香港電燈有限公司 The Hongkong Electric Co., Ltd.

電能實業有限公司附屬公司 a subsidiary of Power Assets Holdings Ltd.

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12 December 2012

The Chairman
Commission of Inquiry into the Collision of
Vessels near Lamma Island on 1 October 2012
12/F, West Wing
Central Government Offices
Lower Albert Road
Central
Hong Kong

Dear Mr. Chairman,

Re: Commission of Inquiry into the Collision of Vessels near Lamma Island

On 1 October 2012 our Company, HK Electric's ferry, Lamma IV, manned by our own employees, and carrying our own staff, their families and friends to the National Day Fireworks Display, was hit by the high speed ferry Sea Smooth near Lamma Island. Very sadly, 39 of those onboard died and many others were injured. Our management, staff, and our families are all deeply saddened by this terrible tragedy. We wish once again to express our condolences to the families and friends of all the deceased and injured.

Whilst the past months have been a time of grief and sorrow, we are greatly encouraged by the remarkable care and support from the Government, the community and our staff. Our management and staff appreciate the immense efforts by the Government's rescue team to mobilize all available resources to save as many lives as possible, and all other departments involved for the various supporting services in the aftermath. We are particularly grateful to those who risked their own lives and personal safety in their endeavours to help our people that night.

We are also greatly moved by the prompt, efficient and unreserved support from the hospitals and medical services to save precious lives and care for the injured; the community, for various expressions of condolence and support, be they memorial gatherings, floral tributes, sympathy cards, condolences messages, donations or other generous and thoughtful gestures; the Li Ka Shing Foundation, for its emergency financial assistance to the victims' families; and our staff, for standing together to support each other through these difficult and critical times. We are incredibly touched by the overwhelming outpouring of sorrow, support, sympathy and succour. We have truly seen, and benefitted from, the best side of Hong Kong people, and we owe all of them our greatest gratitude and respect.

We, Company and Staff together, are also doing our utmost to help those affected. Following the incident, our staff were immediately in close and continuing contact with the affected passengers and their families to offer appropriate assistance and support.

Emergency financial relief was provided by our Company, and those we identified as having particular needs were assisted and supported in their applications for specialist referrals. Professional counselling services were offered and provided to our staff as appropriate. A public donation drive was also initiated by HK Electric and implemented with support from a number of charitable and commercial organizations to channel the community's financial support to those in need – we are extremely grateful to, and touched by, the generosity of all those who, together, have contributed over HK\$6.3 million.

We are able to inform both the Commission and the people of Hong Kong that all those hospitalised have been discharged, and most of our staff members have returned to work. Our support for all our affected staff continues.

We acknowledge, however, that whilst physical injuries may heal quickly, emotional and psychological traumas may continue for far longer. We sincerely hope that all affected will recover from their shock and distress in due time, and "move on".

We, as a Company and an Employer, accept that questions as to the what, why and how it happened on 1 October 2012, are a very necessary part of this healing process. It is most important that those affected, directly or indirectly, should be given the answers. Equally, the lessons to be learnt from this tragedy must be identified, and the appropriate measures taken to prevent recurrence. Meanwhile, we are reviewing our own procedures to see how we can best improve our company practices, with particular focus on the security and safety of our passengers, our ferries and our arrangements for company events, with emphasis on our preparedness for, and response to, times of crisis and emergency.

The Appointment, and now Opening, of this Commission of Inquiry are therefore the most significant and critical steps.

HK Electric welcomes the opportunity to participate in these Hearings, pledges to cooperate fully with the Commission, and will do whatever we can to assist in the Inquiry. Those who have lost their lives and suffered injuries, their families and their loved ones, deserve no less.

Yours faithfully,

Tso Kai Sum Managing Director