjusting the share of intangible assets attributable to non-controlling interests of RMB0.08 million.*
- (2) The estimated net proceeds from the Global Offering are based on the offer prices of HK\$2.28 and HK\$2.88 per share after deduction of the underwriting fees and other related expenses payable by the Company and does not take into account any shares which may be issued upon the exercise of the over-allotment option.*
- (3) The pro forma adjusted net tangible assets are arrived after the adjustments referred to in the preceding paragraphs and on the basis that 4,418,000,000 shares are expected to be in issue following the Global Offering and the respective offer prices of HK\$2.28 and HK\$2.88 per share, but do not take into account any shares which may be issued upon the exercise of the over-allotment option.*
- (4) No adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to October 31, 2013.*
- (5) The estimated net proceeds from the Global Offering are converted into Renminbi at the rate of RMB0.79226 to HK\$1.00, the exchange rate set by the PBOC prevailing on October 31, 2013. No representation is made that the Hong Kong dollar amounts have been, could have been or could be converted to Renminbi at that rate or at any other rate.*
- (6) The unaudited pro forma adjusted net tangible assets per share is translated into Hong Kong dollars at exchange rate of RMB0.79226 to HK\$1.00. No representation is made that the Renminbi amounts have been, could have been or may be converted to Hong Kong dollars at that rate or at any other rate.*

**(B) INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report received from the independent reporting accountants, KPMG, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this prospectus, in respect of the Group's unaudited pro forma financial information relating to the adjusted consolidated net tangible assets.



8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong

February 28, 2014

To the directors of Hanhua Financial Holding Co., Ltd.

We have completed our assurance engagement to report on the compilation of pro forma financial information of Hanhua Financial Holding Co., Ltd. (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible assets as at October 31, 2013 and related notes as set out in Part A of Appendix II to the prospectus dated February 28, 2014 (the "Prospectus") issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed offering of the ordinary shares of the Company (the "Global Offering") on the Group's financial position as at October 31, 2013 as if the Global Offering had taken place at October 31, 2013. As part of this process, information about the Group's financial position as at October 31, 2013 has been extracted by the Directors from the Group's historical financial statements included in the Accountants' Report as set out in Appendix I to the Prospectus.

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 Accountants' 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 (“HKSAE”) 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 accountants 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 purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical or forecast 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 events or transactions as at October 31, 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 accountants' judgement, having regard to the reporting accountants' 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.

Our procedures on the pro forma financial information have not been carried out in accordance with attestation standards or other standards and practices generally accepted in the United States of America, auditing standards of the Public Company Accounting Oversight Board (United States) or any overseas standards and accordingly should not be relied upon as if they had been carried out in accordance with those standards and practices.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described in the section headed "Use of Proceeds" in the Prospectus.

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.

KPMG

Certified Public Accountants