

The information set out in this Appendix does not form part of the accountants' report on the financial information of the Group for the three years ended 31 December 2010 and six months ended 30 June 2011 (the "Accountants' Report") from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, our Company's reporting accountants, as set out in Appendix I to this prospectus, and is included herein 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 CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma financial information prepared in accordance with Rule 4.29 of the Listing Rules is for illustrative purposes only, and is set out here to provide investors with further information about how the Global Offering might have affected the consolidated net tangible assets of the Group attributable to the owners of the Company after completion of the Global Offering as if the Global Offering had taken place on 30 June 2011. Although reasonable care has been exercised in preparing the said information, prospective investors who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a true picture of the Group's financial positions at any future date.

The following is an unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company which is based on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2011 as shown in the Accountants' Report, the text of which is set out in Appendix I to this prospectus, and adjusted as described below. The unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company 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.

	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2011	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share	
	RMB'000 (Note 1)	RMB'000 (Note 2)	RMB'000	RMB (Note 3)	HK\$ (Note 4)
Based on a minimum indicative Offer Price of HK\$0.60 per Share	258,623	97,344	355,967	0.36	0.44
Based on a maximum indicative Offer Price of HK\$0.73 per Share	258,623	122,564	381,187	0.38	0.48

Notes:

1. The audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2011 is approximately RMB258.6 million, as extracted from accountants' report on the financial information of the Group for the three years ended 31 December 2010 and the six months ended 30 June 2011 which is set out in Appendix I to this Prospectus.
2. The estimated net proceeds from the Global Offering is based on the indicative offer prices of HK\$0.60 (equivalent to RMB0.48) and HK\$0.73 (equivalent RMB0.58) per Share, after deduction of the estimated underwriting fees and related expenses payable by the Group and does not take into account of any Shares which may be issued/repurchased according to the Issuing Mandate and the Repurchase Mandate or issued upon exercise of the Over-allotment Option or upon exercise of any options which may be granted upon the Share Option Scheme. The estimated net proceeds from the Global Offering are converted from Hong Kong dollars into Renminbi at an exchange rate of RMB1 to HK\$1.25.

3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share has been arrived at after making the adjustments referred to in this section and on the basis of a total of 1,000,000,000 Shares in issue immediately following completion of the Global Offering and Capitalisation Issue. It does not take into account of any Shares which may be issued/repurchased according to the Issuing Mandate and the Repurchase Mandate or issued upon exercise of the Over-allotment Option or upon exercise of any options which may be granted under the Share Option Scheme.
4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share amounts in RMB are converted into HK\$ at an exchange rate at RMB1 to HK\$1.25. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.
5. The property interests of the Group as at 31 October 2011 have been valued by Jones Lang LaSalle Sallmanns Limited, an independent property valuer. By comparing the valuation of the Group's property interests of approximately RMB220.7 million as set out in Appendix IV of this prospectus and the unaudited carrying amounts of these properties of approximately RMB170.5 million as at 31 October 2011, the valuation surplus is approximately RMB50.2 million, which has not been included in the above net tangible assets of the Group. The revaluation surplus will not be incorporated in the Group's consolidated financial statements in subsequent reporting periods as the Group has elected to measure the property interest using cost model. If the revaluation surplus was recorded in the Group's consolidated financial statements, an additional depreciation and amortisation charge of approximately RMB1,154,000 per annum would be incurred.

B. UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE

The following unaudited pro forma forecast earnings per share have been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Global Offering as if it had been taken place on 1 January 2011. This 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 financial results of the Group for the year ending 31 December 2011 or any future periods.

Forecast consolidated profit attributable to the owners of
the Company for the year ending 31 December 2011⁽¹⁾ Not less than RMB59 million
(equivalent to HK\$73.8 million)⁽³⁾

Unaudited forecast earnings per Share
on a pro forma basis⁽²⁾ Not less than RMB5.9 cents
(equivalent to HK\$7.4 cents)⁽³⁾

Notes:

- (1) The forecast consolidated profit attributable to the owners of the Company for the year ending 31 December 2011 is extracted from the section headed "Financial Information — Profit Forecast for the year ending 31 December 2011" in this Prospectus. The bases and assumptions on which the above profit forecast has been prepared are summarised in Appendix III to this Prospectus.
- (2) The unaudited forecast earnings per share on a pro forma basis is calculated by dividing the forecast consolidated profit attributable to the owners of the Company for the year ending 31 December 2011 by 1,000,000,000 Shares assumed to be issued and outstanding throughout the year ending 31 December 2011 as if the Global Offering and Capitalisation Issue had been completed on 1 January 2011. The number of shares used in this calculation includes the Shares in issue as at the date of this Prospectus and the Shares to be issued pursuant to the Global Offering and Capitalisation Issue but excludes any Shares which may be issued/repurchased according to the Issuing Mandate and the Repurchase Mandate or issued upon exercise of the Over-allotment Option or upon exercise of any options which may be granted upon the Share Option Scheme.
- (3) The unaudited pro forma forecast earnings per Share and forecast consolidated profit of the Group attributable to the owners of the Company in RMB are converted into HK\$ at an exchange rate of RMB1 to HK\$1.25. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

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

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

**ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF CHINA WEAVING MATERIALS HOLDINGS LIMITED**

We report on the unaudited pro forma financial information of China Weaving Materials Holdings 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 Global Offering of 250,000,000 shares at a minimum and maximum indicative offer price of HK\$0.60 and HK\$0.73 each in the Company, might have affected the financial information presented, for inclusion in Appendix II of the prospectus dated 12 December 2011 (the "Prospectus"). The basis of preparation of the unaudited pro forma financial information is set out in Parts 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.

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 2011 or any future date.
- the earnings per share of the Group for the year ending 31 December 2011 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

12 December 2011