

A photograph of a swimming pool with lounge chairs and a plant in the foreground. The pool is filled with clear blue water, and the surrounding area is paved with light-colored tiles. Two lounge chairs with green covers are visible in the foreground. A large green plant is in the bottom left corner. The background shows a blurred view of a building and some greenery.

The Group's luxurious hotels in Macau and private clubs are well-poised to benefit from the region's economic recovery, the start of an anticipated upward performance trend.

Hospitality



Reflecting the upturn in tourism to Macau, both Mandarin Oriental and Westin Resort achieved impressive improvements in their performances in 2000.



The Westin Resort in Macau offers guests inviting, comfortable and elegant accommodations.

Reflecting the growing confidence in Macau's stability following its return to Chinese sovereignty, Macau tourism picked up significantly in 2000. The number of visitors to Macau increased by 23% for the year ended 31st December, 2000, compared with the previous year. Benefiting from the tourism upturn, the Group's hospitality businesses in Macau recorded improved performances during the year.

The Group has interests in two hotels in Macau, Mandarin Oriental and Westin Resort. During the year, both hotels achieved significant increases in turnover, 22.2% for Mandarin Oriental and 29.5% for Westin Resort. Mandarin Oriental reported a 5.3% increase in occupancy rate and a 12.6% increase in room rate for the year. Westin Resort recorded an 18% increase in occupancy rate, although its room rate declined slightly by 6.9%, compared to the previous year.

The Mandarin Oriental's luxurious, 15,000-square-metre resort facility, opened in December 1999, has been well received by hotel guests. The resort features a gymnasium and exercise studio, spa, tennis and multi-purpose courts, free-form swimming pool, outdoor adventure learning centre, children's centre and a restaurant.

During the year, Westin Resort also benefited from the recent enhancements to Macau Golf & Country Club (MGCC), including professional massage services, additional lockers and a relaxation room. In May 2000, MGCC hosted the Macau Open golf tournament for the third consecutive year, attracting over 5,000 visitors who watched some of the world's best golfers compete in Macau.

The International Golf & Yacht Club (IGYC) in Kowloon Bay, which the Group has managed and operated since December 1999, offers members exclusive, conveniently-located recreation and dining facilities in its 15,000-square-metre clubhouse, including a gymnasium and health spa. The Group is currently restructuring IGYC's operations in order to best meet market demands for quality club facilities.

The Group believes its hospitality division will continue to benefit from the region's economic recovery.



The Group's scenic Macau Golf & Country Club is a popular site for international championship tournaments.