

AUDITORS' REPORT

核數師報告

TING HO KWAN & CHAN

CERTIFIED PUBLIC ACCOUNTANTS



To the shareholders of REXCAPITAL Financial Holdings Limited

(Incorporated in Bermuda with limited liability)

We have audited the accounts on pages 27 to 78 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of accounts which give a true and fair view. In preparing accounts which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other persons for the contents of this report.

致御泰金融控股有限公司各股東 (於百慕達註冊成立之有限公司)

本核數師已完成審核載於第27至78頁按照香港普遍採納之會計準則編製之賬目。

董事及核數師各自之責任

貴公司董事須負責編製真實與公平之賬目。在編製該等真實與公平之賬目時，董事必須貫徹採用合適之會計政策，作出審慎及合理之判斷和估計，並說明任何重大背離現行會計準則之原因。

本核數師之責任是根據審核之結果，對該等賬目作出獨立意見，並根據百慕達1981年公司法第90條僅向貴公司整體股東報告，除此之外本報告不可作其他用途。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

AUDITORS' REPORT (continued)

核數師報告(續)

Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the accounts give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2003 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

TING HO KWAN & CHAN

Certified Public Accountants

Hong Kong, 26 April 2004

意見之基礎

本核數師乃按照香港會計師公會所頒佈之核數準則進行審核工作，審核範圍包括以抽查方式查核與賬目所載數額及披露事項有關之憑證，亦包括評估董事於編製該等賬目時所作之重大估計和判斷，所釐定之會計政策是否適合 貴公司及 貴集團之具體情況，及是否貫徹應用並充份披露。

本核數師在策劃及進行審核工作時，均以取得一切本核數師認為必需資料及解釋為目標，以便獲得充份憑證，就該等賬目是否存有重大錯誤陳述，作出合理之確定。在作出意見時，本核數師亦已衡量該等賬目所載資料在整體上是否足夠。本核數師相信我們之審核工作已為下列意見提供合理之基礎。

意見

本核數師認為，該等賬目足以真實與公平地反映 貴公司及 貴集團於二零零三年十二月三十一日結算時之財務狀況及 貴集團截至該日止年度之溢利和現金流量，並按照香港公司條例之披露規定妥為編製。

丁何關陳會計師行

香港執業會計師

香港，二零零四年四月二十六日