
APPENDIX III

PROFIT FORECAST

Our forecast consolidated profit attributable to equity shareholders of our Company for the year ending 31 December 2009 is set out in the section headed “Financial Information — Profit Forecast” in this document.

A. BASES AND ASSUMPTIONS

Our Directors have prepared the forecast of the consolidated profit attributable to our equity shareholders for the year ending 31 December 2009, based on the audited consolidated results for the six months ended 30 June 2009 and a forecast of the consolidated results of the Group for the remaining six months ending 31 December 2009. The forecast has been prepared on a basis consistent in all material respects with the accounting policies currently adopted by the Group as summarised in the accountants’ report of our Company as set out in Appendix I of this document. The profit forecast has been prepared on the following principal bases and assumptions:

- there will be no material changes in the existing rules, laws, regulations, or government policies (economic, political or legal), including changes in legislation or rules, regulatory, fiscal, economic or market conditions in the PRC including Hong Kong, the Cayman Islands, the British Virgin Islands, or any of the countries in which members of the Group currently operate or are established;
- there will be no material changes in inflation rate, interest rate or foreign currency exchange rate in the countries, regions or industries applicable to the business activities of the Group from those presently prevailing;
- there will be no material changes in the bases or rates of taxation or duties in the PRC including Hong Kong, the Cayman Islands, the British Virgin Islands, or any of the countries in which members of the Group operate or are established, except as otherwise disclosed in this document;
- there will be no wars, military incidents, pandemic diseases or natural disasters that would have a material impact on the Group’s business and operating activities;
- the Group’s operations and financial performance will not be materially and adversely impacted by any of the risk factors set out in the section headed “Risk Factors” in this document; and
- the Group will not experience significant changes in seasonal fluctuation in respect of market demand and production of its products.