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中國白銀集團
CHINA SILVER GROUP
CHINA SILVER GROUP LIMITED
中國白銀集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 815)

POSITIVE PROFIT ALERT

This announcement is made by China Silver Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of the directors (the “**Board**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Company and the preliminary review by the Company’s management of the unaudited management accounts of the Group for the six months ended 30 June 2014, the Group is expected to record an increase of not less than 100% in its consolidated net profit for the six months ended 30 June 2014 as compared to that of the six months ended 30 June 2013 (the unaudited consolidated net profit for the Group for the six months ended 30 June 2013 amounted to RMB59,445,000). The Board believes that such increase in the consolidated net profit is primarily attributable to, among other things, (i) the significant enhancement in the gross profit margin due to a surge in online sales generated from the newly developed downstream silver retail business, (ii) the stabilization of the market price of silver during the six months ended 30 June 2014; and (iii) an one-off reversal of income tax expense of approximately RMB19 million due to the reduction in the enterprise income tax as previously announced by the Company on 31 March 2014.

The information contained in this announcement is only based on the preliminary review of the unaudited management accounts of the Group for the six months ended 30 June 2014 and the information currently available to the Board and such information has not been audited or reviewed by the Company's auditors. The consolidated financial results of the Group for the six months ended 30 June 2014 have not been finalized and may be subject to any adjustment. The Company expects to publish an announcement on the interim results of the Group for the six months ended 30 June 2014 in August 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
China Silver Group Limited
Chen Wantian
Chairman

31 July 2014, Hong Kong

As at the date of this announcement, the Board comprises of (i) three executive directors, namely Mr. Chen Wantian, Mr. Song Guosheng, Mr. Chen Guoyu and (ii) three independent non-executive directors, namely Dr. Jiang Tao, Dr. Li Haitao and Dr. Zeng Yilong.