



## *Dear Shareholders,*

The Year 2001 is a year of turbulence. The global economic recession, the drastic downward variation of US interest rate, the 911 event, the ever highest deficit and unemployment rate in Hong Kong, etc. had caused certain uncertainties to the market. Despite all these, the Group continues to perform satisfactorily and it is now financially healthiest in its history and ready for its second booming.

The Group's operating profit for the year was HK\$409 million. If excluding the provision for doubtful receivables, the Group's actual operating profit would be HK\$535 million. Its consolidated profit attributable to shareholders was HK\$240.8 million. Earnings per share was HK\$0.4. The Board of Directors is recommending a final dividend of HK8.8 cents per share. Together with the interim dividend, the total dividend per ordinary share for 2001 will be HK15.8 cents.

# *Enhance profit potential*

# *Broaden business spectrum*

During the Year 2001, the Group arranged a medium-term loan financing to replace part of the TLC loan which was due by 23 January 2002. The Group also disposed its interests in the Jieyang Highway Network project in September 2001. As a result, by the end of 2001 the Group had a cash balance of about HK\$970 million in hand.

On 7 February 2002, the Group's corporate credit rating was upgraded from BB+ to BBB- by Standard & Poor's. This investment grade will enable the Group to arrange further funding much easier and cheaper. Return on future investments will thus be improved.

With the benefits of PRC's accession to WTO, the sustained positive GDP growth, the on-going economic development

of inner provinces, there are good rooms for the Group's expansion in PRC's infrastructure and infrastructure related business. The future of the Group is more positive and brighter than ever.

I would like to take this opportunity to express my hearty gratitude to our shareholders, our business partners, and loyal and dedicated colleagues.

**Zen Wei Pao, William**

*Chairman*

Hong Kong, 20 March 2002