

*The information set out in this appendix does not form part of the Accountant's Report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant 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 is an illustrative and pro forma statement of adjusted net tangible assets of the Group which has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Global Offering as if it had taken place on June 30, 2009. This pro forma financial information 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 at June 30, 2009 or at any future date.

	Audited consolidated net tangible assets of the Group attributable to equity holders of the Company as at June 30, 2009		Estimated net proceeds from the Global Offering	Unaudited adjusted net tangible assets	Pro forma adjusted net tangible assets per share	
	(RMB in thousands)				RMB	HK\$
Based on an Offer Price of HK\$2.00 per Share .....	1,930,012	1,483,000	3,413,012	0.57	0.65	
Based on an Offer Price of HK\$2.89 per Share .....	1,930,012	2,167,000	4,097,012	0.68	0.77	

#### Notes:

- (1) The audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at June 30, 2009 is extracted from the Accountant's Report as set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to the equity holders of the Company as at June 30, 2009 of RMB1,944,735,000 less intangible assets of RMB14,723,000.
- (2) The estimated net proceeds from the Global Offering are based on the Offer Price of HK\$2.00 and HK\$2.89 per Share, respectively, after deduction of estimated related fees and expenses. We may pay either or both of the Joint Bookrunners a discretionary incentive fee of up to 0.5% in the aggregate of the proceeds derived from the Offer Shares. If we decided to pay such discretionary incentive fee, the pro forma adjusted net tangible assets per Share will decrease.
- (3) 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 6,000,000,000 Shares are issued and outstanding during the entire year.
- (4) For the purpose of this unaudited pro forma statement of adjusted net tangible assets, the amounts stated in Renminbi are converted into Hong Kong dollars at the PBOC rate of HK\$1.00 to RMB0.8811 prevailing on the Latest Practicable Date.
- (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) As at August 31, 2009, the Group's properties held under property, plant and equipment and the corresponding land use rights were revalued by DTZ Debenham Tie Leung Limited, an independent property valuer, and the relevant property valuation report is set out in Appendix IV — Property Valuation to this prospectus. The net revaluation surplus, representing the excess of market value of the properties over their carrying value, has not been included in the Group's consolidated financial information as at June 30, 2009. The above adjustments do not take into account of such revaluation surplus. Had the properties been stated at such valuation, an additional depreciation and amortization of RMB21.8 million per annum in respect of the revaluation surplus, before income taxes, of the properties amounted to RMB661.6 million would be charged against the consolidated income statement.

**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 illustrative purposes 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 following the Global Offering.

	(RMB in millions)
Forecast consolidated net profit attributable to the equity holders of the Company (without considering the fair value gains, and the related deferred tax provision, on investment properties) . . . . .	Not less than 503.5
Forecast gross fair value gains on investment properties . . . . .	477.4
Less: Provision for deferred tax liabilities on fair value gains on investment properties . . . .	119.4
Forecast fair value gains on investment properties (net of deferred tax) . . . . .	358.0
Forecast consolidated net profit attributable to equity holders of the Company for the year ending December 31, 2009 <sup>(1)</sup> . . . . .	Not less than 861.5
Unaudited pro forma forecast earnings per Share <sup>(2)</sup>	
— Before fair value gains on investment properties . . . . .	RMB0.084
— After fair value gains on investment properties . . . . .	RMB0.144

*Notes:*

- (1) The forecast consolidated net profit attributable to equity holders 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 this prospectus. The bases and assumptions on which the above profit forecast for the year ending December 31, 2009 has been prepared are summarized in Appendix III to this prospectus. The Directors have prepared the forecast consolidated net profit attributable to equity holders of the Company for the year ending December 31, 2009 based on the audited consolidated results of the Group for the six months ended June 30, 2009, the unaudited management accounts for the two months ended August 31, 2009 and a forecast of the consolidated results of the Group for the remaining four months ending December 31, 2009. The 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 of the Accountant’s Report, the text of which is set out in Appendix I to this prospectus.
- (2) The unaudited pro forma forecast earnings per Share is calculated by dividing the forecast consolidated net profit attributable to equity holders of the Company for the year ending December 31, 2009 by 6,000,000,000 Shares assumed to be issued and outstanding during the entire year, as if the Global Offering had occurred on January 1, 2009.

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

*The following is the text of a report received from the reporting accountant, 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

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### ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF MINGFA GROUP (INTERNATIONAL) COMPANY LIMITED

We report on the unaudited pro forma financial information of Mingfa Group (International) Company Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) set out on pages II-1 to II-2 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 4 November 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-2 of this Prospectus.

#### Respective Responsibilities of Directors of the Company and the Reporting Accountant

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’ Report 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 assets of the Group attributable to equity holders of the Company as at 30 June 2009 with the accountant’s report as set out in Appendix I of the Prospectus, comparing the unaudited forecast consolidated net profit attributable to equity holders of the Company for the year ending 31 December 2009 with the profit forecast as set out 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 purposes only, based on the judgments 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 attributable to equity holders of the Company as at 30 June 2009 or any future date, or
- the earnings per share of the Group attributable to equity holders of the Company for the year ending 31 December 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, 4 November 2009