

NOTES TO THE ACCOUNTS

27 PRINCIPAL SUBSIDIARY COMPANIES

The following are the principal subsidiary companies of the Group which in the opinion of the directors, principally affect the results and net assets of the Group. To give details of other subsidiary companies would in the opinion of the directors result in particulars of excessive length.

Name	Place of incorporation/ Principal place of operation *Kind of legal entity	Particulars of issued shares#		Interest in equity shares held by		Principal activities
		No. of shares	Par value	Company %	Subsidiary %	
Aviation						
Collinson Company Limited	Republic of Liberia/Bermuda	498	-	100	-	Investment holding
Custain Limited	Hong Kong	2	HK\$10	-	100	Investment holding
Easerich Investments Inc.	British Virgin Islands/Bermuda	1	US\$1	-	100	Investment holding
Hilldun Limited	Hong Kong	3	HK\$10	-	100	Investment holding
Jade Wonder Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Motive Link Holdings Inc.	British Virgin Islands/Bermuda	1	US\$1	-	100	Investment holding
Sidewinder Holdings Limited	British Virgin Islands/Bermuda	1	US\$1	-	100	Investment holding
Smooth Tone Investments Ltd.	British Virgin Islands/Bermuda	1	US\$1	-	100	Investment holding
Communications						
Bright Generation Holdings Inc.	British Virgin Islands	1	US\$1	-	60	Investment holding
CITIC Data 1616 Limited	Hong Kong	2	HK\$1	-	100	Provision of data transmission services
CITIC Pacific Communications Limited	Bermuda	100,000	HK\$1	-	100	Investment holding
CITIC Telecom 1616 Limited	Hong Kong	2	HK\$1	-	100	Provision of international telecommunications services
Data Communication Services Limited	Hong Kong	1,000 38,000,000 Δ	HK\$1 HK\$1	-	100	Provision of telecommunications equipment
Direct Access Development Corp.	British Virgin Islands	1	US\$1	-	60	Investment holding
Dynamic Power Investments Ltd.	British Virgin Islands	10	US\$1	-	60	Investment holding
Essential Elements Holdings Corp.	British Virgin Islands	1	US\$1	-	60	Investment holding
Forever Glory International Ltd.	British Virgin Islands	1	US\$1	-	60	Investment holding
Glamorous Way Enterprises Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Glorious Style Enterprises Ltd.	British Virgin Islands	1	US\$1	-	60	Investment holding
Happy Land Enterprises Corp.	British Virgin Islands	1	US\$1	-	60	Investment holding
Konik Inc.	British Virgin Islands	1	US\$1	-	60	Investment holding
Lucky Zone Enterprises Inc.	British Virgin Islands	10	US\$1	-	60	Investment holding
Oracle Link Holdings Inc.	British Virgin Islands	1	US\$1	-	60	Investment holding
Power Point Enterprises Corp.	British Virgin Islands	1	US\$1	-	60	Investment holding
Supreme Magic Enterprises Ltd.	British Virgin Islands	1	US\$1	-	60	Investment holding
Vanderburg Inc.	British Virgin Islands	10	US\$1	-	60	Investment holding
World Navigation Limited	Hong Kong	1,000	HK\$1	-	100	Provision of international telecommunications services
		2,000,000 Δ	HK\$1			

