

The information set out in this appendix does not form part of the Accountants' Report on the financial information of the Group for the Track Record Period prepared by Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of our Company, as set out in Appendix I to this prospectus, and is included in this prospectus 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 out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules is for illustration purpose only, and is set out in this appendix to illustrate the effect of the Global Offering on the adjusted combined net tangible assets of the Group as at June 30, 2012, as if they had taken place on such date.

The unaudited pro forma adjusted 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 combined net tangible assets of the Group following the Global Offering. It is prepared based on the audited combined net assets of the Group as at June 30, 2012 as shown in the Accountants' Report set out in Appendix I to this prospectus and adjusted as described below. The unaudited pro forma adjusted net tangible assets does not form part of the Accountants' Report.

	Audited combined net tangible assets of the Group as at June 30, 2012 ^(Note 1)	Estimated net proceeds from the Global Offering ^(Note 2)	Unaudited pro forma adjusted net tangible assets of our Group	Unaudited pro forma adjusted net tangible assets per Share ^(Notes 3 and 4)	
	RMB'000	RMB'000	RMB'000	RMB	HK\$
Based on the Offer Price of					
HK\$1.18 for each Share	141,152	82,292	223,444	0.28	0.34
Based on the Offer Price of					
HK\$1.68 for each Share	141,152	136,029	277,181	0.34	0.42

Notes:

- (1) The audited combined net tangible assets of the Group as at June 30, 2012 was determined as follows:

	<u>RMB'000</u>
Audited combined net tangible assets of the Group as at June 30, 2012 as shown in the "Accountants' Report" as set out in Appendix I to this prospectus	147,001
Less: Intangible assets	5,849
Audited combined net tangible assets of the Group as at June 30, 2012	<u>141,152</u>

- (2) The estimated net proceeds from the Global Offering are based on the total number of 132,360,000 new Shares and the Offer Price range of HK\$1.18 and HK\$1.68 per Share, after deduction of underwriting fees and related expenses payable by the Company but takes no account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option. The estimated net proceeds from the Global Offering are converted into Renminbi at an exchange rate of HK\$1 to RMB0.81199.
- (3) The unaudited pro forma adjusted net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that a total of 807,360,000 Shares were in issue, taking no account of any additional funding the Group may have obtained from the estimated net proceeds from the Global Offering and any Shares which may fall to be allotted and issued upon the exercise of the Over-allotment Option. The aforesaid 807,360,000 Shares represent 132,360,000 new Shares that are expected to be in issue pursuant to the Global Offering and the 675,000,000 Shares out of 750,000,000 Shares to be in issue pursuant to the Capitalization Issue, taking no account of the 75,000,000 Shares attributable to Richwise Capital, which has acquired 10% equity interest in the Group through subscription of new shares under the Pre-IPO Investment on July 13, 2012.

- (4) The unaudited pro forma adjusted net tangible assets per Share is converted into Hong Kong Dollars at an exchange rate of RMB0.81199 to HK\$1.
- (5) By comparing the valuation of the Group's property interests including buildings and prepaid lease payments as at October 31, 2012 of approximately RMB127.1 million as set out in Appendix IV to the prospectus, the valuation surplus is approximately RMB17.8 million as compared to the unaudited carrying amounts of the Group's property interests as of October 31, 2012, which has not been included in the above net tangible assets. The revaluation of the Group's property interests will not be incorporated in the future financial statements of the Group. If the revaluation surplus is to be included in the future financial statements of the Group, an additional annual depreciation charge of approximately RMB0.9 million would be recorded.

B. UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE

The following unaudited pro forma forecast earnings per Share for the year ending December 31, 2012 has been prepared in accordance with Rule 4.29 of the Listing Rules on the basis set out in the notes below for the purpose of illustrating the effect of the Global Offering, as if it had taken place on January 1, 2012. The 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 financial results of the Group following the Global Offering.

Forecast consolidated profit for the year ending December 31, 2012 ^(Note 1)	not less than RMB152.6 million
Unaudited pro forma forecast earnings per Share ^(Notes 2 and 3)	not less than RMB0.18 (approximately HK\$0.22)

Notes:

- (1) The forecast consolidated net profit for the year ending December 31, 2012 is extracted from the section headed “Financial Information — Profit Forecast for the year ending December 31, 2012”. The bases and assumptions on which the above profit forecast has been prepared are summarized in Appendix III.
- (2) The calculation of the unaudited pro forma forecast earnings per Share is based on the forecast consolidated profit for the year ending December 31, 2012 and the weighted average number of Shares outstanding during the year ending December 31, 2012, adjusted as if the Company had been listed since January 1, 2012, of 842,605,902 Shares, without taking into account any Share which may be allotted and issued upon exercise of the Over-allotment Option. The calculation of the weighted average number of Shares has taken into account the effect of acquisition of 10% equity interest in the Group through subscription of new shares by Richwise Capital under the Pre-IPO Investment, which was completed on July 13, 2012. The forecast consolidated profit for the year ending December 31, 2012 has not taken into account any interest income that would have been earned if the proceeds from the Global Offering had been received by the Company on January 1, 2012.
- (3) The unaudited pro forma forecast earnings per Share is converted into Hong Kong Dollars at an exchange rate of RMB0.81199 to HK\$1.

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

The following is the text of report, prepared for the purpose of incorporation in this prospectus, received from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of our Company.

Deloitte.
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ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION**TO THE DIRECTORS OF CHINA SILVER GROUP LIMITED**

We report on the unaudited pro forma financial information of China Silver Group 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 proposed global offering of 132,360,000 new shares and 26,480,000 sale shares of HK\$0.01 each in the Company might have affected the financial information presented, for inclusion in Appendix II to the prospectus dated December 14, 2012 (the “Prospectus”). The basis of preparation of the unaudited pro forma financial information is set out in II-1 to II-3 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.

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 June 30, 2012 or any future date; or
- the earnings per share of the Group for the year ending December 31, 2012 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
December 14, 2012