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**Deloitte
Touche
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TO THE DIRECTORS OF WAI KEE HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have been instructed by the Company to review the interim financial report set out on pages 16 to 32.

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 Statement of Standard Accounting Practice No. 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the directors.

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standard 700 "Engagements to review interim financial reports" issued by the Hong Kong Society of Accountants. 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.

FUNDAMENTAL UNCERTAINTY RELATING TO THE PUBLIC HOUSING PILING INCIDENT IN SHATIN (THE "PILING INCIDENT")

In arriving at our review conclusion, we have considered the adequacy of the disclosure made in Note 3 to the interim financial report concerning the Piling Incident which occurred during 1999 and which is the subject of a claim against one of the Company's wholly-owned subsidiaries by the Housing Authority. Both parties have now agreed that the claim will be settled through arbitration. A provision of HK\$60 million was made during the year ended 31st March, 2000 in respect of the Piling Incident and, in the opinion of directors, no further provision is required. Although it is not possible to determine the outcome of the arbitration with reasonable certainty at this time, we consider that the fundamental uncertainty has been adequately accounted for and disclosed in the interim financial report and our review conclusion is not modified in this respect.

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 September, 2001.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 3rd December, 2001