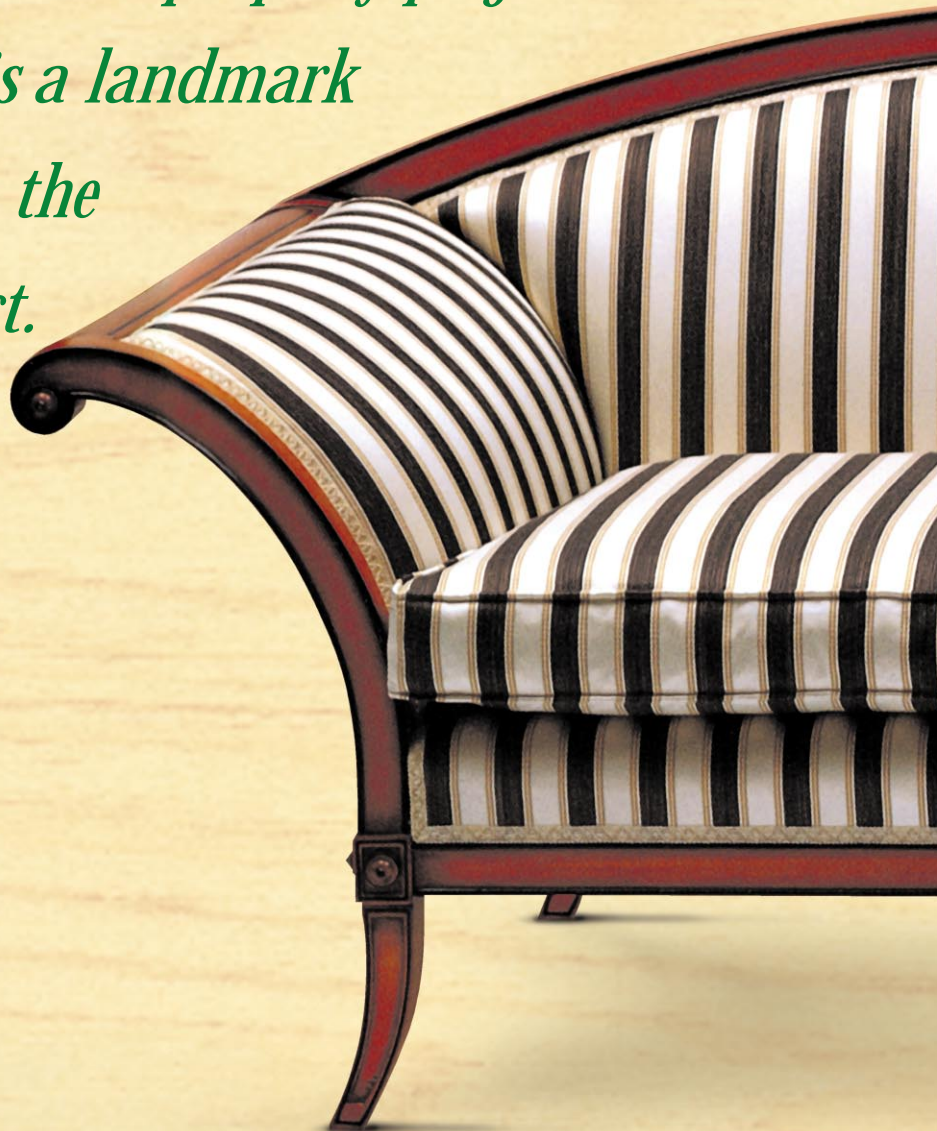


The Group expanded its property management services to meet the demand for value-added property services; its luxurious property project, The Belcher's, is a landmark development in the Western District.



Property





Phase I of The Belcher's, including three residential towers and its commercial podium, The Westwood, are scheduled for completion by April 2001 and mid-2001, respectively.

The Westwood at The Belcher's will be the largest shopping mall in the Western Mid-Levels district.

The Group's property division had another fruitful year in 2000. Presale of selected units in Phase II of The Belcher's was launched in October 2000 and this contributed satisfactorily to the division's earnings growth for the year. The Group's major property developments, in particular The Belcher's and the Cheung Sha Wan Shipyards Redevelopment Project, progressed on schedule.

The Belcher's

The Belcher's luxurious development in the Western Mid-Levels district of Hong Kong Island comprises six residential towers on The Westwood, a large-scale commercial podium of over 220,000 square feet. The Westwood will be the largest shopping mall in the district. The Belcher's deluxe 190,000-square-foot all-weather residents' clubhouse and exotic landscaped garden are also the largest in Mid-Levels. Upon completion, the complex will have a total of 2,213 residential units, ranging in size from approximately 800 to 1,800 square feet.

The development is divided into two phases. Phase I contains three residential towers, comprising 1,093 units and a commercial podium. The superstructure works for the three towers and the commercial podium are scheduled for completion by April 2001 and mid-2001, respectively.

Phase II, another three residential towers comprising 1,120 units, is scheduled for completion by mid-2002. Presale of selected units in Tower Six of Phase II was launched in October 2000 with satisfactory response.

The Belcher's location is easily accessible by public transportation. In addition to public buses and mini-buses that serve the area, a new Mass Transit Railway (MTR) station on the MTR Island Line extension, named "Belcher's", will provide direct access to The Westwood.

The Belcher's will benefit from the transformation anticipated in the area as a result of the government's recently announced large-scale redevelopment plan to rejuvenate the Western District.

The Cheung Sha Wan Shipyards Redevelopment Project

In view of the demand for quality residential units in Western Kowloon, the Group, jointly with Sun Hung Kai Properties Limited, submitted a revised development plan for its Cheung Sha Wan Shipyards Redevelopment Project on Lai Chi Kok Road, changing the proposed two hotel blocks to two residential blocks. The revised scheme features seven residential towers, comprising approximately 2,400 quality units, and a commercial complex development.



A Belcher's Phase II spacious show flat, featuring deluxe finishes.

In March 2000, the Town Planning Board granted approval for the revised plan. Application for modification of the government leases for the scheme was submitted to the Lands Department in April 2000. The Group anticipates that the proposed basic terms and land premium offer will be issued in second quarter 2001.

The Cheung Sha Wan Shipyards Redevelopment Project will be developed in two phases. Phase I comprises five residential towers and a commercial podium. Phase II comprises the remaining two residential towers. The project's foundation works were completed in early 2001. Phase I superstructure works have recently commenced and are scheduled for completion by late 2003. Subject to land premium finalisation, Phase II is scheduled for completion by mid-2004.

Other Hong Kong Properties

The development plan for the 124 Pokfulam Road site for a luxurious residential development is still pending the removal of the traffic moratorium previously imposed in the Pokfulam area. The Group anticipates the development potential of this site to increase significantly with the expected lifting of the moratorium.

Chatham Gardens is a residential property in Kowloon, wholly owned by Ranex Investments Limited, in which the Group has a 51% stake. The Group has acquired 125 out of the total 140 units in Chatham Gardens and will continue to pursue acquisition of the remaining units for development.

Properties Outside Hong Kong

The Group's property developments in Mainland China progressed on schedule during the year. The Guangzhou Shun Tak Business Centre, comprising a 32-storey office tower and a six-storey multi-functional office accommodation and shopping arcade, was completed in April 2000. Sales and leasing of office and shop units was launched in August 2000. The superstructure of Shanghai Plaza's Phase I, two office towers and a retail and entertainment podium, was completed in the first quarter of 2001.