

The Directors have pleasure in presenting to shareholders their annual report together with the audited financial statements of the Company and of the Group for the year ended 31st March, 2001.

### Principal Activities

The principal activity of the Company is investment holding while the principal activities of its subsidiaries are marketing, installation and maintenance of lifts, escalators, air-conditioning systems, electrical and mechanical systems, power equipment and industrial equipment; environmental engineering; supply and installation of building materials and equipment; sale, servicing and leasing of automobiles; property development and investment; a wide range of voice and data communication equipment and services; system integrated IT solutions; sale and servicing of business machines and household products.

The Group's turnover and contribution to profit from operations for the year ended 31st March, 2001 analysed by business segment and geographical area are set out in note 3 to the financial statements.

### Results and Appropriations

The results of the Group for the year ended 31st March, 2001 are set out in the consolidated income statement on page 34. An interim dividend of HK2.5 cents was paid on Thursday, 8th March, 2001 with an option to elect for shares of HK\$0.25 each in the Company in lieu of cash. The Directors now recommend the payment of a final dividend of HK3.5 cents per share with an option to elect for shares of the Company.

### Share Capital

Movements in the Company's share capital during the year are set out in note 28 to the financial statements.

### Share Option Scheme

Particulars of the share option scheme to subscribe for shares in the Company are set out in note 28 to the financial statements.

### Reserves

Movements in reserves during the year are set out in note 29 to the financial statements.

### Investment Properties

Movements in investment properties during the year are set out in note 12 to the financial statements.

### Property, Plant and Equipment

Movements in property, plant and equipment during the year are set out in note 13 to the financial statements.

### Financial Summary

A financial summary of the Group is shown on page 2.

### Major Customers and Suppliers

The Group's turnover and purchases of the year attributable to the Group's five largest customers and suppliers respectively were less than 30%. Except for the contracts with CCHL Group as disclosed more fully in the section "Connected Transactions" below, none of the Directors, their associates or any shareholder (whom to the knowledge of the Directors owns more than 5% of the Company's issued share capital) has any interest in the Group's five largest suppliers or five largest customers.

### Properties

Particulars of the major properties of the Group as at 31st March, 2001 are set out on pages 17 to 19.

### Employee and Remuneration Policy

The Group employed approximately 4,700 full time staff as at 31st March, 2001. The remuneration policy is reviewed periodically according to the nature of their jobs, market trend, company performance and individual performance. Other staff benefits include bonuses awarded on a discretionary basis, medical schemes, retirement schemes and employee share option scheme. Total staff costs amounted to HK\$536 million for the year ended 31st March, 2001.

### Donations

During the year, the Group made donations of HK\$2,737,000 to charitable bodies and HK\$491,000 to other communities.

### Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws in Bermuda where the Company is incorporated.

### Purchase, Sale or Redemption of Listed Securities

There was no purchase, sale or redemption of listed securities of the Company by the Company or any of its subsidiaries during the year.

### Directors

The Directors who held office during the year and up to the date of this report were:

#### Executive Directors

Dr CHOW Yei Ching (Chairman and Managing Director)

Mr KUOK Hoi Sang (Deputy Managing Director)

Mr FUNG Pak Kwan

Mr FUNG Wo Shun

Mr KAN Ka Hon

Mr WONG Kie Ngok, Alexander

Mr TAM Kwok Wing

#### Independent Non-Executive Directors

Mr Iain Leonard DALE

Mr CHENG Ming Fun, Paul

Mr WONG Wang Fat, Andrew

In accordance with the Company's Bye-laws, Messrs KUOK Hoi Sang, FUNG Pak Kwan and KAN Ka Hon shall retire from office at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election. The Independent Non-Executive Directors are subject to the same retirement requirements as the Executive Directors.

#### Directors' Interests in Contracts

Messrs CHOW Yei Ching, KUOK Hoi Sang, FUNG Pak Kwan, FUNG Wo Shun, KAN Ka Hon, WONG Kie Ngok, Alexander and TAM Kwok Wing are interested in certain contracts in that they are the Directors and/or have beneficial interests in CiTL and/or CCHL. Details of these contracts are more fully disclosed in the section "Connected Transactions" below.

