

The Group's strategic investments, including those in the technology sector, reflect its commitment to pursue opportunities with long-term growth potential that complement its main operations.



Investment



The Group maintains a prudent approach in seeking appropriate high-growth investments that have synergy with its core businesses.

Macau International Airport is an increasingly important international hub for travellers.



The Group manages a portfolio of varied investments related to its core businesses and its interest in the technology-related sector.

The Group maintains a 5% minority interest in Sociedade de Turismo e Diversões de Macau, S.A.R.L. (STDM), which holds the exclusive casino franchise in Macau. Ordinary dividends from STDM for 2000 were HK\$14.3 million (1999: HK\$7.6 million).

In addition to its casino activities, STDM has interests in eight hotels in Macau. The STDM group is also active in property development and infrastructure projects, including the Nam Van Lakes reclamation project and Nova Taipa Gardens; it holds a 35.8% interest in Macau International Airport and a 14% shareholding in Air Macau, the enclave's flag carrier.

AHK Air Hong Kong Limited, an air cargo carrier in which the Group has a 20% interest, recorded increases in both its cargo volume and profitability in 2000 over the previous year. This performance reflects continued growth in cargo volume between Hong Kong and Japan and Europe.

Air Hong Kong's three Boeing 747-200FS aircraft operate both regularly scheduled and chartered flights.

Jardine ShunTak Insurance Brokers, in which the Group has a 25% interest, performed satisfactorily. The two retail outlets of DFS Macau, a duty-free retail operation in which the Group holds a 50% interest, recorded a significant increase in profit.

The Beijing Technology Development Fund, in which the Group has a 16.4% interest, directly invested in a varied portfolio of technology companies and will continue to serve as a venture catalyst to accelerate their development.

Cell Works Inc., in which the Group has a 15% interest, is a U.S.-based biotechnology company engaged in the research and development of cancer-related diagnostic tests and treatments. Cell Works Inc. is preparing for the commercialisation of its tests in the United States in 2001 and has agreed to form an equal-share joint venture with the Group to expand its operations into the Asia-Pacific region, to provide non-invasive cancer-related diagnostic and prognostic services there in the future.

Asia Travel Network Sdn. Bhd. (ATN), which operates an English-language, Internet-based travel reservation system, successfully secured a second round of funding in 2000, in which the Group participated with several well-known institutional investors. In June 2000, the Group formed an equal-share joint venture with ATN to develop a combined multilingual Internet travel reservation system integrated with offline travel services, expanding the Group's business in the travel sector.

In August 2000, the Group acquired a 35.7% stake in Entmaster.com. This China-based investment is currently developing a business-to-business e-travel Web site, integrated with offline travel services targeting business travellers in Mainland China.

The Group will maintain a prudent approach in seeking appropriate high growth investments that have synergy with its core businesses.



A business traveller checking his investment portfolio and travel reservations at Macau International Airport.