

The information set forth in this appendix does not form part of the Accountants' Report prepared by BDO Limited, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set forth in Appendix I to this prospectus, and is included herein for illustrative purposes 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 STATEMENT OF ADJUSTED COMBINED NET TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted combined net tangible assets of the Group prepared in accordance with paragraph 7.31 of the GEM 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 is for illustrative purpose only, and is set out herein to provide the prospective investors with further illustrative financial information about how the Placing might have affected the combined net tangible assets of the Group attributable to owners of the Company after the completion of the Placing as if the Placing had taken place on 31 March 2015. Because of its hypothetical nature, this unaudited pro forma statement of adjusted combined net tangible assets of the Group may not give a true picture of the financial position of the Group had the Placing been completed on 31 March 2015 or at any future dates.

	Combined net tangible assets of the Group attributable to owners of the Company as at 31 March 2015	Estimated net proceeds from the Placing	Unaudited pro forma adjusted combined net tangible assets of the Group attributable to owners of the Company	Unaudited pro forma adjusted combined net tangible assets per Share
	<i>HK\$'000</i> <i>(Note 1)</i>	<i>HK\$'000</i> <i>(Note 2)</i>	<i>HK\$'000</i>	<i>HK\$</i> <i>(Note 3)</i>
Based on Placing Price of HK\$0.30 per Placing Share	<u>59,895</u>	<u>29,903</u>	<u>89,798</u>	<u>0.15</u>

Notes:

1. The combined net tangible assets of the Group attributable to owners of the Company as at 31 March 2015 are based on audited combined net assets of the Group attributable to owners of the Company as at 31 March 2015 of HK\$59,895,000 as shown in the Accountants' Report set out in Appendix I to this prospectus.
2. The estimated net proceeds from the Placing are based on 150,000,000 Placing Shares and the Placing Price of HK\$0.30 per Placing Share after deduction of the underwriting fees and related expenses payable by the Company which has not been reflected in combined net tangible assets of the Group as at 31 March 2015. No account has been taken of any Shares which may be issued upon the exercise of any options that may be granted under the Share Option Scheme.
3. The unaudited pro forma adjusted combined net tangible assets per Share is calculated based on 600,000,000 Shares in issue immediately following the completion of the Placing and the Capitalisation Issue, but takes no account of any Shares which may be issued pursuant to the exercise of any options that may be granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchase of Shares referred to in Appendix V to this prospectus.

4. The unaudited pro forma adjusted combined net tangible assets of the Group attributable to owners of the Company and the unaudited pro forma adjusted combined net tangible assets per Share have not taken into account the interim dividends declared subsequent to 31 March 2015. In September 2015, the directors of certain subsidiaries declared interim dividends amounting to HK\$15,000,000 in aggregate, of which HK\$12,600,000 was attributable to the owners of the Company whereas HK\$2,400,000 was attributable to the non-controlling interests. The dividend will be fully settled prior to the Listing Date by (i) offsetting amounts in the relevant current accounts amounting to approximately HK\$10 million; and (ii) cash payment of approximately HK\$5 million. The unaudited pro forma adjusted combined net tangible assets per Share would have been reduced to HK\$0.13 per Share based on Placing Price of HK\$0.30 per Placing Share after taking into account the dividend attributable to owners of the Company of HK\$12,600,000.
5. No adjustment has been made to the unaudited pro forma adjusted combined net tangible assets of the Group attributable to owners of the Company to reflect any trading results or other transactions of the Group entered into subsequent to 31 March 2015.

(B) REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for inclusion in this prospectus, received from the reporting accountants of the Company, BDO Limited, Certified Public Accountants, Hong Kong, in relation to the Group's unaudited pro forma financial information.



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30 September 2015

The Board of Directors
KPa-BM Holdings Limited

Dear Sirs,

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of KPa-BM Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company for illustrative purpose only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted combined net tangible assets of the Group as at 31 March 2015 and the related notes (the "Unaudited Pro Forma Financial Information") as set out in Section A of Appendix II to the prospectus of the Company dated 30 September 2015 (the "Prospectus") issued by the Company in connection with the listing of the Company's shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. The applicable criteria on the basis of which the directors of the Company have compiled the Unaudited Pro Forma Financial Information are set out in Section A of Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the directors of the Company to illustrate the impact of the proposed placing of shares of the Company on the Group's financial position as at 31 March 2015 as if the proposed placing had taken place on the same date. As part of this process, information about the Group's financial position has been extracted by the directors of the Company from the Group's financial statements included in the accountants' report set out in Appendix I to the Prospectus.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The directors of the Company are responsible for compiling 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" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) 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.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to AG 7 issued by the HKICPA.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed placing at 31 March 2015 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the entity, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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,

BDO Limited

Certified Public Accountants

LEE MING WAI

Practising Certificate number P05682

Hong Kong