

The forecast of the Group's consolidated profit attributable to the Group's shareholders for the year ending 31 December 2006 is set out in the section headed "Financial Information—Profit Forecast" in this Prospectus.

(A) BASES AND ASSUMPTIONS

The Directors have prepared the forecast of the Group's consolidated profit attributable to the Group's shareholders for the year ending 31 December 2006 on the basis of the results shown in the unaudited interim financial report of the Group for the six months ended 30 June 2006 and a forecast of the consolidated results of the Group for the remaining six months ending 31 December 2006. The forecast has been prepared on a basis consistent in all material respects with the accounting policies currently adopted by the Group as summarized in Appendix IA to this Prospectus and on bases and assumptions including the following:

- there will be no material change in existing political, legal, fiscal, market or economic conditions in China, Hong Kong, or any other country or territory in which we currently operate or which are otherwise material to our business;
- there will be no changes in legislation, regulations or rules in China, Hong Kong or any other country or territory in which we operate or with which we have arrangements or agreements, which materially adversely affect our business;
- there will be no material change in the bases or rates of taxation in China or any other country or territory in which we operate, except as otherwise disclosed in this Prospectus;
- there will be no material changes in inflation rates, interest rates or foreign currency exchange rates from those currently prevailing; and
- our operations will not be materially affected or interrupted by any force majeure events or unforeseeable factors or any unforeseeable reasons that are beyond the control of the Directors, including but not limited to the occurrence of natural disasters, epidemics or serious accidents.

(B) LETTERS

The following is the text of the letters received by the Directors from the Company's reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, and from the Company's Joint Sponsors, prepared for the purpose of incorporation in this Prospectus in connection with the profit forecast.

(i) LETTER FROM ERNST & YOUNG

 **ERNST & YOUNG**
安永會計師事務所

18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

18 September 2006

The Board of Directors
China BlueChemical Ltd.
J.P. Morgan Securities (Asia Pacific) Limited
UBS AG

Dear Sirs,

We have reviewed the accounting policies and calculations adopted in arriving at the forecast of the consolidated net profit attributable to equity holders of China BlueChemical Ltd. (the "Company") in respect of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ending 31 December 2006 (the "Forecast"), for which the directors of the Company are solely responsible, as set out in the paragraph headed "Profit Forecast" in the section headed "Financial Information" in the prospectus of the Company dated 18 September 2006 (the "Prospectus"). The Forecast has been prepared by the directors of the Company based on the results shown in the unaudited interim financial report of the Company for the six months ended 30 June 2006 and a forecast of the consolidated results of the Group for the remaining six months ending 31 December 2006.

In our opinion, the Forecast, so far as the accounting policies and calculations are concerned, has been properly compiled in accordance with the bases and assumptions adopted by the directors of the Company as set out in Appendix III to the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountants' report dated 18 September 2006, the text of which is set out in Appendix IA to the Prospectus.

Yours faithfully,

Ernst & Young
Certified Public Accountants
Hong Kong

(ii) LETTER FROM THE JOINT SPONSORS ON THE PROFIT FORECAST



18 September 2006

The Directors
China BlueChemical Ltd.

Dear Sirs,

We refer to the forecast of the consolidated profit attributable to the equity holders of China BlueChemical Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the year ending 31 December 2006 (the “Profit Forecast”) as set out in the subsection headed “Profit Forecast” in the section headed “Financial Information” in the prospectus of the Company dated 18 September 2006.

We understand that the Profit Forecast has been prepared by the directors of the Company (the “Directors”) based on the results shown in the unaudited condensed interim financial statements of the Company for the six months ended 30 June 2006 and a forecast of the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the remaining six months ending 31 December 2006.

We have discussed with you the bases upon which the Profit Forecast has been made. We have also considered the letter dated 18 September 2006 addressed to yourselves and ourselves from Ernst & Young regarding the calculation and accounting policies upon which the Profit Forecast has been based.

On the basis of the foregoing and on the bases and assumptions made by you and the accounting policies and calculations adopted by you and reviewed by Ernst & Young, we are of the opinion that the Profit Forecast, for which you as Directors are solely responsible, has been made after due and careful enquiry.

Yours faithfully,

For and on behalf of
**J.P. Morgan Securities
(Asia Pacific) Limited**
Xiaojia Charles Li
Managing Director

For and on behalf of
UBS AG
Joseph Chee
Executive Director

For and on behalf of
UBS AG
Jing Qian
Director