

A. UNAUDITED PRO FORMA STATEMENT OF NET TANGIBLE ASSETS

The following is an illustrative and unaudited pro forma statement of 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 30 June, 2006. This unaudited pro forma statement of net tangible assets 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 30 June, 2006 or at any future date.

	Audited combined net tangible assets of the Group attributable to the equity holders of the Company as at 30 June, 2006 <i>(Note 1)</i> RMB'000	Estimated net proceeds of the Global Offering <i>(Note 2)</i> RMB'000	Unaudited pro forma net tangible assets attributable to the equity holders of the Company RMB'000	Unaudited pro forma net tangible assets value per Share <i>(Note 3)</i> RMB	Unaudited pro forma net tangible assets value per Share <i>(Note 3)</i> <i>(Equivalent to HK\$)</i>
Based on an Offer Price of HK\$2.77 per share	<u>653,640</u>	<u>1,047,224</u>	<u>1,700,864</u>	<u>1.07</u>	<u>1.06</u>
Based on an Offer Price of HK\$3.95 per share	<u>653,640</u>	<u>1,509,444</u>	<u>2,163,084</u>	<u>1.36</u>	<u>1.35</u>

Notes:

- (1) The audited combined net tangible assets of the Group attributable to the equity holders of the Company as at 30 June, 2006 is extracted from the Accountants' Report set out in Appendix I to this prospectus.
- (2) The estimated net proceeds from the Global Offering are based on the respective Offer price of HK\$2.77 and HK\$3.95 per Share after deduction of the underwriting fees and other related expenses payable by the Company. The estimated net proceeds are converted into Renminbi at the rate of RMB1.007=HK\$1.00.
- (3) The unaudited pro forma net tangible assets value per Share is arrived at after the adjustments referred to in the preceding paragraph and on the basis that 1,596,000,000 Shares were in issue immediately following the completion of the Global Offering. The unaudited pro forma net tangible asset value per Share is converted into Hong Kong dollars at the rate of RMB1.007=HK\$1.00.
- (4) As at 31 October, 2006, the Group's land use rights and buildings interests 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. The net revaluation surplus, representing the excess of market value of the land use rights and buildings over their book value, is approximately RMB122,979,000. Such revaluation surplus has not been included in the Group's combined financial information as at 30 June, 2006 and will not be included in the Group's accounts for the year ending 31 December, 2006. The above adjustment does not take into account the above revaluation surplus. Had the land use rights and buildings been stated at such valuation, an additional depreciation of RMB7.9 million per annum would be charged against the combined income statement for the year ending 31 December, 2006.

The land use rights of the Group are accounted for as operating lease under Hong Kong Accounting Standard 17 "Leases" and are treated as prepaid lease payments. Hong Kong Accounting Standard 38 does not apply to land use rights. Accordingly, land use rights of approximately RMB66,441,000 as at 30 June, 2006 were not excluded for the preparation of unaudited pro forma statement of net tangible assets.

- (5) No adjustment has been made to reflect any trading result or other transaction of the Group entered into subsequent to 30 June, 2006.
- (6) The pro forma financial information is not prepared in accordance with Hong Kong Financial Reporting Standards.

B. UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE

The following is an illustrative and unaudited pro forma forecast earnings per share of the Group for the year ending 31 December, 2006 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 1 January, 2006. This 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 earnings per share of the Group for the year ending 31 December, 2006 or for any future period.

Forecast consolidated profit attributable to equity holders of the Company for the year ending 31 December, 2006 (<i>Note 1</i>)	Not less than RMB422.7 million (approximately HK\$419.8 million)
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Unaudited pro forma forecast earnings per Share (<i>Note 2</i>)	RMB0.265 (approximately HK\$0.263)
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Notes:

- (1) The forecast consolidated profit attributable to equity holders of the Company for the year ending 31 December, 2006 is extracted from the section headed "Financial Information — Profit Forecast" in the Prospectus. The bases and assumptions on which the above profit forecast for the year ending 31 December, 2006 has been prepared are summarized in Appendix III to this prospectus. The Directors of the Company have prepared the forecast consolidated profit attributable to equity holders of the Company for the year ending 31 December, 2006 based on the audited combined results of the Group for the six months ended 30 June, 2006, the unaudited combined results of the Group for the three months ended 30 September, 2006 and a forecast of the consolidated results of the Group for the remaining three months ending 31 December, 2006. 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 3 of Section II of the Accountants' Report, the text of which is set out in Appendix I to the Prospectus.
- (2) The unaudited pro forma forecast earnings per Share is calculated by dividing the forecast consolidated profit attributable to the equity holders of the Company for the year ending 31 December, 2006 by a total of 1,596,000,000 Shares (assuming that the Shares in issue at the date of this prospectus and those Shares to be issued pursuant to the Capitalisation Issue and the Global Offering had been in issue on 1 January, 2006).
- (3) The pro forma financial information has not been prepared in accordance with Hong Kong Financial Reporting Standards.

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

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, for the purpose of incorporation in this prospectus.



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22nd Floor, Prince's Building
Central, Hong Kong

REPORT FROM REPORTING ACCOUNTANTS ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF HAITIAN INTERNATIONAL HOLDINGS LIMITED

We report on the unaudited pro forma financial information of Haitian International Holdings 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 Statement of 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 11 December, 2006 in connection with the proposed initial public offering of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Prospectus”). 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 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 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’ Reports 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 combined net assets of the Group as at 30 June, 2006 with the accountants’ report as set out in Appendix I of the Prospectus, comparing the unaudited forecast consolidated profit attributable to equity holders of the Company for the year ending 31 December, 2006 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 purpose 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 30 June, 2006 or any future date; or
- the earnings per share of the Group for the year ending 31 December, 2006 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, 11 December, 2006