

INDEPENDENT AUDITOR'S REPORT ON THE COMBINED FINANCIAL STATEMENTS



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF COUNTRY GARDEN HOLDINGS COMPANY LIMITED *(incorporated in the Cayman Islands with limited liability)*

We have audited the combined financial statements of Country Garden Holdings Company Limited (the "Company") and the Smart World group (as defined in note 1 to the combined financial statements) (collectively, the combining entities are referred to as the "Group"), set out on pages 50 to 115, which comprise the combined balance sheet of the Group as at 31 December 2006, and the combined income statement, the combined statement of changes in equity and the combined cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company (the "Directors") are responsible for the preparation and the true and fair presentation of these combined financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these combined financial statements based on our audit and 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.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT ON THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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OPINION

In our opinion, the combined financial statements give a true and fair view of the combined state of affairs of the Group as at 31 December 2006 and of the Group's combined profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20 April 2007