Save as aforementioned, no other contracts of significance to which the Company or any of its subsidiaries was a party and in which a director had a material interest subsisted at the end of the year or at any time during the year.

#### Directors' Interests in Competing Business

None of the Directors have an interest in any business constituting a competing business to the Group.

### Connected Transactions

The Group has from time to time conducted transactions with CCHL and CiTL which are the "connected persons" for the purposes of the Rules Governing the Listing of Securities ("the Listing Rules") on the Stock Exchange. The Stock Exchange granted waivers on 31st January, 1996 and 2nd April, 1997 to the Company from strict compliance with the requirements stipulated in Chapter 14 of the Listing Rules on connected transactions. Pursuant to the waivers, details of the following connected transactions which have been entered into between certain subsidiaries of CCHL, CiTL and the Group in the ordinary and usual course of business are not required to be disclosed by press notice and/or circular nor is the Company required to obtain prior independent shareholders' approval on each occasion when they arise:

1. An agreement was made between CCHL and the Company whereby CCHL Group as main contractor may source from time to time supply of lifts and escalators, air-conditioning systems, electrical and mechanical systems, building materials and equipment and related installation services from the various subsidiaries of the Company as sub-contractor. The Group has entered into the following connected transactions within the meaning of the Listing Rules:

Main contractor	Nature of transaction	Sub-contractor	Estimated contract value HK\$	Interest attributable to the Group %
Chevalier Construction (Hong Kong) Limited ("CCHK")	Supply and installation of building materials	Chevalier (Building Supplies & Engineering) Limited	3,640,000	100
CCHK	Electrical installation	Chevalier (HK) Limited ("CHK")	2,323,000	100
Chevalier (Construction) Company Limited ("CCCL")	Electrical installation	CHK	38,890,000	100
CCCL	Supply and installation of building materials	Chevalier (Aluminium Engineering) Limited	569,000	100

Sales and progress receipts during the year ended 31st March, 2001 in respect of the above contract amounted to approximately HK\$4,158,000.

2. The Company had entered into an administrative service agreement with CCHL under which the Group provided accounting, treasury, electronic data processing, company secretarial and personnel management services to CCHL Group at a management fee calculated based on 0.3% of CCHL Group's annual turnover. The management fee paid by CCHL to the Company during the year ended 31st March, 2001 amounted to HK\$3,679,000.

**Connected Transactions (continued)**

3. The following properties were leased to CiTL Group and CCHL Group by the wholly-owned subsidiaries of the Company at commercial rates:

Landlord	Renting of property (usage)	Tenant	Rental for the year HK\$
Union Pearl Development Limited	Portion of Chevalier Commercial Centre (office)	CiTL Group	1,379,000
		CCHL Group	1,994,000
Winfield Development Limited	Portion of Chevalier Warehouse Building (warehouse)	CiTL Group	95,000
		CCHL Group	286,000
Peak Gain Limited	Portion of Chevalier Engineering Service Centre (office/warehouse)	CiTL Group	7,943,000
		CCHL Group	395,000
Futex Development Limited	Regent Villa (resort)	CiTL Group	160,000
		CCHL Group	160,000
Oriental Sharp Limited	Portion of Charming Garden (shop)	CiTL Group	104,000
Union Mark Development Limited	Portion of Yin Hai Commercial Building (office)	CiTL Group	118,000
Well Stamp Limited	Portion of Jin Du Mansion (office)	CiTL Group	85,000
Well Stamp Limited	Portion of Dongshan Plaza (office)	CiTL Group	33,000

During the year, rentals amounting to approximately HK\$9,917,000 and HK\$2,835,000 were paid to the Group by CiTL Group and CCHL Group respectively.

The Independent Non-Executive Directors of the Company confirm that the aforesaid connected transactions conducted by the Group during the year ended 31st March, 2001 were:

- (i) in the ordinary and usual course of the Group's business;
- (ii) on normal commercial terms or on terms no less favourable than terms available to/from independent third parties;
- (iii) fair and reasonable so far as the shareholders of the Company are concerned; and
- (iv) within the relevant amounts as stipulated under the relevant waivers.