NOTES TO THE ACCOUNTS

27 PRINCIPAL SUBSIDIARY COMPANIES (CONTINUED)

Name	Place of incorporation/ Principal place of operation *Kind of legal entity	Particulars of issued shares#		Interest in equity shares held by		Principal activities
		No. of shares	Par value	Company %	Subsidiary %	
Power Generation						
Classabove Holdings Limited	Hong Kong	2	HK\$1	-	100	Investment holding
Daybreak Holdings Limited	Hong Kong	2	HK\$1	-	100	Investment holding
Kong Yuen Investments Limited	Hong Kong	2	HK\$1	-	100	Investment holding
Premier Gold Holdings Corp.	British Virgin Islands	1	US\$1	-	100	Investment holding
Reynolds Holdings Limited	Hong Kong	2	HK\$1	-	100	Investment holding
Rising Star Enterprises Corp.	British Virgin Islands	1	US\$1	-	100	Investment holding
Sterling Lake Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Sunspark Power Investment Company Limited	Hong Kong	10,000	HK\$1	-	100	Investment holding
Roads, Bridges and Tunnels						
Adwood Company Limited	Hong Kong	10	HK\$10	20	50	Investment holding
Artford Pacific Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Avon Pacific Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Bloomingshire Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Bold Wave International Development Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Cinta Company Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Crystalime Company Limited	Hong Kong	2	HK\$10	-	100	Investment holding
Eastern Unicom Development Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Express Link Holdings Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Golden Race International Investment Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Gradius Company Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Joyson Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
New Hong Kong Tunnel Company Limited	Hong Kong	75,000,000	HK\$10	-	69.38	Tunnel operation
Newly Bright Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Prime Star Enterprises Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Rank Dragon Investment Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Rich Creation Investments Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Triangle Peak Development Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Yan Wing Investments Limited	Hong Kong	2	HK\$1	-	100	Investment holding
Environment						
Athens Investments, Inc.	British Virgin Islands	1	US\$1	-	100	Investment holding
Estoril Corp.	British Virgin Islands	1	US\$1	-	100	Investment holding
Unitex Holdings Corp.	British Virgin Islands	1	US\$1	-	100	Investment holding

NOTES TO THE ACCOUNTS

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Name	Place of incorporation/ Principal place of operation *Kind of legal entity	Particulars of issued shares#		Interest in equity shares held by		Principal activities
		No. of shares	Par value	Company %	Subsidiary %	
Trading & Distribution						
Adachi Trading Company Limited	Japan	250	JPY50,000	-	100	Trader of motor vehicle spare parts
Confidence Motors Limited	Hong Kong	1,000	HK\$100	-	100	Motor vehicle distributor
Consolidated Parts & Accessories Sales Centre Limited	Hong Kong	1,000	HK\$100	-	100	Trader of motor vehicle spare parts
Dah Chong Hong (Canada) Ltd.	Canada	650,000	-	-	100	General import/export
Dah Chong Hong (China) Limited	Hong Kong	1,000	HK\$100	-	100	Investment holding
Dah Chong Hong - Dragonair Airport CSE Service Limited	Hong Kong	10,000	HK\$1	-	70	Provision of airport ground support equipment maintenance services
Dah Chong Hong (Engineering) Limited	Hong Kong	10,000	HK\$100	-	100	Engineering services
Dah Chong Hong Holdings Limited	Hong Kong	21,031,837	HK\$10	-	100	Investment holding
Dah Chong Hong, Limited	Hong Kong	50,000	HK\$1,000	-	100	Investment holding; general importers, retailers and exporters dealing in foodstuffs, electrical appliances and other products
Dah Chong Hong (Japan) Limited	Japan	480,000	JPY1,000	-	100	Importer and exporter of foodstuffs, motor vehicles and garments; property investment
Dah Chong Hong (Motor Service Centre) Limited	Hong Kong	2,000	HK\$100	-	100	Motor vehicle repairing and servicing
Dah Chong Hong Motors (China) Limited	Hong Kong	20,000	HK\$100	-	100	Investment holding
Dah Chong Hong (Motor Leasing) Limited	Hong Kong	10,000	HK\$10	-	100	Motor leasing
Dah Chong Hong Trading (Singapore) Pte. Ltd.	Singapore	3,500,000	S\$1	-	100	Investment holding and trading of foodstuffs
DCH Food Industries Limited	Hong Kong	2	HK\$10	-	100	Investment holding

NOTES TO THE ACCOUNTS

27 PRINCIPAL SUBSIDIARY COMPANIES (CONTINUED)

Name	Place of incorporation/ Principal place of operation *Kind of legal entity	Particulars of issued shares#		Interest in equity shares held by		Principal activities
		No. of shares	Par value	Company %	Subsidiary %	
DCH Healthcare Products Limited	Hong Kong	100,000	HK\$100	-	100	Distribution and retailing of healthcare and pharmaceutical products
DCH Motors Ltd.	Canada	100	CAN\$1	-	100	Motor vehicle distributor
DCH Motors (Bentley) Limited	Hong Kong	2	HK\$1	-	100	Motor vehicle distributor
Gentech Vehicle Engineering Limited	Hong Kong	166,000	HK\$1	-	100	Trading of special function vehicles
Harmony Motors Limited	Hong Kong	1,000	HK\$100	-	100	Motor vehicle distributor
Honest Motors, Limited	Hong Kong	3,000	HK\$1,000	-	100	Motor vehicle distributor
Japan Auto Parts Company Limited	Hong Kong	1,000	HK\$100	-	100	Trader of motor vehicle spare parts
Premium Motors Limited	Hong Kong	2	HK\$1	-	100	Motor vehicle distributor
Regal Motors, Limited	Hong Kong	2,000	HK\$100	-	100	Motor vehicle distributor
Reliance Motors, Limited	Hong Kong	3,000	HK\$1,000	-	100	Motor vehicle distributor
Shanghai DCH Food Industries Ltd.	People's Republic of China *Wholly foreign-owned enterprise	N/A	N/A	-	100	Food processing and trading
Shanghai DCH Jinshan Co., Ltd.	People's Republic of China *Sino-foreign equity JV	N/A	N/A	-	38.5	Production and selling of meat and related food products
Shanghai DCH Jiangnanfeng Co., Ltd.	People's Republic of China *Sino-foreign equity JV	N/A	N/A	-	46.06	Production and selling of chickens and related food products
Shanghai RFCI Restaurant Co., Ltd.	People's Republic of China *Sino-foreign co-operative JV	N/A	N/A	-	90	Provision of food, beverage and retail sales of rainforest-theme souvenir merchandise
Triangle Auto Pte Ltd	Singapore	3,000,000	S\$1	-	100	Motor vehicle distributor
Triangle Motors Limited	Hong Kong	30,000	HK\$100	-	100	Motor vehicle distributor

NOTES TO THE ACCOUNTS

27 PRINCIPAL SUBSIDIARY COMPANIES (CONTINUED)

Name	Place of incorporation/ Principal place of operation *Kind of legal entity	Particulars of issued shares#		Interest in equity shares held by		Principal activities
		No. of shares	Par value	Company %	Subsidiary %	
Property						
Admarch Limited	Hong Kong	2	HK\$10	-	100	Property investment
Admarch Property Management Company, Limited	Hong Kong	2	HK\$1	-	100	Property management
Baylink Investments Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Borgia Limited	Hong Kong	2	HK\$10	-	100	Property investment
Broadway Centre Property Management Company Limited	Hong Kong	2	HK\$1	-	100	Property management
Campbellton Development Limited	Hong Kong	2	HK\$1	-	100	Property development
Famous Land Limited	Hong Kong	2	HK\$1	-	100	Property investment
Glenridge Company Limited	Hong Kong	2	HK\$10	-	100	Property investment
Goldenburg Properties Limited	Hong Kong	1,000	HK\$10	-	70	Property investment
Hang Luen Chong Investment Company, Limited	Hong Kong	80,000	HK\$100	-	100	Property investment
Hang Luen Chong Property Management Company, Limited	Hong Kong	2	HK\$1	-	100	Property management
Hang Wah Chong Investment Company Limited	Hong Kong	50,000	HK\$100	-	100	Property investment
Jewril Limited	Hong Kong	2	HK\$1	-	100	Investment holding
Kendorm Corporation	Republic of Liberia/Bermuda	1	-	-	100	Investment holding
Kimble Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Kowill Investments Inc.	British Virgin Islands	1	US\$1	-	100	Investment holding
Lindenford Limited	Hong Kong	2	HK\$10	-	100	Property investment
Neostar Investment Limited	Hong Kong	2	HK\$1	-	100	Property investment
Newmarket Holdings Limited	British Virgin Islands/ Bermuda	2	US\$1	-	100	Investment holding
Pacific Grace Limited	Hong Kong	2	HK\$1	-	100	Property investment
Sun King Fung Development Limited	Hong Kong	152,343,165	HK\$0.10	100	-	Investment holding
Supreme Luck Investments Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Tendo Limited	Hong Kong	2	HK\$10	-	100	Property investment
Yee Lim Godown & Cold Storage Limited	Hong Kong	1,000,000	HK\$1	-	100	Operate a dry and cold storage godown
Finance						
Balgonie Limited	Hong Kong	2	HK\$1	100	-	Financing
Citic Pacific Finance Limited	Cayman Islands	1,000	US\$1	100	-	Financing
Idealand Investment Inc.	Republic of Panama	100	US\$1	-	100	Financing
South Star Holdings Inc.	British Virgin Islands/ Bermuda	1	US\$1	100	-	Financing

