



# Auditors' Report



**CCIF**

**CCIF CPA LIMITED**

37/F Hennessy Centre  
500 Hennessy Road  
Causeway Bay Hong Kong

## **AUDITORS' REPORT TO THE SHAREHOLDERS OF CHINA AGROTECH HOLDINGS LIMITED** *(incorporated in the Cayman Islands with limited liability)*

We have audited the financial statements on pages 26 to 75 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 financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### **BASIS OF OPINION**

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company and the Group's circumstances, 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 financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### **OPINION**

Without qualifying the opinion below, attention is drawn to the shareholders as disclosed in note 15 to the financial statements that the valuation report was performed by the Group internally and based on which, no impairment loss in respect of intangible assets had been made.

We considered that the disclosure had been properly made and our opinion is not qualified in this respect.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2005 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**CCIF CPA Limited**  
*Certified Public Accountants*  
**Chan Wai Dune, Charles**  
*Practising Certificate Number P00712*