### Connected Transactions (continued)

4. In August 2000, the Group entered into an agreement with a wholly-owned subsidiary of CCHL to purchase its 45% interest in PPRHK and debt at a total consideration of HK\$21,248,000 ("the Sale and Purchase Agreement"). As the Company is the controlling shareholder of CCHL, the Sale and Purchase Agreement constituted a connected transaction of the Company under the Listing Rules. The transaction was completed in October 2000.

### Directors' Interests in Shares and Options

As at 31st March, 2001, the interests of the Directors in the share capital and options of the Company and its associated corporations within the meaning of the Securities (Disclosure of Interests) Ordinance ("the SDI Ordinance") which have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies or which are required pursuant to Section 29 of the SDI Ordinance to be entered in the register referred to therein are as follows:

#### (a) Interests in the Company

##### (i) Shares

Directors	Number of ordinary shares		
	Personal interest	Family interest	Total
CHOW Yei Ching	615,445,993*	—	615,445,993
KUOK Hoi Sang	491,083	—	491,083
FUNG Pak Kwan	456,450	—	456,450
KAN Ka Hon	145,200	—	145,200
TAM Kwok Wing	845,078	162,365	1,007,443
Iain Leonard DALE	42,016	—	42,016

\* Dr CHOW Yei Ching beneficially owned 615,445,993 shares in the Company, representing in aggregate approximately 50% of the issued share capital of the Company. These shares duplicated in the paragraph headed "Substantial Shareholder" below.

**Directors' Interests in Shares and Options** (continued)

(a) **Interests in the Company** (continued)

(ii) *Share options*

Directors	Date granted	Period during which options are exercisable	Consideration	Price	Number	Number
			paid for options granted	per share to be paid upon exercise of options	of shares issued upon exercise of options during the year	of shares to be issued upon exercise of the remaining options
			HK\$	HK\$		
CHOW Yei Ching	04/02/1998	03/09/1998 - 02/09/2001	1	0.5376	—	18,000,000
	17/12/1999	30/06/2000 - 29/06/2003	1	0.4880	—	8,450,000
KUOK Hoi Sang	04/02/1998	03/09/1998 - 02/09/2001	1	0.5376	—	10,000,000
	17/12/1999	30/06/2000 - 29/06/2003	1	0.4880	—	5,350,000
FUNG Pak Kwan	04/02/1998	03/09/1998 - 02/09/2001	1	0.5376	—	8,000,000
	17/12/1999	30/06/2000 - 29/06/2003	1	0.4880	—	5,350,000
FUNG Wo Shun	04/02/1998	03/09/1998 - 02/09/2001	1	0.5376	—	2,200,000
KAN Ka Hon	04/02/1998	04/09/1998 - 03/09/2001	1	0.5376	—	2,200,000
	17/12/1999	30/06/2000 - 29/06/2003	1	0.4880	—	5,000,000
WONG Kie Ngok, Alexander	04/02/1998	04/09/1998 - 03/09/2001	1	0.5376	—	1,200,000
	17/12/1999	30/06/2000 - 29/06/2003	1	0.4880	—	5,000,000
TAM Kwok Wing	04/02/1998	04/09/1998 - 03/09/2001	1	0.5376	—	1,700,000
	17/12/1999	30/06/2000 - 29/06/2003	1	0.4880	—	5,000,000

Details of the share options are set out in note 28 to the financial statements.

Directors' Interests in Shares and Options (continued)

(b) Interests in Associated Corporations

(i) Shares

Directors	Associated corporations	Number of ordinary shares			Total
		Personal interest	Corporate interest	Family interest	
CHOW Yei Ching	CiTL	34,079,270	431,618,666*	—	465,697,936
	CCHL	41,036,489	87,165,444*	—	128,201,933
	CSHL	4,375,000	80,000,000*	—	84,375,000
KUOK Hoi Sang	CiTL	12,000,000	—	—	12,000,000
	CCHL	1,326,437	—	—	1,326,437
FUNG Pak Kwan	CiTL	12,900,000	—	—	12,900,000
FUNG Wo Shun	CiTL	300,000	—	—	300,000
	CCHL	295,600	—	—	295,600
KAN Ka Hon	CiTL	2,256,000	—	—	2,256,000
TAM Kwok Wing	CiTL	2,000,000	—	52,000	2,052,000
	CCHL	625,796	—	7,142	632,938

\* Dr CHOW Yei Ching had notified CiTL, CCHL and CSHL that he was deemed to be interested in 431,618,666 shares in CiTL, 87,165,444 shares in CCHL and 80,000,000 shares in CSHL under the SDI Ordinance as the said shares were held by the Company in which Dr Chow beneficially owned 615,445,993 shares, representing in aggregate approximately 50% of the issued share capital of the Company.

