

REPORT OF THE AUDITORS

To the members
Chow Sang Sang Holdings International Limited
(Incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 20 to 83 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, in accordance with Section 90 of the Bermuda Companies Act 1981, 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 Society of Accountants. An audit includes an 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's 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

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 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.

Ernst & Young
Certified Public Accountants

Hong Kong
29 March 2004

核數師報告

致周生生集團國際有限公司
(於百慕達註冊成立之有限公司)
列位股東

本核數師(以下簡稱「我們」)已審核列載於第20頁至第83頁之財務報告,該等財務報告乃按照香港普遍採納之會計原則予以編製。

董事及核數師之責任

貴公司董事之責任是要編製真實而公平之財務報告。在編製真實而公平之財務報告時,董事必須貫徹採用合適之會計政策。我們之責任是根據我們審核工作之結果,對該等財務報告作出獨立意見,按照百慕達1981年公司法第90條之規定,僅向整體股東報告,除此以外,我們之報告不可作其他用途。我們概不就本報告之內容,對任何其他人士負責或承擔法律責任。

意見之基準

我們是按照香港會計師公會頒布之審核準則進行審核工作。審核範圍包括以抽查方式,查核財務報告內所載數額及所披露事項有關之憑證,亦包括評估董事於編製該等財務報告時所作之重要預測及判斷、所採用之會計政策是否適合貴公司及貴集團之狀況,及有否貫徹運用並詳盡披露該等會計政策。

我們在策劃和進行審核工作時,均以取得一切我們認為必須之資料及解釋為目標,使我們能獲得充分之憑證,就該等財務報告是否存有重大之錯誤聲明,作合理之確定。在作出意見時,我們亦已衡量該等財務報告所載之資料在整體上是否足夠。我們相信,我們之審核工作已為我們之意見提供合理基準。

意見

我們認為,該等財務報告足以真實而公平地反映貴公司及貴集團於2003年12月31日之財政狀況及貴集團截至該日止年度之溢利及現金流量狀況,並已按照香港公司條例之披露規定而適當編製。

安永會計師事務所
執業會計師

香港
2004年3月29日