

The information sets out in this Appendix does not form part of the Accountants' Report prepared by Ernst & Young, 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 adjusted combined net tangible assets of the Group have been 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 combined net tangible assets as of 30 September 2009 as if it had taken place on 30 September 2009.

The unaudited pro forma adjusted combined net tangible assets have been prepared for illustrative purpose 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 30 September 2009 or any future date. It is prepared based on our combined net assets as of 30 September 2009 as set out in the Accountants' Report in Appendix I, and adjusted as described below. The unaudited pro forma adjusted combined net tangible assets does not form part of the Accountants' Reports as set out in Appendix I to this prospectus.

	Combined net tangible assets attributable to equity holders of the parent as of 30 September 2009	Estimated net proceeds from the Global Offering and the partial exercise of the Anti-Dilution Right by General Atlantic	Unaudited pro forma adjusted combined net tangible assets	Unaudited pro forma adjusted combined net tangible assets per Share	
	RMB'000 (Note 1)	RMB'000 (Note 2)	RMB'000 (Note 3)	RMB (Note 4)	HK\$ (Note 4)
Based on an offer price of HK\$9.54 per Share .	1,474,667	2,415,122	3,889,789	2.08	2.37
Based on an offer price of HK\$12.83 per Share	1,474,667	3,213,999	4,688,666	2.52	2.86

Notes:

1. The combined net tangible assets of the Group attributable to equity holders of the parent as of 30 September 2009 is extracted from the Accountants' Report as set out in Appendix I to this prospectus, which is based on the audited combined equity attributable to equity holders of the parent as of 30 September 2009 of RMB1,933,771,000 less intangible assets and goodwill as at 30 September 2009 of RMB258,612,000 and RMB200,492,000, respectively.
2. The estimated net proceeds from the Global Offering are based on estimated offer prices of HK\$9.54 and HK\$12.83 per Share, respectively, after deduction of the underwriting fees and other related expenses payable by the Company and takes no account of any Shares which may be issued upon the exercise of the Over-allotment Option or any Shares which may be issued upon the exercise of the Anti-Dilution Right or any Shares which may be issued upon the exercise of the options granted under the Share Option Scheme. The estimated net proceeds are translated at the exchange rate of RMB0.8794 to HK\$1.

3. Details of the valuations of the Group's properties as at 31 December 2009 are set out in "Appendix IV — Property Valuation". The revaluation surplus or deficit of properties included in buildings held for own use, construction in progress, land use rights and properties under development was not incorporated in the Group's combined financial statements for the nine months ended 30 September 2009. If the revaluation surplus was recorded in the Group's combined financial statements, the annual depreciation expense would increase by approximately RMB1.0 million.
4. The unaudited pro forma adjusted combined net tangible assets per Share is arrived at after adjustments referred to in the preceding paragraphs and on the basis that 1,866,492,795 Shares (assuming an Offer Price of HK\$9.54, being the lower end of the estimated Offer Price range) and 1,861,277,295 Shares (assuming an Offer Price of HK\$12.83, being the higher end of the estimated Offer Price range) are in issue assuming that the Global Offering has been completed on 30 September 2009, taking into account the partial exercise of General Atlantic's Anti-Dilution Right by investing US\$25 million to subscribe for new Shares in our Company but taking no account of any Shares which may be issued upon the exercise of the Over-allotment Option or any Shares which may be issued upon the exercise of the options which have been or may be granted under the Share Option Scheme. The unaudited pro forma adjusted net tangible assets per Share are translated at the exchange rate of RMB0.8794 to HK\$1.
5. No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2009.

B. UNAUDITED PRO FORMA ESTIMATED EARNINGS PER SHARE

The following unaudited pro forma estimated earnings per Share for the financial year ended 31 December 2009 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 1 January 2009. It has been prepared for illustrative purposes only and, because of its nature, it may not give a true picture of the financial results of the Group following the Global Offering.

	<u>For the year ended 31 December 2009</u>
Estimated combined net profit attributable to equity holders of the parent ⁽¹⁾⁽²⁾	not less than RMB452 million (equivalent to approximately HK\$514 million)
Unaudited pro forma estimated earnings per Share ⁽³⁾ . . .	not less than RMB0.242 (equivalent to approximately HK\$0.275)
Unaudited pro forma estimated earnings per Share ⁽⁴⁾ . . .	not less than RMB0.243 (equivalent to approximately HK\$0.276)

Notes:

- (1) The bases and assumptions on which the above profit estimate for the year ended 31 December 2009 has been prepared are summarised in Appendix III to this prospectus.
- (2) The estimated combined profit attributable to equity holders of the parent for the year ended 31 December 2009 prepared by our Directors is based on the audited combined results of our Group for the nine months ended 30 September 2009 and our Group's unaudited combined results for the two months ended 30 November 2009 and an estimate of the combined results of our Group for the remaining one month ended 31 December 2009 on the basis that the current group structure had been in existence throughout the whole financial year ended 31 December 2009. The estimate has been prepared on the basis of the accounting policies being consistent in all material aspects with those currently adopted by our Group as set out in the Accountants' Report in Appendix I to this prospectus.
- (3) The unaudited pro forma estimated earnings per Share is calculated by dividing the estimated combined profit attributable to equity holders of the parent for the year ended 31 December 2009 and a total of 1,866,492,795 Shares in issue, assuming that the Global Offering has been completed on 1 January 2009 and an Offer Price of HK\$9.54 per Share, being the lower end of the estimated Offer Price range (taking into account the partial exercise of General Atlantic's Anti-Dilution Right by investing US\$25 million to subscribe for new Shares in our Company but without taking into account the Over-allotment Option and Share Option Scheme).
- (4) The unaudited pro forma estimated earnings per Share is calculated by dividing the estimated combined profit attributable to equity holders of the parent for the year ended 31 December 2009 and a total of 1,861,277,295 Shares in issue, assuming that the Global Offering has been completed on 1 January 2009 and an Offer Price of HK\$12.83 per Share, being the higher end of the estimated Offer Price range (taking into account the partial exercise of General Atlantic's Anti-Dilution Right by investing US\$25 million to subscribe for new Shares in our Company but without taking into account the Over-allotment Option and Share Option Scheme).

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

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



18th Floor
Two International Finance Centre
8 Finance Street
Central, Hong Kong

16 March 2010

The Directors
Zhongsheng Group Holdings Limited
Morgan Stanley Asia Limited
UBS AG, Hong Kong Branch

Dear Sirs,

We report on the unaudited pro forma adjusted combined net tangible assets and unaudited pro forma estimated earnings per share (the “Unaudited Pro Forma Financial Information”) of Zhongsheng Group Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”), which have been prepared by the directors of the Company (the “Directors”) for illustrative purposes only, to provide information about how the global offering of 286,160,000 shares of HK\$0.0001 each in the capital of the Company might have affected the financial information presented, for inclusion in Appendix II to the prospectus of the Company dated 16 March 2010 (the “Prospectus”). The basis of preparation of the Unaudited Pro Forma Financial Information is set out in 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 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” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

It is our responsibility to form an opinion, as required by paragraph 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 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.

Our work did not constitute an audit or a review made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, and accordingly, we do not express any such audit or review assurance on the Unaudited Pro Forma 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 bases stated, that such bases are 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 paragraph 4.29(1) 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 had been carried out in accordance with those standards.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements 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 30 September 2009 or any future dates; or
- the estimated earnings per share of the Group for the year ended 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 on the bases stated;
- (b) such bases are 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 paragraph 4.29(1) of the Listing Rules.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong