

**COMMISSION OF INQUIRY INTO THE DIAPHRAGM WALL AND
PLATFORM SLAB CONSTRUCTION WORKS AT THE HUNG HOM STATION
EXTENSION UNDER THE SHATIN TO CENTRAL LINK PROJECT**

**REPLY WITNESS STATEMENT OF RAYMOND AU KOON-SHAN
FOR
MTR CORPORATION LIMITED**

I, **RAYMOND AU KOON-SHAN**, of MTR Corporation Limited, MTR Hung Hom Building, 8 Cheong Wan Road, Hung Hom, Kowloon, Hong Kong, **WILL SAY AS FOLLOWS:**

1. I am the Principal Contracts Administration Manager (“**PCAM**”) for the Shatin to Central Link Project (“**SCL Project**”) of MTR Corporation Limited (“**MTRCL**”). I attach as **Appendix “ARKS-1”** a copy of my curriculum vitae. As PCAM, I oversee my team for pre and post contract administration of works contracts, amongst other things, all issues relating to interim payments for the works done under Contract 1112 and this includes review of expenditure (carried out by my team) relating to subcontractors’ payments by the main contractor to its subcontractors.
2. I am providing this witness statement in response to certain matters arising from §§48 and 50 of the 1st witness statement of Mr. POON Chuk-Hung, Jason (“**Mr. Poon**”) **[D1/D23, D1/D25]**. Save as otherwise stated, I confirm that the contents of this statement are within my personal information knowledge and belief and are true. To the extent that they are not, they are true to the best my personal information knowledge and belief based on the contemporaneous documents kept by MTRCL.
3. I wish to set out my account of the matters contended in §50 of Mr. Poon’s 1st witness statement. Before I do so, I wish to state that I have never met Mr. Poon before and I only had one very short telephone conversation with him as set out below.
4. As Dr. Wong Nai Keung Philco (“**Dr. Wong**”) mentioned in §44 of his witness statement **[B1/B150]**, Dr. Wong called me in around late 2016 and asked me to follow up with Mr. Poon on the subcontractor payments to China Technology Corporation

Limited (“**China Technology**”) by the main contractor. I remember that this was in December 2016 although I cannot remember when in December 2016 Dr. Wong called me. Dr. Wong told me that Mr. Poon was complaining that China Technology was underpaid by the main contractor. He then gave me the mobile number of Mr. Poon and asked me to contact Mr. Poon to find out what the problem was.

5. I then called Mr. Poon's mobile number to follow up on the matter. I introduced myself on the phone to him and told him that Dr. Wong asked me to phone him to find out what issues he had with his payments from Leighton Contractors (Asia) Limited (“**Leighton**”). His reply to me was very short and he just told me that there was no problem now and everything was resolved. The call then ended. It was a very short call and lasted about 1 minute. Since Mr. Poon stated that everything was resolved, there was no need for any follow up action.
6. After my telephone conversation with Mr. Poon, I reported to Dr. Wong over the phone that I had called Mr. Poon (I cannot recall whether I called Dr. Wong or whether he called me). I told him about my telephone conversation with Mr. Poon. I further told him that since the payment issues with Leighton were resolved, no further follow-up was required.
7. I am certain that Dr. Wong did not mention any issues relating to the Defective Steel Works in his telephone call to me. It would not be logical; nor would it make sense for him to do so since any issues relating to the Defective Steel Works are technical / construction matters which are completely beyond the remit of my responsibilities and expertise. Dr. Wong would not ask me to call Mr. Poon relating to such technical / construction issues. If the matter was technical / construction in nature, Dr. Wong would have contacted the projects team colleagues instead of me.
8. At §50 of Mr. Poon's 1st witness statement **[D1/D25]**, he alleges that I contacted him following an email dated 6 January 2017 from Mr. Poon to Mr. Joe Tam of Leighton, and that I asked him to *"stop pushing Leighton"*. I deny such allegations. I neither contacted Mr. Poon in 2017; nor asked him to *"stop pushing Leighton"*. My only conversation with Mr. Poon was the one I refer to at §5 above which took place in late 2016. As far as I was concerned, the only issue which I understand Mr. Poon had related to payment which he confirmed was resolved.

Dated the 12th day of October 2018.



Raymond Au Koon-Shan

APPENDIX ARKS-1

CURRICULUM VITAE OF RAYMOND AU KOON-SHAN

Name: Raymond Koon Shan, Au

Present Employer: MTR Corporation Ltd

Current Position: Principal Contracts Administration Manager

Occupation: Chartered Quantity Surveyor / Costs Engineer

Academic Qualifications: BSc. in Quantity Surveying;
LLB (Hons) in English Laws;
PGD in Property Development & Investment;
MA Degree in Arbitration & Disputes Resolution.

Professional Qualifications: Fellow of The Hong Kong Institute of Surveyors (FHKIS);
Follow of The Royal Institution of Chartered Surveyors (FRCS);
Follow of The Institution of Civil Engineering Surveyors (FIInstCES);
Follow of The Chartered Institute of Arbitrators (FICArb);
Member of The Association of Cost Engineers (MACostE).

Professional Experience: I am a chartered quantity surveyor, with over 38 years hand-on contracts management experience in private and public sectors, throughout the process from inception stage to final accounts, leading contract administration teams of 80 professionals in providing contract procurement and administration services with specialisation in value engineering, cost control, risks management, contracts formulation and claim assessments, disputes resolution and expert witness report in relation to various portfolios including housing development, West Rail, Kowloon Southern Link and Shatin Central Link railway developments, civil, building and E&M engineering works; have successfully settled final accounts as the works progress.

Professional Skills: Contract formulation – Drafting specifications, Special Conditions of Contracts, Tender Conditions, and Pricing Documents;
Procurement Strategy – Formulating tendering strategy, including open / selective tendering, and Early Contractor Involvement;
Contract Administration –managing different risks in various forms of contract including Lump Sum Contracts, Design and Build Contracts, and Target Cost Contracts;
Contractual Dispute Resolution – Claim Assessments and resolutions; Third Party Intervention, and Arbitration;
Negotiation and Mediation – Third Party dispute resolution and early settlements of final accounts as the works progress;
Expert Witness – expert witness reports for determination of principles and quantum of contractual matters;
Risk and Opportunity Management - Drafting Geotechnical Baseline Statements for underground risks management.

Publication: I am a co-author of “The Chinese International Commercial Arbitration”.