

Auditors' Report



羅兵咸永道會計師事務所

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TO THE SHAREHOLDERS OF
WEALTHMARK INTERNATIONAL (HOLDINGS) LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the accounts on pages 20 to 57 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The directors of the Company 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.

It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants, except that the scope of our work was limited as explained below.

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 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.

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However, the evidence available to us was limited in respect of certain payments made by the Group during the year. As detailed in note 12 to the accounts, the Group made payments totalling HK\$20,800,000 which were allocated to fixed assets, goodwill and other receivables in the accounts. There was insufficient appropriate evidence to enable us to verify the costs and nature of the amounts allocated to fixed assets and other receivables totalling HK\$13,800,000.

There were no other satisfactory audit procedures that we could adopt to confirm the amounts recognised as assets described above. Any adjustment to these amounts may have a consequential effect on the profit for the year and net assets as at 31st December 2001.

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.

Qualified opinion arising from limitation of audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the amounts recognised as assets referred above, in our opinion the accounts give a true and fair view of the state of affairs of the Company and of the Group as at 31st December 2001 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.

In respect alone of the limitation on our work described above:

- a) we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- b) we were unable to determine whether proper books of account had been kept.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 24th April 2002