

# Independent Review Report

## 德勤·關黃陳方會計師行

Certified Public Accountants  
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**Deloitte  
Touche  
Tohmatsu**

TO THE BOARD OF DIRECTORS OF  
SHANGHAI INDUSTRIAL HOLDINGS LIMITED  
上海實業控股有限公司  
(incorporated in Hong Kong with limited liability)

22

### Introduction

We have been instructed by the Company to review the interim financial report set out on pages 5 to 21.

### Directors' responsibilities

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") require the preparation of an interim financial report to be in compliance with the Statement of Standard Accounting Practice No. 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants ("SSAP 25") and the relevant provisions thereof. However, the Listing Rules permit departure from SSAP 25 in that comparative figures are not required for the cash flow statement to be included in the first interim financial report relating to accounting periods ended on or after 1st July, 2000. The interim financial report is the responsibility of, and has been approved by, the directors.

### Review work performed

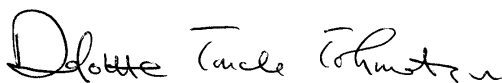
We conducted our review in accordance with the Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" ("SAS 700") issued by the Hong Kong Society of Accountants. A review consists

principally of making enquiries of group management and applying analytical procedures to the interim financial report and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

### **Review conclusion**

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30th June, 2001.

Without modifying our review conclusion, we draw to your attention that the comparative condensed consolidated income statement for the six months ended 30th June, 2000 and the comparative condensed consolidated statement of recognised gains and losses for the same period disclosed in the interim financial report have not been reviewed in accordance with SAS 700.



**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong, 3rd September, 2001