NOTES TO THE ACCOUNTS

27 PRINCIPAL SUBSIDIARY COMPANIES (CONTINUED)

Name	Place of incorporation/ Principal place of operation *Kind of legal entity	Particulars of issued shares#		Interest in equity shares held by		Principal activities
		No. of shares	Par value	Company %	Subsidiary %	
Industrial Manufacturing						
Crown Sky Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Jiangyin Xingcheng Special Steel Works Co., Ltd.	People's Republic of China *Sino-foreign equity JV	N/A	N/A	-	55	Steel making
Jiangyin Xingcheng Steel Products Co., Ltd.	People's Republic of China *Sino-foreign equity JV	N/A	N/A	-	55	Steel making
Jiangyin Xing Cheng Steel Works Co., Ltd.	People's Republic of China *Sino-foreign equity JV	N/A	N/A	-	55	Steel making
Joyce Court Holdings Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Maxy Rich Investments Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Shine Mass Holdings Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Wuxi Huada Motors Co., Ltd.	People's Republic of China *Sino-foreign equity JV	N/A	N/A	-	55	Industrial motors manufacturing

Represented ordinary shares, unless otherwise stated.

△ Non-voting deferred shares - the rights, privileges and restrictions of which are set out in the Articles of Association of the respective company.

28 PRINCIPAL ASSOCIATED COMPANIES

The following are the principal associated companies of the Group which in the opinion of the directors, principally affect the results and net assets of the Group. To give details of other associated companies would in the opinion of the directors result in particulars of excessive length.

Name	Place of incorporation	Group equity interest %	Principal activities
Aviation			
Cathay Pacific Airways Limited (note)	Hong Kong	25.65	Airlines and related services
Hong Kong Dragon Airlines Limited	Hong Kong	28.50	Aviation
Swire Aviation Limited	Hong Kong	33.33	Investment holding in Hong Kong Air Cargo Terminals Limited

NOTES TO THE ACCOUNTS

28 PRINCIPAL ASSOCIATED COMPANIES (CONTINUED)

<i>Name</i>	<i>Place of incorporation</i>	<i>Group equity interest %</i>	<i>Principal activities</i>
Communications			
CITIC Guoan Co., Ltd.	People's Republic of China	50	Investment holding
Companhia de Telecomunicacoes de Macau S.A.R.L.	Macau	20	Telecommunications services
Tunnels			
Eastern Harbour Crossing Company Limited	Hong Kong	50	Tunnel operation
Hong Kong Tunnels and Highways Management Company Limited	Hong Kong	35	Management, operation and maintenance of the Cross Harbour Tunnel
Western Harbour Tunnel Company Limited	Hong Kong	35	Franchise to construct and operate the Western Harbour Crossing
Environment			
Ecoserve Limited	Hong Kong	50	Design, construction and operation of refuse transfer station
Enviropace Limited	Hong Kong	20	Design, construction, operation and management of chemical waste treatment plant
Green Valley Landfill, Limited	Hong Kong	30	Landfill construction and operation
South China WMI Transfer Limited	Hong Kong	30	Design, construction and operation of transfer station

