

The following unaudited pro forma financial information prepared in accordance with paragraph 29 of Chapter 4 of the Listing Rules is for illustrative purpose only, and is set out herein to provide the prospective investors with further financial information about how the proposed listing might have affected (i) the net tangible assets of the Group after the completion of the Global Offering as if the Global Offering had taken place on March 31, 2011; and (ii) the forecast basic earnings per share of the Group for the year ending December 31, 2011 as if the Global Offering had taken place on January 1, 2011.

The accompanying unaudited pro forma financial information of the Group is based on currently available information along with a number of assumptions, estimates and uncertainties. As a result of these assumptions, estimates and uncertainties, the accompanying unaudited pro forma financial information of the Group does not purport to predict the Group's future financial position nor the future financial results.

Although reasonable care has been exercised in preparing the said information, prospective investors who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a true picture of the Group's financial position.

(A) Unaudited Pro Forma Adjusted Consolidated Net Tangible Assets

The unaudited pro forma adjusted consolidated net tangible assets of the Group has been prepared, on the basis set forth in the notes below, for the purpose of illustrating the effect of the Global Offering as if it had taken place on March 31, 2011. It has been prepared for illustrative purpose only and, because of its hypothetical nature, may not give a true and fair picture of the financial position of the Group as of March 31, 2011, after the completion of the Global Offering or at any future dates.

	Consolidated net tangible assets of the Group attributable to owners of the Company as of March 31, 2011 ⁽¹⁾	Estimated net proceeds from the Global Offering ⁽²⁾	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share ⁽³⁾	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share ⁽⁴⁾
	RMB'000	RMB'000	RMB'000	RMB	HK\$
Based on an Offer					
Price of HK\$2.30 per Share	644,217	530,005	1,174,222	0.59	0.70
Based on an Offer					
Price of HK\$3.24 per Share	644,217	758,014	1,402,231	0.70	0.83

(1) The consolidated net tangible assets of the Group attributable to owners of the Company as of March 31, 2011 are based on audited consolidated net assets of the Group attributable to owners of the Company as of March 31, 2011 of RMB645,999,000 as set out in Appendix I to this prospectus after deducting intangible assets of the Group of RMB1,782,000.

(2) The estimated net proceeds from the Global Offering are based on 300,000,000 shares to be issued under the Global Offering and the Offer Price of HK\$2.30 and HK\$3.24 per share, being the lower end and higher end of the stated Offer Price range, after deduction of the underwriting fees and other related expenses (excluding approximately RMB5.8 million listing-related expense which has been accounted for prior to March 31, 2011) payable by the Company in connection with the Global Offering. The estimated net proceeds from the Global Offering are converted from Hong Kong dollars into Renminbi at the rate of HK\$1.00 to RMB0.8423.

(3) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is calculated based on 2,000,000,000 shares in issue immediately following the completion of the Global Offering. No consideration has been given to any Shares which may be issued pursuant to the Share Option Scheme. By comparing the valuation of our property interest as set out in Appendix IV to this prospectus, the net valuation surplus is approximately RMB37.4 million as compared to the carrying

amounts of the Group's property interest as at July 31, 2011, which has not been included in the above consolidated net tangible assets of the Group attributable to owners of the Company. The valuation surplus of those property interests, which is stated at historical cost less accumulated depreciation or amortization, will not be incorporated in our consolidated financial statements. If the valuation surplus was to be included in the consolidated financial statements, an additional depreciation charge of approximately RMB1.0 million per annum would be incurred.

- (4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is converted into Hong Kong dollars at the rate of HK\$1.00 to RMB0.8423.

(B) Unaudited Pro Forma Forecast Basic Earnings per Share

The following unaudited pro forma forecast basic earnings per Share for the year ending December 31, 2011 has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of Global Offering as if it had taken place on January 1, 2011. The unaudited pro forma forecast basic 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 or for any future periods.

For the year ending December 31, 2011

Forecast of consolidated profit attributable to owners of the Company ⁽¹⁾⁽²⁾	not less than RMB287.2 million (equivalent to approximately HK\$341.0 million)
Unaudited pro forma forecast basic earnings per Share ⁽²⁾⁽³⁾	not less than RMB0.143 (equivalent to approximately HK\$0.170)

Notes:

- (1) The bases and assumptions on which the above profit forecast for the year ending December 31, 2011 has been prepared are summarized in Appendix III to this prospectus.
- (2) Solely for convenience, the forecast of consolidated profit attributable to owners of the Company and unaudited pro forma forecast basic earnings per Share are converted into Hong Kong dollars at the rate of HK\$1.00 to RMB0.8423. This should not be construed as a representation that the Renminbi amounts could actually be converted into Hong Kong dollar amounts at the rate indicated or at all.
- (3) The calculation of the unaudited pro forma forecast basic earnings per Share is based on the forecast of consolidated profit attributable to owners of our Company for the year ending December 31, 2011 assuming the Global Offering had been completed on January 1, 2011, and a total of 2,000,000,000 Shares were in issue and outstanding during the entire year.

(C) Accountants' Report on the Unaudited Pro Forma Financial Information

The following is the text of a report, received from the independent reporting accountants of the Company, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, prepared for inclusion in this prospectus, in respect of the Group's unaudited pro forma financial information.

Deloitte.
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ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF HONGGUO INTERNATIONAL HOLDINGS LIMITED

We report on the unaudited pro forma financial information of Hongguo International Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the global offering of 500,000,000 shares of USD 0.015 each in the Company, might have affected the financial information presented, for inclusion in part A and part B of Appendix II to the prospectus dated September 12, 2011 (the "Prospectus"). The basis of preparation of the unaudited pro forma financial information is set out on page II-1 and II-2 of Appendix II to 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 paragraph 29 of Chapter 4 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.

It is our responsibility to form an opinion, as required by paragraph 29(7) of Chapter 4 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 Hong Kong Institute of Certified Public Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the unaudited pro forma financial information with the directors of the Company. This engagement did not involve independent examination of any of the underlying 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 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 purpose of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 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 has been carried out in accordance with those standards.

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 future and may not be indicative of:

- the financial position of the Group as at March 31, 2011 or any future date; or
- the earnings per share of the Group for the year ending December 31, 2011 or any future period.

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 paragraph 29(1) of Chapter 4 of the Listing Rules.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

September 12, 2011