

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



# **CHEVALIER CONSTRUCTION HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

## **ANNOUNCEMENT**

The Board of Directors of the Company announces that on 18th December, 2001, Wealthy Town served the Notice to Dr Chow pursuant to which Wealthy Town elected to exercise the Put Option. The purchase of the Put Option Shares by Dr Chow shall be completed on 21st December, 2001.

Upon completion of the sale and purchase of the Put Option Shares, Dr Chow will hold 61,036,489 Shares, representing approximately 24.51% of the issued share capital of the Company.

As at the date of this announcement, Dr Chow holds 640,527,782 shares in CIHL, the controlling shareholder of the Company, representing approximately 50.23% of CIHL whilst CIHL holds 89,385,444 Shares, representing approximately 35.90% of the issued share capital of the Company.

Terms used herein shall have the same meanings as defined in the Subscription Agreement and the announcement of the Company dated 24th August, 2000 (the "Announcement"), together with the circular of the Company dated 14th September, 2000 (the "Circular") unless the context requires otherwise.

Pursuant to Clause 6.4 of the Subscription Agreement, Dr Chow Yei Ching ("Dr Chow") granted Wealthy Town the right to put all but not part of 20,000,000 Shares ("Put Option Shares") at HK\$0.21 per Share to him that Wealthy Town has subscribed on 2nd November, 2000 pursuant to the First Tranche Subscription (as defined in the Announcement) during the one year period commencing on 2nd November, 2001 at a total consideration of HK\$4,200,000.

On 18th December, 2001, Wealthy Town served a written notice ("the Notice") to Dr Chow pursuant to which Wealthy Town elected to exercise the Put Option. Dr Chow accepted the terms as stipulated in the Notice on the same day. Completion of the sale and purchase of the Put Option Shares shall take place on 21st December, 2001.

As at the date of this announcement, Dr Chow holds 640,527,782 shares in Chevalier International Holdings Limited ("CIHL"), the controlling shareholder of the Company, representing approximately 50.23% of CIHL whilst CIHL holds 89,385,444 Shares, representing approximately 35.90% of the issued share capital of the Company. Dr Chow holds 41,036,489 Shares, representing approximately 16.48% of the issued share capital of the Company. CIHL and Dr. Chow together hold an aggregate of approximately 52.38% of the issued capital of the Company.

Upon completion of the sale and purchase of the Put Option Shares, Dr Chow will hold 61,036,489 Shares, representing approximately 24.51% of the issued share capital of the Company. CIHL and Dr. Chow will together hold approximately 60.41% of the issued share capital of the Company. Based on information available to the Company, the public will hold approximately 38.41% of the issued share capital of the Company.

Pursuant to the Subscription Agreement, Wealthy Town may within 18 months immediately after the first anniversary date of 2nd November, 2000, being the subscription date of the First Tranche Subscription, subscribe for 20,000,000 Shares at HK\$0.24 per share and may within 18 months immediately after the second anniversary date of 2nd November, 2000, subscribe up to 21,100,000 Shares at HK\$0.24 per share. The right for Wealthy Town to subscribe the above-mentioned Shares is subject to Mr. Chan Ka Kui (the ultimate beneficial owner of Wealthy Town) remains as a director of the Company. The Company has not received any notice from Wealthy Town to subscribe for any of these Shares. For further information of the Subscription Agreement and the Put Option, please refer to the Announcement and the Circular.

By Order of the Board  
**KAN Ka Hon**  
Company Secretary

Hong Kong, 18th December, 2001