

CITIC KA WAH BANK LIMITED (the 'Bank')

has been operating in Hong Kong for over 70 years. Publicly listed on the Stock Exchange of Hong Kong, it is backed by the vast resources of China International Trust and Investment Corporation ('CITIC'). In July 1998, we changed our name to CITIC Ka Wah Bank Limited to reflect the firm backing and the close relationship with our parent, CITIC. In November of the same year, we launched a new corporate identity, emblematic of our new corporate values and culture and a demonstration of our determination and spirit for reforms and business development. Our vision is to be a reputable provider of financial services in the hearts of the customers.

Under the modern management of our management team, we have grown and developed into a well-managed medium-sized local bank. We employ over 1,000 staff and currently operate 27 branches in Hong Kong and two branches in the United States. Today we are recognized as an innovative and progressive bank with a professional attitude to all aspects of our growing businesses, which are geared to providing shareholders and customers with quality earnings and value-added services.

In December 1999, we received our first rating from an international rating agency. Moody's Investors Service rated the Bank's long- and short-term foreign currency deposit at Baa2 and Prime-3 respectively. The Bank's financial strength was rated at D while the rating outlook is stable. The ratings reflect our sound financial position in the wake of our business development and reforms. At 31 December 2000, the capital adequacy ratio, the loans to deposits ratio and the average liquidity ratio were at 17.1%, 67.4% and 42.1% respectively. These figures are solid proof for our strong financial position.