

*The forecast of the profit after taxation of the Company for the year ending 31 December 2006 is set out in the paragraph headed “Profit Forecast for the Year Ending 31 December 2006” under the section headed “Financial Information” in this prospectus.*

#### **1. BASES AND ASSUMPTIONS**

The Directors have prepared the forecast of the profit after taxation of the Company for the year ending 31 December 2006 based on the audited results of the Company for the six months ended 30 June 2006, the unaudited management accounts of the Company for the three months ended 30 September 2006, and a forecast of the results for the remaining three months ending 31 December 2006. The Directors are not aware of any extraordinary items which have arisen or are likely to arise during the year ending 31 December 2006. The forecast has been prepared on the basis of the accounting policies consistent in all material respects with those normally adopted by the Company as summarized in the accountants’ report, the text of which is set out in Appendix I to this prospectus.

This Directors have adopted the following assumptions in the preparation of the profit forecast:

- (i) there will be no material changes in the existing political, legal, fiscal or economic conditions in Hong Kong, the PRC, or any other countries where the Company operates;
- (ii) there will be no material changes in legislation or regulations or rules, whether in the PRC, Hong Kong or any other countries, where any of the Company’s members or companies is incorporated or operate;
- (iii) there will be no material changes in the bases or rates of taxation in Hong Kong and the PRC; and
- (iv) there will be no material changes in the interest rates and exchange rates from those currently prevailing.

**2. LETTERS**

*Set out below are texts of letters received by Ernst & Young and Cazenove in connection with the forecast of profit after taxation of the Company for the year ending 31 December 2006 and prepared for the purpose of inclusion of this prospectus.*

**(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

27 November 2006

The Directors  
**Anhui Tianda Oil Pipe Company Limited**

Dear Sirs,

We have reviewed the accounting policies and calculations adopted in arriving at the forecast of the net profit attributable to equity holders of Anhui Tianda Oil Pipe Company Limited (the “Company”) for the year ending 31 December 2006 (the “Profit Forecast”), for which the Directors are solely responsible, as set out in the paragraph headed “Profit Forecast for the Year Ending 31 December 2006” in the section headed “Financial Information” in the prospectus of the Company dated 27 November 2006 (the “Prospectus”). The Profit Forecast has been prepared by the Directors based on the audited accounts of the Company for the six months ended 30 June 2006, and the unaudited results for the three months ended 30 September 2006 and a forecast of the Company for the remaining three months ending 31 December 2006.

In our opinion, the Profit 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 Company as set out in our Accountants’ Report dated 27 November 2006, the text of which is set out in Appendix I to the Prospectus.

Yours faithfully,

**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong

**(ii) Letter from Cazenove****CAZENOVE**

Cazenove Asia Limited

**50/F ONE EXCHANGE SQUARE, 8 CONNAUGHT PLACE, CENTRAL, HONG KONG**The Directors  
Anhui Tianda Oil Pipe Company Limited

Date: 27 November 2006

Dear Sirs,

We refer to the forecast of the profit after taxation of Anhui Tianda Oil Pipe Company Limited (the “Company”) for the financial year ending 31 December 2006 as set out in the prospectus issued by the Company dated 27 November 2006 (the “Forecast”).

We have discussed with you the bases upon which the profit forecast has been made. We have also considered the letter dated 27 November 2006 addressed to yourselves and ourselves from Ernst & Young regarding the accounting policies and calculations upon which the Forecast has been made.

Based on the foregoing, the bases and assumptions made by you and the accounting policies and calculations reviewed by Ernst & Young, we are of the opinion that the profit Forecast, for which you as directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully,  
For and on behalf of  
**Cazenove Asia Limited**  
**Andric Yew**  
*Director*