

*The information set forth in this appendix does not form part of the Accountants' Report prepared by the reporting accountants, KPMG, Certified Public Accountants, Hong Kong, as set forth in Appendix I to this prospectus, and is included herein for information only.*

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountants' Report set forth in Appendix I to this prospectus.

**(A) UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS**

The following statement of unaudited pro forma adjusted consolidated net tangible assets of the Group as at 31 May 2007 comprises the historical audited consolidated net tangible assets of the Group as at 31 May 2007, as shown in the Accountants' Report, the text of which is set out in Appendix I to this prospectus and the adjustments described below.

The unaudited pro forma adjusted consolidated net tangible assets have been prepared to show the effect on the audited consolidated net tangible assets of the Group as at 31 May 2007 as if the Placing had occurred on 31 May 2007.

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

Audited consolidated net tangible assets as at 31 May 2007 <sup>(1)</sup>	Estimated net proceeds from the Placing <sup>(2)</sup>	Unaudited pro forma adjusted consolidated net tangible assets	Unaudited pro forma adjusted consolidated net tangible assets per Share
HK\$'000	HK\$'000	HK\$'000	HK\$
<u>78,385</u>	<u>285,080</u>	<u>363,465</u>	<u>0.40</u>

Notes:

- (1) *The audited consolidated net tangible assets attributable to the Shareholders of the Company as of 31 May 2007 are extracted from the Accountants' Report set forth in Appendix I to this prospectus.*
- (2) *The estimated net proceeds from the Placing are based on the Placing Price, 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.*
- (3) *The unaudited pro forma adjusted consolidated net tangible assets per Share is arrived at after the adjustments referred to item 2 above and on the basis that 912,000,000 Shares are in issue.*

**(B) UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE**

The following unaudited pro forma forecast earnings per Share for the year ending 31 December 2007 has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Placing as if it had taken place on 1 January 2007. This unaudited pro forma forecast earnings per Share 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 Placing.

Forecast profit attributable to Shareholders <sup>(1)</sup> . . . . .	not less than HK\$54.8 million
Forecast profit attributable to the Shareholders (before the Pre-IPO Share Options expenses of approximately HK\$4.2 million) <sup>(1)</sup> . . . . .	not less than HK\$59.0 million
Forecast earnings per Share based on forecast profit attributable to the Shareholders	
(a) weighted average <sup>(2)</sup> . . . . .	not less than HK7.7 cents
(b) fully diluted <sup>(3)</sup> . . . . .	not less than HK5.6 cents
Forecast earnings per Share based on forecast profit attributable to the Shareholders (before the Pre-IPO Share Options expenses of approximately HK\$4.2 million)	
(a) weighted average <sup>(4)</sup> . . . . .	not less than HK8.3 cents
(b) fully diluted <sup>(5)</sup> . . . . .	not less than HK6.1 cents

**Notes:**

- The profit forecast for the year ending 31 December 2007 is based on the Group's audited consolidated results for the five months ended 31 May 2007, the unaudited consolidated results of the Group shown in the management accounts of the Group for the three months ended 31 August 2007 and a forecast of the consolidated results for the four months ending 31 December 2007. The bases and assumptions on which the above profit forecast has been prepared are set out in Appendix II.*
- The calculation of weighted average forecast earnings per Share is based on the forecast profit attributable to the Shareholders of approximately HK\$54.8 million for the year ending 31 December 2007 on the basis of the issued share capital of 708,673,973 Shares, being the weighted average number of Shares in issue during the year. The Shares to be issued under the Placing are assumed to be issued on 16 October 2007. This calculation assumes no exercise of the Over-allotment Option and the Pre-IPO Share Options and taking into no account of any Shares which may be issued upon the exercise of the options which may be granted under the Share Option Scheme.*
- The calculation of pro forma forecast earnings per Share is based on the forecast profit attributable to the Shareholders of approximately HK\$54.8 million for the year ending 31 December 2007 and assuming all the Pre-IPO Share Options granted were exercised in full during the year ending 31 December 2007 and that 972,000,000 Shares, comprising 912,000,000 Shares to be in issue immediately after the Placing and the Capitalisation Issue and 60,000,000 Shares to be issued by the exercise of all Pre-IPO Share Options, were deemed to have been in issue throughout the year ending 31 December 2007, but not taking into account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme.*
- The calculation of weighted average forecast earnings per Share is based on the forecast profit attributable to the Shareholders (before the Pre-IPO Share Options expenses of approximately HK\$4.2 million) of approximately HK\$59.0 million for the year ending 31 December 2007 on the basis of the issued share capital of 708,673,973 Shares, being the weighted average number of Shares in issue during the year. The Shares to be issued under the Placing are assumed to be issued on 16 October 2007. This calculation assumes no exercise of the Over-allotment Option and the Pre-IPO Share Options and taking into no account of any Shares which may be issued upon the exercise of the options which may be granted under the Share Option Scheme.*
- The calculation of pro forma forecast earnings per Share is based on the forecast profit attributable to the Shareholders (before the Pre-IPO Share Options expenses of approximately HK\$4.2 million) of approximately HK\$59.0 million for the year ending 31 December 2007 and assuming all the Pre-IPO Share Options granted were exercised in full during the year ending 31 December 2007 and that 972,000,000 Shares, comprising 912,000,000 Shares to be in issue immediately after the Placing and the Capitalisation Issue and 60,000,000 Shares to be issued by the exercise of all Pre-IPO Share Options, were deemed to have been in issue throughout the year ending 31 December 2007, but not taking into account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme.*

**(C) COMFORT LETTER ON UNAUDITED PRO FORMA FINANCIAL INFORMATION RELATING TO THE CONSOLIDATED ADJUSTED NET TANGIBLE ASSETS AND PRO FORMA FORECAST EARNINGS PER SHARE**

The following is the text of a report received from the reporting accountants of the Company, KPMG, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this prospectus, in respect of the unaudited pro forma financial information of the Group.



8th Floor  
Prince's Building  
10 Chater Road  
Central  
Hong Kong

11 October 2007

The Board of Directors  
International Elite Ltd.  
Daiwa Securities SMBC Hong Kong Limited

Dear Sirs

We report on the unaudited pro forma financial information (the "Unaudited Pro Forma Financial Information") of the Group set out in parts A and B of Appendix III to the prospectus dated 11 October 2007 (the "Prospectus"), which has been prepared by the directors of the Company solely for illustrative purposes to provide information about how the Placing might have affected the financial information presented. The basis of preparation of the Unaudited Pro Forma Financial Information is set out in parts A and B of Appendix III to the Prospectus.

**Responsibilities**

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with Paragraph 7.31 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM 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 ("HKICPA").

It is our responsibility to form an opinion, as required by Paragraph 7.31 of the GEM 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 work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements ("HKSIR") 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 of the Company. The engagement did not involve independent examination of any of the underlying financial information.

Our work did not constitute an audit or review made in accordance with Hong Kong Standards on Auditing or Hong Kong Standards on Review 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 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 paragraph 7.31(1) of the GEM Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of the Company, and because of its hypothetical nature, it 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 31 May 2007 or any future date; or
- the earnings per share of the Group for the year ending 31 December 2007 or any future periods.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described under "Use of Proceeds" in the section headed "Business Objectives and Strategies" set out in the Prospectus.

## 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 7.31(1) of the GEM Listing Rules.

Yours faithfully,

**KPMG**  
*Certified Public Accountants*  
Hong Kong, China