

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF CHINA STRATEGIC HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

INTRODUCTION

We have been instructed by the Company to review the interim financial report set out on pages 4 to 26.

DIRECTORS' RESPONSIBILITIES

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 Institute of Certified Public Accountants ("HKICPA") and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the directors.

It is our responsibility to form an independent conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致中策集團有限公司董事會

(於香港註冊成立之有限公司)

引言

本核數師行受 貴公司委托審閱載於第4至第26頁之中期財務報告。

董事之責任

香港聯合交易所有限公司證券上市規則規定，中期財務報告須按照香港會計師公會頒佈的《會計實務準則》第25號「中期財務報告」及其他有關規定編製。編製中期財務報告是董事的責任，並已由董事審批。

吾等之責任在於根據受聘之協定條款審閱中期財務報告，就此達成獨立結論，並僅向閣下全體滙報，而有關結論不作其他用途。吾等並不就本報告之內容向任何其他人士承擔任何責任。

REVIEW WORK PERFORMED

We conducted our review in accordance with the Statement of Auditing Standards No. 700 "Engagements to Review Interim Financial Reports" issued by HKICPA. 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, 2004.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
21st September, 2004

審閱工作

本行的審閱工作是按照香港會計師公會頒佈《核數準則》第700號「審閱中期財務報告」進行。審閱範圍主要包括對集團管理層作出查詢及運用分析性程序對中期財務報告作出分析，並據此評估所採用之會計政策及呈報形式是否一致（另作披露者除外）。審閱工作並不包括審核程序（如測試內部監控系統和核審資產、負債及交易活動）。由於審閱的工作範圍遠較審核工作少，因此只能提供較審核工作為低的可靠程度。所以，本行不會對中期財務報告作出審核意見。

審閱結論

本核數師之審閱工作有別於審核，而基於審閱結果，本行並不察覺須對截至二零零四年六月三十日止六個月的中期財務報告作出任何重大的修改。

德勤•關黃陳方會計師行
執業會計師
香港
二零零四年九月二十一日