

The information set 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 IA and Appendix IB to this Prospectus, and is included in this Prospectus for information only.

The unaudited pro forma financial information should be read in conjunction with "Financial Information" and "Appendix IA — Accountants' Report of Inner Mongolia Yitai Coal Company Limited."

The following unaudited pro forma financial information prepared in accordance with Rule 4.29 of the Listing Rules is for illustrative purposes only, and is set out here to provide the investors with further information about (i) how the proposed Listing might have affected the net tangible assets of the Group as if the Global Offering had occurred on 31 December 2011; and (ii) how the proposed Listing might have affected the forecasts earnings per share of the Group for the year ending 31 December 2011 as if the Global Offering had taken place on 1 January 2011. 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 results and positions of the financial periods concerns.

A. UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted consolidated net tangible assets of the Group have been prepared to show the effect on the consolidated net tangible assets of the Group as of 31 December 2011 as if the Global Offering had occurred on 31 December 2011.

The unaudited pro forma adjusted consolidated net tangible assets of the Group have been prepared for illustrative purposes only and, because of their nature, they may not give a true picture of the financial position of the Group.

The following unaudited pro forma adjusted consolidated net tangible assets of the Group have been prepared based on the audited consolidated net assets of the Group as of 31 December 2011 as extracted from "Appendix IA — Accountants' Report of Inner Mongolia Yitai Coal Company Limited," and is adjusted as described below.

	Consolidated net tangible assets attributable to equity holders of the Company as of 31 December 2011 ⁽¹⁾	Estimated net proceeds from the Global Offering ⁽²⁾	Unaudited pro forma adjusted consolidated net tangible assets	Unaudited pro forma adjusted consolidated net tangible assets per share ⁽³⁾⁽⁴⁾	
	RMB '000	RMB '000	RMB '000	RMB	HK\$
Based on an Offer Price of HK\$43.00 per Share	16,998,169	5,273,161	22,271,330	13.69	16.86
Based on an Offer Price of HK\$53.00 per Share	16,998,169	6,594,017	23,592,186	14.50	17.86

(1) The consolidated net tangible assets amount attributable to equity holders of the Company as of 31 December 2011 were determined as follows:

	RMB'000
Audited consolidated net assets as set out in Appendix IA	18,783,380
Less: Minority interests	(1,767,744)
Consolidated net assets attributable to equity holders of the Company	17,015,636
Less: Intangible assets	(17,467)
Consolidated net tangible assets attributable to equity holders of the Company	<u>16,998,169</u>

(2) The estimated net proceeds from the Global Offering are based on an Offer Price of HK\$43.00 per Share or HK\$53.00 per Share after deduction of the underwriting fees and other related expenses payable by the Company and takes no account of any Share which may be issued upon exercise of the Over-allotment Option. The estimated net proceeds from the Global Offering are converted from HK dollars into Renminbi at the PBOC Rate prevailing on 20 June 2012 of RMB0.8120 to HK\$1.00.

- (3) The unaudited pro forma adjusted consolidated net tangible assets per share amount is determined after the adjustment as described above and on the basis that 1,626,667,000 shares (being the number of shares expected to be in issue immediately after completion of the Global Offering, without taking into account of any shares which may be issued upon the exercise of the Over-allotment Option) are issued and outstanding.
- (4) The translation of Renminbi into HK dollars has been made at the rate of RMB0.8120 to HK\$1.00, the PBOC Rate prevailing on 20 June 2012. No representation is made that the HK dollar amounts have been, could have been or could be converted to Renminbi, or vice versa, at that rate or at any other rates or at all.
- (5) The unaudited pro forma adjusted net tangible assets do not take into account the effect of the proposed acquisition of the Target Business Group. Details of the financial effect of these proposed acquisitions are set out in Appendix IIA to this Prospectus.
- (6) No adjustment has been made to reflect any trading result or other transaction of the Group entered into subsequent to 31 December 2011.

B. UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE

The following unaudited pro forma forecasts earnings per Share of the Group for the six months ending 30 June 2012 has been prepared in accordance with Rule 4.29 of the Listing Rules, on the basis of the notes set forth below, for the purpose of illustrating the effect of the Global Offering as if it had taken place on 1 January 2012. 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 results of the Group.

	<u>For the Six Months Ending 30 June 2012</u>
Unaudited forecasts consolidated profit attributable to equity holders of the Company ⁽¹⁾	not less than RMB3,095 million
Unaudited pro forma forecasts earnings per Share ⁽²⁾	RMB1.90 (equivalent to approximately HK\$2.34)

Notes:

- (1) The forecasts consolidated net profit attributable to equity holders of the Company for the six months ending 30 June 2012 is extracted from the paragraph headed "Profit Forecast For the Six Months Ending June 30, 2012" in the section headed "Financial Information." The bases on which the above Profit Forecast for the six months ending 30 June 2012 has been prepared are summarised in "Profit Forecast" on Appendix IV to this Prospectus.
- (2) The calculation of the unaudited pro forma forecasts earnings per Share is based on the forecasts consolidated profit attributable to equity holders of the Company for the six months ending 30 June 2012 and on the assumptions that the Company had been listed since 1 January 2012, a total of 1,626,667,000 Shares were in issue during the six months ending 30 June 2012 and the Over-allotment Option would not be exercised. The unaudited pro forma forecasts earnings per Share for the six months ending 30 June 2012 is converted into Hong Kong dollars at an exchange rate of HK\$1.00 to RMB0.8120, the prevailing rate quoted by the PBOC on 30 June 2012.

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

The following is the text of a letter, received from the independent reporting accountants of the Company, Ernst & Young, Certified Public Accountants, Hong Kong, prepared for inclusion in this Prospectus, in respect of the Group's unaudited pro forma financial information.



22nd Floor CITIC Tower
1 Tim Mei Avenue Central
Hong Kong

29 June 2012

The Directors
Inner Mongolia Yitai Coal Company
China International Capital Corporation Hong Kong Securities Limited
BOCI Asia Limited

Dear Sirs,

We report on the unaudited pro forma adjusted consolidated net tangible assets and unaudited pro forma forecasts earnings per share (the "Unaudited Pro Forma Financial Information") of Inner Mongolia Yitai Coal Company 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 might have affected the financial information presented, for inclusion in Appendix IIB to the Prospectus of the Company dated 29 June 2012 (the "Prospectus"). The basis of preparation of the Unaudited Pro forma Financial Information is set out in Appendix IIB to the Prospectus.

Respective Responsibilities of the Directors and the 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 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 judgments 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 of 31 December 2011 or any future date; or
- the forecasts earnings per share of the Group for the six months ending 30 June 2012 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