**Directors' Interests in Shares and Options** (continued)

**(b) Interests in Associated Corporations** (continued)

(ii) *Share options*

Directors	Associated corporations	Date granted	Period during which options are exercisable	Consideration paid for options granted	Price per share to be paid upon exercise of options	Number of shares issued upon exercise during the year	Number of shares to be issued upon exercise of the remaining options
CHOW Yei Ching	CiTL	04/02/1998	03/09/1998 - 02/09/2001	1	0.3376	—	14,000,000
		17/12/1999	30/06/2000 - 29/06/2003	1	0.4640	—	7,000,000
	CCHL	04/02/1998	03/09/1998 - 02/09/2001	1	0.3248	—	4,400,000
KUOK Hoi Sang	CiTL	04/02/1998	03/09/1998 - 02/09/2001	1	0.3376	—	4,300,000
		17/12/1999	30/06/2000 - 29/06/2003	1	0.4640	—	5,000,000
	CCHL	04/02/1998	03/09/1998 - 02/09/2001	1	0.3248	—	4,000,000
FUNG Pak Kwan	CiTL	04/02/1998	03/09/1998 - 02/09/2001	1	0.3376	—	3,000,000
		17/12/1999	30/06/2000 - 29/06/2003	1	0.4640	—	6,550,000
FUNG Wo Shun	CiTL	04/02/1998	03/09/1998 - 02/09/2001	1	0.3376	—	2,300,000
KAN Ka Hon	CiTL	17/12/1999	30/06/2000 - 29/06/2003	1	0.4640	—	5,000,000

Save as disclosed above, as at 31st March, 2001, none of the Directors of the Company nor their spouses or children or step children under the age of 18 years had or were deemed pursuant to Section 28 of the SDI Ordinance or under Section 31 or Part 1 of the Schedule to the SDI Ordinance to have any interest in the securities of the Company or any of its associated corporations (within the meaning of the SDI Ordinance).

**Directors' Service Contracts**

No Director offering for re-election at the forthcoming Annual General Meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

**Management Contracts**

Apart from the management agreement entered into with CCHL as mentioned above, no other contracts of significance concerning the management and administration of the whole or any substantial part of the business of the Company or any of its subsidiaries were entered into or subsisted during the year.



## Directors' Biographies

### Executive Directors

Dr CHOW Yei Ching, Chairman and Managing Director, aged 65, is the founder of the Chevalier Group and the Chairman of CiTL, CCHL, both of which are publicly listed companies in Hong Kong, and the Chairman of CSHL, a publicly listed company in Singapore. He is also a Non-Executive Director of Van Shung Chong Holdings Limited, United Chinese Bank Limited, Television Broadcasts Limited and Shaw Brothers (Hong Kong) Limited. In 1995, Dr Chow was awarded with an Honorary Doctor Degree in Business Administration by The Hong Kong Polytechnic University and with an Honorary University Fellowship by The University of Hong Kong. In 1996 and 1997, he was appointed an Honorary Member of the Board of Directors by Nanjing University and was conferred an Honorary Degree of Doctor of Laws by The University of Hong Kong respectively. Dr Chow also serves actively on a number of educational advisory committees and gives substantial support in areas of researches and developments to the aforementioned two Universities in Hong Kong and The Hong Kong University of Science and Technology. He is also an Honorary Professor to Zhejiang University and Sichuan Union University of the PRC. Dr Chow's enthusiasm in public services is evidenced in his appointment in 1996 as a Member of The Selection Committee for the First Government of the Hong Kong Special Administrative Region and as a Member of the Board of Directors of The Community Chest in Hong Kong in 1995. He was also appointed early this year as the Honorary Consul of the State of Bahrain in Hong Kong. He also actively participates in various professional bodies and associations on fraternal and Chinese affairs. To name a few, he is a Member of the Chinese People's Political Consultative Conference (Shanghai), the President of The Japan Society of Hong Kong and he is also the Chairman of the National Taiwan University-HK Alumni Association. In recognition of his contributions to local and overseas societies alike, Dr Chow has been awarded with the honorable decorations from Britain, Belgium, France and Japan, namely, Officer of the Most Excellent Order of the British Empire, Officer in the Order of the Crown, Officier de l'Ordre National du Mérite and The Order of the Sacred Treasure, Gold Rays with Rosette respectively.

