

The information sets out in this Appendix does not form part of the Accountants' Report from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set out in Appendix I to this prospectus, and is included herein for information only.

A. UNAUDITED PRO FORMA NET TANGIBLE ASSETS

The following unaudited pro forma statement of our net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules is for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on our net tangible assets as at June 30, 2009 as if it had been taken place on June 30, 2009.

The unaudited pro forma statement of net tangible assets have been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of our financial position as at June 30, 2009 or any future date following the Global Offering. It is prepared based on our consolidated net tangible assets attributable to our shareholders as at June 30, 2009 as set out in the Accountants' Report in Appendix I, and adjusted as described below. The unaudited pro forma statement of net tangible assets does not form part of the Accountants' Report as set out in Appendix I of this prospectus.

	Audited consolidated net tangible assets of the Group attributable to shareholders of the Company as at June 30, 2009 (note (1))	Estimated net proceeds from the Global Offering (note (2))	Unaudited pro forma adjusted net tangible assets	Unaudited pro forma adjusted net tangible assets per Share (notes (4), (6))	
	RMB in millions	RMB in millions	RMB in millions	RMB	HK\$
Based on an Offer Price of HK\$3.00 per Share.	8,762.0	2,368.8	11,130.8	0.74	0.84
Based on an Offer Price of HK\$4.00 per Share.	8,762.0	3,241.1	12,003.1	0.80	0.91

Notes:

- (1) The audited consolidated net tangible assets of the Group attributable to the shareholders of the Company as at June 30, 2009 is extracted from the Accountants' Report as set out in Appendix I to this Prospectus.
- (2) The estimated net proceeds from the Global Offering are based on 1,005,000,000 new Shares to be offered by us and 16,845,129 existing Shares to be offered by Ever Grace and on the indicative Offer Price of HK\$3.00 and HK\$4.00 per Share, respectively, after deduction of estimated related fees and expenses but excluding an incentive fee which may be payable to the Joint Bookrunners. If we decided to pay such additional incentive fee, the pro forma adjusted net tangible assets per Share will decrease.
- (3) As of September 30, 2009, the Group's properties held under property and equipment together with the underlying land use rights were revalued by CB Richard Ellis Limited, an independent property valuer, and the relevant property valuation report is set out in Appendix IV — Property Valuation Report to this Prospectus. There is no material revaluation surplus of the Group's properties held under property and equipment.

- (4) The unaudited pro forma adjusted net tangible assets per Share are determined after the adjustments as described in note 2 above and on the basis that 15,000,000,000 Shares are issued and outstanding as at June 30, 2009, and that options granted under the Pre-IPO Share Option Scheme and Share Option Scheme have not been exercised.
- (5) No adjustment has been made to reflect any trading results or other transaction of the Group entered into subsequent to June 30, 2009.
- (6) For the purpose of this unaudited pro forma adjusted net tangible assets statement, the balance stated in Renminbi are converted into Hong Kong dollars at the PBOC Rate of HK\$1.00 to RMB 0.88 prevailing on the Latest Practicable Date.

B. UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE

The following unaudited pro forma forecast earnings per Share prepared in accordance with Rule 4.29 of the Listing Rules is for the illustrative purpose only, and is set out here to illustrate the effect of the Global Offering as if it had taken place on January 1, 2009.

The unaudited pro forma forecast earnings per Share has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial results of the Group for the year ending December 31, 2009 or any future periods following the Global Offering.

	<u>RMB millions</u>	<u>HK\$ millions</u>
Net forecast consolidated profit attributable to the shareholders of the Company before revaluation of investment properties (notes (1), (4))	417	474
Revaluation increase on investment properties (net of deferred tax effect)	616	700
Net forecast consolidated profit attributable to the shareholders of the Company after revaluation of investment properties	1,033	1,174
	<u>Before revaluation of investment properties</u>	<u>After revaluation of investment properties</u>
Unaudited pro forma forecast earnings per share (notes (2), (3), (4))	RMB0.028 (HK\$0.032)	RMB0.069 (HK\$0.078)

Notes:

- (1) The forecast consolidated profit attributable to shareholders of the Company for the year ending December 31, 2009 is extracted from the section headed "Financial Information — Profit Forecast for the Year Ending December 31, 2009" in the Prospectus. The bases on which the above profit forecast for the year ending December 31, 2009 have been prepared are summarised in Appendix III to this Prospectus. Our Directors have prepared the forecast profit of the Group attributable to shareholders of the Company for the year ending December 31, 2009 based on the audited results of the Group for the six months ended June 30, 2009, the unaudited results based on management accounts of the Group for the remaining three months ended September 30, 2009 and the forecast of the results of the Group for the three months ending

December 31, 2009. The profit forecast has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by the Group as set out in Note 2 under Section II of the Accountants' Report, the text of which is set out in Appendix I to the Prospectus.

