

The information set out in this Appendix is included herein for information only and does not form part of the Accountants' Report prepared by Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of our Company.

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 COMBINED NET TANGIBLE ASSETS

The following is an illustrative statement of unaudited pro forma adjusted combined net tangible assets of the Group which has been prepared in accordance with Rule 4.29 of the Listing Rules for the purpose of illustrating the effect of the Global Offering as if it had been taken place on 30 June 2010 and based on the audited combined net assets attributable to the equity holder of the Company as of 30 June 2010 as shown in the Accountants' Report, the text of which is set out in Appendix I to the Prospectus, and adjusted as described below.

The unaudited pro forma adjusted combined net tangible assets of the Group 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 after the completion of the Global Offering or at any future dates.

	Audited combined net tangible assets attributable to the equity holder of the Company as at 30 June, 2010 ⁽¹⁾	Estimated net proceeds from the Global Offering ⁽²⁾	Unaudited pro forma adjusted combined net tangible assets attributable to the equity holder of the Company	Unaudited pro forma adjusted combined net tangible assets attributable to the equity holder of the Company per Share ⁽³⁾	
				US\$'000	US\$'000
Based on an Offer Price of HK\$2.20 per Offer Share	<u>507,671</u>	<u>280,738</u>	<u>788,409</u>	<u>0.25</u>	<u>1.98</u>
Based on an Offer Price of HK\$3.00 per Offer Share	<u>507,671</u>	<u>387,189</u>	<u>894,860</u>	<u>0.29</u>	<u>2.25</u>

Notes:

- (1) The audited combined net tangible assets attributable to the equity holder of the Company as at 30 June 2010 has been extracted from the Accountants' Report set out in Appendix I to the Prospectus, which is based on the audited combined net assets of the Group attributable to the equity holder of the Company as of 30 June 2010 of US\$536,211,000 with an adjustment for the intangible assets as of 30 June 2010 of US\$28,540,000.
- (2) The forecast net proceeds from the Global Offering are based on the Offer Price of HK\$2.20 and HK\$3.00 per Share, being the lower end and higher end of the indicative Offer Price range, after deduction of the underwriting fees and other related expenses payable by the Group. No account has been taken of the Shares that may be issued pursuant to any exercise of Over-allotment Option and the Shares may fall to be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchases of Shares. The forecast net proceeds from the Global Offering are translated at an exchange rate of US\$1.00 to HK\$7.80. No representation is made that the Hong Kong dollar amounts have been, could have been or could be translated to United States dollar, or vice versa, at that rate or at any other rates or at all.
- (3) The unaudited pro forma adjusted combined net tangible assets attributable to equity holder of the Company per Share is arrived at after adjustments referred to in the preceding paragraphs and on the basis of 3,107,150,000 Shares which comprise Shares in issue as at 30 June 2010, as adjusted for the deemed bonus element relating to the Shares issued to Cayiron Limited in August 2010, enlarged by the Capitalisation Issue, and assuming the Global Offering had been completed as at 30 June 2010, but without giving effect to the shares issued to the Pre-IPO Investors and those issued to Cayiron Limited for fair value in August 2010. No account has been taken of the Shares that may be issued pursuant to any exercise of Over-allotment Option and the Shares may fall to be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchases of Shares.
- (4) By comparing the valuation of the Group's property interests of US\$34,668,000 as set out in Appendix IV to this prospectus and the unaudited net book value of those properties including land and buildings held for own use of US\$16,605,000 as at 31 July 2010, the valuation surplus was approximately US\$18,063,000. The valuation surplus of the property interests will not be incorporated in the Group's consolidated financial statements in the future. If the valuation surplus was to be included in the combined financial statements, an additional depreciation charge of approximately US\$1,032,000 per annum would be incurred.

B. UNAUDITED PRO FORMA FORECAST LOSS PER SHARE

The following unaudited pro forma forecast loss per Share for the year ending 31 December 2010 has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Global Offering on the forecast loss per Share as if it had taken place on 1 January 2010. This unaudited pro forma forecast loss per Share has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of the financial results of the Group following the completion of the Global Offering or for any future periods.

Forecast loss attributable to the equity holder of the Company for the year ending 31 December 2010 ⁽¹⁾	not more than US\$95,000,000 (equivalent to approximately HK\$741,000,000)
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Unaudited pro forma forecast loss per Share ⁽²⁾	not more than US\$0.03 (equivalent to approximately HK\$0.24)
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Notes:

- (1) The bases and assumptions on which the above forecast loss for the year ending 31 December 2010 has been prepared are set out in "Appendix III — Loss Forecast" to the Prospectus. The loss forecast prepared by the Directors of the Company is based on the audited consolidated results for the six months ended 30 June 2010, unaudited consolidated results shown on the management accounts of the Group for the month ended 31 July 2010 and an estimate of the consolidated results of the Group for the remaining five months ending 31 December 2010.
- (2) The calculation of the unaudited pro forma forecast loss per Share is based on the forecast loss attributable to equity holders of the Company for the year ending 31 December 2010 and the weighted average of 3,137,233,000 Shares assumed to be issued and outstanding during the year ending 31 December 2010. The weighted average of 3,137,233,000 Shares is calculated assuming the Shares issued pursuant to the Global Offering and the Capitalisation Issue had been completed on 1 January 2010 and takes into account the treasury shares arrangement and the deemed bonus element of Shares issued to Cayiron Limited in August 2010. No account has been taken of the Shares that may be issued pursuant to any exercise of Over-allotment Option and the Shares may fall to be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchases of Shares.
- (3) The unaudited pro forma forecast loss per Share is translated at an exchange rate of US\$1.00 to HK\$7.80. No representation is made that the Hong Kong dollar amounts have been, could have been or could be translated to United States dollar, or vice versa, at that rate or at any other rates or at all.

C. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for inclusion in this prospectus, in respect of the Group's unaudited pro forma financial information, received from the reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong.

**ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF IRC LIMITED 鐵江現貨有限公司**

We report on the unaudited pro forma financial information of IRC Limited 鐵江現貨有限公司 (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 might have affected the financial information presented, for inclusion in Appendix II of the prospectus dated 30 September 2010 (the "Prospectus"). The basis of preparation of the unaudited pro forma financial information is set out in sections A and B of Appendix II 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.

Our work has not been carried out in accordance with the 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 has been carried out in accordance with those standards.

The unaudited pro forma financial information is for illustrative purpose only, based on the judgments 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 30 June 2010 or any future date; or
- the loss per share of the Group for the year ending 31 December 2010 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

30 September 2010