Mr KUOK Hoi Sang, Deputy Managing Director, aged 51, joined the Chevalier Group in 1972 and is a Director of CiTL, CSHL and the Vice Chairman of CCHL. He is also the President of The Lift and Escalator Contractors Association in Hong Kong, the Vice-Chairman of the Hong Kong — China Branch of The International Association of Elevator Engineers and a Registered Lift and Escalator Engineer in Hong Kong. He was appointed as member of Chinese People's Political Consultative Conference, Guangzhou. Mr Kuok has extensive experience in business development and is responsible for the strategic planning and management of the operations of lifts and escalators, building construction, building materials and supplies, aluminium works, electrical and mechanical services, civil engineering, property development as well as investment projects of the Group.

### Directors' Biographies (continued)

#### Executive Directors (continued)

Mr FUNG Pak Kwan, Director, aged 49, joined the Chevalier Group in 1974 and is the Managing Director of CiTL and a Director of CSHL. He was appointed as executive member of the Guangdong Federation of Industry & Commerce and Guangdong Chamber of Commerce. Mr Fung is responsible for the Chevalier Group's strategic planning and management of operations of subsidiaries which focus on a wide range of voice and data communication equipment and services, system integrated IT solutions as well as the sale and distribution of mobile phones, business machines, computer systems and equipment, telephone systems and relevant after-sales services. He also actively involves in the planning of property investment and development projects, environmental engineering, automobile and hotel business in North America of the Group.

Mr FUNG Wo Shun, Director, aged 53, joined the Chevalier Group in 1970 and is a Director of CiTL. Mr Fung takes an active role in the management of the insurance business, finance and leasing business as well as business development of the Group.

Mr KAN Ka Hon, Director and Company Secretary, aged 50, joined the Chevalier Group in 1986 and is a Director and Company Secretary of CiTL and the Company Secretary of CCHL. He is also a Non-Executive Director of Victory City International Holdings Limited. He is responsible for management of the Chevalier Group's accounting and treasury, corporate finance, company secretarial and electronic data processing activities. Mr Kan holds a Bachelor Degree in Science from The University of Hong Kong and is a fellow member of The Association of Chartered Certified Accountants in the U.K. and a member of Hong Kong Society of Accountants.

Mr WONG Kie Ngok, Alexander, Director, aged 72, joined the Chevalier Group in 1989 and is a Director of CCHL. He is responsible for the internal audit and project development of the Chevalier Group. Mr Wong is a member of The Australian Society of Certified Public Accountants, a fellow member of The Hong Kong Society of Accountants and a fellow member of The Taxation Institute of Hong Kong.

Mr TAM Kwok Wing, Director, aged 40, joined the Chevalier Group in 1986 and is a Director of CCHL. Apart from his participation in running the insurance underwriting business together with property development and property management divisions, he is also responsible for legal affairs, general administration, human resources management, public relations and travel agency business of the Chevalier Group. Mr Tam holds a Bachelor Degree in Laws from the Beijing University of the PRC, a Master of Arts Degree from the City University of Hong Kong and a Postgraduate Diploma in Corporate Administration from The Hong Kong Polytechnic University. He is also fellow members of the Chartered Institute of Arbitrators, the Institute of Chartered Secretaries and Administrators in the U.K. and the Hong Kong Institute of Company Secretaries. Presently, he also serves as an Honorary Secretary of the Insurance Claims Complaints Bureau.