- (2) The unaudited pro forma forecast earnings per Share is calculated by dividing the forecast consolidated profit attributable to shareholders of the Company for the year ending December 31, 2009 by 15,000,000,000 Shares assumed to be issued and outstanding during the entire year, adjusted as if the Global Offering had occurred on January 1, 2009, but without taking into account any Shares which may be issued upon exercise of the Pre-IPO Share Option and Share Option Scheme.
- (3) On October 14, 2009, the Company has granted options to certain staff of the Group pursuant to the Pre-IPO Share Option Scheme. Assuming that all the options granted under the Pre-IPO Share Option Scheme had been exercised in full on January 1, 2009 and that 15,208,000,000 shares, comprising 15,000,000,000 Shares to be in issue immediately after the Global Offering and 208,000,000 Shares to be issued upon the exercise of all the options granted under the Pre-IPO Share Option Scheme, had been in issue throughout the year ending December 31, 2009, the pro forma diluted forecast earnings per Share for the year ending December 31, 2009 would be approximately RMB 0.027 (before revaluation of investment properties) and RMB 0.068 (after revaluation of investment properties). This calculation has been prepared on the assumption that we will not receive any proceeds from the exercise of any option under the Pre-IPO Share Option Scheme, without taking into account the impact of fair value of the Shares on computation of the number of potentially dilutive Shares, and without taking into account the impact of the fair value of the options under the Pre-IPO Shares Option Scheme on the profit forecast for the year ending December 31, 2009.
- (4) Forecast consolidated profit of the Group attributable to shareholders of the Company for the year ending December 31, 2009 and unaudited pro forma forecast earnings per Share are converted into Hong Kong dollars at the PBOC Rate of HK\$1 to RMB 0.88 prevailing on the Latest Practicable Date.

C. REPORT FROM THE REPORTING ACCOUNTANTS ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the reporting accountants, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong for the purpose of incorporation in this prospectus.



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

REPORT FROM ACCOUNTANTS ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF EVERGRANDE REAL ESTATE GROUP LIMITED

We report on the unaudited pro forma financial information of Evergrande Real Estate Group Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages II-1 to II-3 under the headings of "Unaudited Pro Forma Net Tangible Assets" and "Unaudited Pro Forma Forecast Earnings Per Share" (the "Unaudited Pro Forma Financial Information") in Appendix II of the Company's prospectus dated October 22, 2009 (the "Prospectus"), in connection with the proposed initial public offering of the shares of the Company. The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company, for illustrative purposes only, to provide information about how the proposed initial public offering might have affected the relevant financial information of the Group. The basis of preparation of the Unaudited Pro Forma Financial Information is set out on pages II-1 to II-3 of the Prospectus.

Respective Responsibilities of Directors of the Company and Reporting Accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and 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 rule 4.29(7) of the Listing Rules, on the Unaudited 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 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, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the audited consolidated net tangible assets of the Group attributable to shareholders of the Company as at June 30, 2009 with the Accountants’ Report as set out in Appendix I of the Prospectus, comparing the unaudited forecast consolidated profit of the Group attributable to shareholders of the Company for the year ending December 31, 2009 with the profit forecast as set out in the subsection headed “Profit Forecast for the Year Ending December 31, 2009” in the section headed “Financial Information” in the Prospectus, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company.

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 of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

Our work has not been carried out in accordance with 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 had been carried out in accordance with those standards and practices.

The Unaudited Pro Forma Financial Information is for illustrative purpose only, based on the judgements and assumptions of the directors of the Company, 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 adjusted net tangible assets of the Group as at June 30, 2009 or any future date, or
- the earnings per share of the Group for the year ending December 31, 2009 or any future periods.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company 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 Unaudited Pro Forma Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, October 22, 2009