NOTES TO THE ACCOUNTS

28 PRINCIPAL ASSOCIATED COMPANIES (CONTINUED)

<i>Name</i>	<i>Place of incorporation</i>	<i>Group equity interest %</i>	<i>Principal activities</i>
Property			
Cheer First Limited	Hong Kong	40	Financing
CITIC Tower Property Management Company Limited	Hong Kong	40	Property management
Danton Investment Limited	British Virgin Islands	40	Investment holding
Festival Walk Holdings Limited	Hong Kong	50	Property investment
Goldon Investment Limited	Hong Kong	40	Property investment
Hong Kong Resort Company Limited	Hong Kong	50	Property development
Kido Profits Limited	British Virgin Islands	15	Property development
Shinta Limited	Hong Kong	20	Property investment
Sun Kong Investment Company, Limited	Hong Kong	40	Property development
Treasure Trove Limited	Hong Kong	50	Financing
Others			
Shiseido Dah Chong Hong Cosmetics Limited	Hong Kong	50	Trading in cosmetics products
Way Chong Finance Limited	Hong Kong	50	Provision of hire purchase and leasing finance

note: Extract from the published accounts of Cathay Pacific Airways Limited, a significant associated company of the Group, is shown on pages 106-107.

NOTES TO THE ACCOUNTS

29 PRINCIPAL CO-OPERATIVE JOINT VENTURES

The following are the principal co-operative joint ventures of the Group, which in the opinion of the directors, principally affect the results and net assets of the Group. To give details of other co-operative joint ventures would in the opinion of the directors result in particulars of excessive length. All of the principal co-operative joint ventures have their place of incorporation and operations in the People's Republic of China.

<i>Name</i>	<i>Co-operative joint venture period</i>	<i>Group equity interest %</i>	<i>Principal activities</i>
Jiangsu Ligang Electric Power Company Limited ("Ligang")	(note a)	56.31	Electric power plant construction and operation
Zhengzhou Xinli Electric Power Co., Ltd. ("Xinli")	(note b)	50	Electric power plant construction and operation
Shanghai Citic Tunnel Development Co., Ltd. (note c)	31 years from 7 October 1993	50	Tunnel construction, management and operation
Shanghai Huang Pu River Tunnel and Bridges Development Co., Ltd. (note c)	20 years from 1 January 1995	45	Tunnel and bridges management and operation
Shanghai Jian Tai Co., Ltd. (note c)	20 years from 1 January 1996	45	Toll road management and operation
Shanghai Xupu Bridge Development Co., Ltd. (note c)	20 years from 1 July 1996	45	Bridge management and operation
Chongqing Chang Jiang LJT Bridge Co., Ltd. (note c)	20 years from 1 December 1997	50	Bridge management and operation
Chongqing Qiao Gao Infrastructure Co., Ltd. (note c)	20 years from 1 December 1997	50	Bridge management and operation
Chongqing Qiao Feng Infrastructure Co., Ltd. (note c)	20 years from 1 December 1997	50	Bridge management and operation

NOTES TO THE ACCOUNTS

29 PRINCIPAL CO-OPERATIVE JOINT VENTURES (CONTINUED)

<i>Name</i>	<i>Co-operative joint venture period</i>	<i>Group equity interest %</i>	<i>Principal activities</i>
Chongqing Qiao Xin Infrastructure Co., Ltd. (note c)	20 years from 1 December 1997	50	Bridge management and operation
Chongqing Cheng Fu Infrastructure Co., Ltd. (note c)	20 years from 1 December 1997	50	Bridge management and operation
Chongqing Cheng Tai Infrastructure Co., Ltd. (note c)	20 years from 1 December 1997	50	Bridge management and operation
Chongqing Cheng Xin Infrastructure Co., Ltd. (note c)	20 years from 1 December 1997	50	Bridge management and operation

note :

- a Ligang Phase I and II are accounted for as investments of the Group as the Group's interests therein will revert to the joint venture partners in the People's Republic of China after fifteen years and twenty years respectively from the date on which the electricity generators became operational. Accordingly their results are accounted for to the extent of dividends received and receivable, less amounts amortised.*
- b Xinli is accounted for as investment of the Group as the Group's interest therein will revert to the joint venture partners in the People's Republic of China after fifteen years from the date on which the electricity generators became operational. Accordingly its results are accounted for to the extent of dividends received and receivable, less amounts amortised.*
- c The Group is guaranteed a fixed return on the investment amount of the co-operative joint ventures. Upon the expiration of the co-operation period, all the Group's interests in Shanghai Citic Tunnel Development Co., Ltd. and other co-operative joint ventures will revert to Shanghai People's Government/Chongqing People's Government and the joint venture partners in the People's Republic of China respectively.*