### Directors' Biographies (continued)

#### Independent Non-Executive Directors

Mr Iain Leonard DALE, aged 61, was appointed to the Board in 1992. Mr Dale is the Chairman of Henderson TR Pacific Investment Trust plc, Bowman Power Ltd and an Ambassador for British Business appointed by the U.K. Foreign and Commonwealth Office. He also chairs the British Council's BOND scheme, which places overseas business people in the U.K. industry. He was previously the Chairman of Dale Electric International plc and a Director of Vislink plc and chaired both the South East Asian Trade Advisory Group and the Southern Asian Advisory Group for the British Government. He is a former member of British Overseas Trade Board (BOTB).

Mr CHENG Ming Fun, Paul, aged 64, was appointed to the Board in 1998. Mr Cheng is a founding partner of China Key Consultants Ltd. A former Legislative Councillor, he was also the Chairman of Inchcape Pacific Limited and N M Rothschild & Sons (Hong Kong) Limited. He holds a number of non-executive directorships with listed companies in both Hong Kong and the U.K. An adjunct professor of Management of Organizations and a member of the Court at The Hong Kong University of Science and Technology.

Mr WONG Wang Fat, Andrew, aged 57, was appointed to the Board in 1999. Mr Wong has been an elected member of the Legislative Council since 1985. He has been lecturing at The Chinese University of Hong Kong since 1970 and is currently Honorary Professor of Government and Public Administration. He is also a Non-Executive Director of New Island Printing Holdings Limited and an Honorary President of the Hong Kong Corrugated Paper Manufacturers Association. Mr Wong holds a Bachelor of Arts (Honours) degree in literature from The University of Hong Kong and a Master of Public Administration degree from the Syracuse University, U.S.A.

#### Retirement Schemes

From 1st April, 2000 to 30th November, 2000, the Company and its Hong Kong subsidiaries were participating companies in the Chevalier Group Staff Provident Fund Scheme ("the Scheme") as defined in the Occupational Retirement Schemes Ordinance which is a defined contribution retirement scheme for its eligible employees. Certain of the Company's overseas subsidiaries contribute to their local government's central pension plans for their employees. Contributions to these schemes are made by both the employers and the employees at the rate of 3.9% to 16% on the employees' income.

There has been a change in the pension scheme policy for the Group in Hong Kong since the introduction of Mandatory Provident Fund Scheme ("the MPF") under the Mandatory Provident Fund Schemes Ordinance by the HKSAR Government in December 2000. From 1st December, 2000 onwards, existing staff members can opt to stay in the Scheme or join the MPF while all new staff members are only entitled to join the MPF.

The MPF is available to all employees aged between 18 and 65 with at least 60 days of service under the employment of the Group in Hong Kong. Contributions are made by the Group at 5% based on the staff's relevant income at a maximum of HK\$20,000 per month. The benefits are required by law to be preserved until the retirement age of 65.

The Group's total contributions to these schemes charged to the consolidated income statement during the year amounted to HK\$22,508,000 against which forfeited contributions amounting to HK\$5,497,000 have been deducted. There were forfeited contributions amounting to HK\$470,000 available at the year end date for the reduction of future employer's contributions.

### Substantial Shareholder

As at 31st March, 2001, the only substantial shareholder of the Company was Dr CHOW Yei Ching who held 615,445,993 shares representing approximately 50% of the issued share capital of the Company as recorded in the registers required to be kept under Section 16(1) of the SDI Ordinance.

Save as disclosed above, there were no parties whom were known to the Directors to be the registered holders or have any interest or right to subscribe for 10% or more of the issued share capital of the Company.

### Arrangement for Acquisition of Shares or Debentures

Except for the share option scheme adopted by the Company and the share options granted to certain Directors, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### Audit Committee

The Audit Committee, which was established pursuant to the requirements of the Listing Rules, comprising Messrs Iain Leonard DALE and WONG Wang Fat, Andrew, met twice in the year. During the meetings, the Committee reviewed the Connected Transactions, interim and annual reports of the Group and discussed with management the auditing, internal controls and financial reporting matters.

### Code of Best Practice

In the opinion of the Directors, the Company has complied throughout the year with the guidelines for the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

### Post Balance Sheet Events

Details of the significant post balance sheet events are set out in note 39 to the financial statements.

### Auditors

The financial statements for the year have been audited by Messrs Deloitte Touche Tohmatsu who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

**CHOW Yei Ching**

*Chairman and Managing Director*

Hong Kong, 10th July, 2001