

The construction of the KCR Tin Shui Wai Station, a multi-disciplinary part civil and part building project, carried out by a joint venture led by the Group, was taking shape in the planned manner. The structure of this major KCR West Rail station was nearing completion in the reporting year and was the second out of West Rail's nine stations to top out, in May 2001.

The KCR Hung Hom Station modification, also a part civil and part building project for the East Rail extension, started out with well organized scheduling and implementation. The station and railway modification work was being carried out in sequential stages, keeping the existing railway terminal in uninterrupted use in the process of transforming it into a through station.

On civil construction, capital works for the Water Supplies Department, Tan Kwai Tsuen North Service Reservoir in Yuen Long and road and drainage works for the Territory Development Department, West Kowloon Reclamation Remaining Roadworks Stage 2 continued to proceed on schedule. The two major KCR West Rail contracts on viaduct construction respectively from Kam Tin to Tin Shui Wai and Tin Shui Wai to Yuen Long, undertaken in joint venture with another partner contractor, had most of the bridge deck erection approaching completion by the end of the reporting year. More than 6000 number of precast bridge segments were erected and glued in place in 14 months time, a record achievement in Hong Kong's construction history.

The KCR West Rail permanent way for the 13.4km northern section, undertaken by a joint venture led by the Group, saw the extensive utilization of machine intensive, innovative methods of tracklaying. The West Rail is claimed to be one of the quietest railways in the world and its floating slab rail track system is a foremost engineering design that calls for correspondingly new methods of construction. Purposely designed and built, highly mechanized plant and machinery were engaged in constructing the derailment upstands, laying numerous floating slab units on rubber bearings, and installing the rail tracks on elevated bridges.

On foundation construction, the Group had been completing the piling works for the KCR West Rail viaduct from Tin Shui Wai to Yuen Long, and progressing in good pace the foundation works for KCR Tin Shui Wai Station, Housing Authority's Shek Pai Wan Phase I Development and various other contracts. During the reporting year and amidst the strenuously tightening of employer/consultant supervision and statutory scrutiny in the territory, the Group had installed some of the deepest bored piles in Hong Kong under formidable technical challenge. It had emerged and remained as one of the major players in foundation engineering construction.



Foundation for Redevelopment of Shek Pai Wan Estate Phase 1



Tseung Kwan O Extension - Black Hill Tunnels

Civil & Foundation Projects



Construction of Tan Kwai Tsuen North Fresh Water Service Reservoir, Yuen Long

On electrical and mechanical ("E&M") installation and fitting-out works, acquiring and progressing a major renovation contract in MTR Heng Fa Chuen Shopping Centre furthered our presence in this portfolio of work, and the building services installation for the KCR West Rail Tin Shui Wai Station and the KCR East Rail Hung Hom Station modification were being properly put in place. The Group is geared up for increasing its acquisition of E&M works following the successful registration on the Works Bureau's list of Specialist Contractors for Electrical Installation.

The Group's security business arm under City Security Company Limited continued its expansion into new fields, and had been tasked to guard major industrial complex and oil/gas depots, as well as to participate in crowd control on public facilities. The licence obtained for security system installation in the reporting year was enhancing business opportunities for the subsidiary.

At the far end of the diversification spectrum, the Group was cautiously exploring diversification opportunities within the rein of the new economy. Progress was being made along the information technology business initiatives set up by the Group with strategic partners in Beijing.

During the reporting year, the Group was presented an award in safety by the Works Bureau under the Considerate Contractors Site Award Scheme for the West Kowloon Reclamation roadworks project. Labour Department has authorized the Group to conduct in-house, government-recognized safety training courses and to issue training certificates (green cards). The Group was privileged to be one of the few contractors authorized to do so. The Group was further accredited ISO 9000 certification respectively for two of its subsidiaries, Chun Wo Contractors Limited and Chun Wo Civil Engineering Limited.

OUTLOOK AND PROSPECTS

The past one to two years saw contractors' flexible adaptations to persisting competition and their re-invention to cope with tightening regulations and demands. The Group remains optimistic of medium and long term prospects in the industry in view of the emerging signs of overall economic recovery in the region, supportive demographics in particular the ever increasing population and the impending entry of China into the World Trade Organization ("WTO"). Hong Kong SAR, the Pearl River delta and the Guangdong Province at large are expected to undergo further infrastructure evolution that ultimately spurs sustainable market growth.



Residential Redevelopment
at 29-31 South Bay Close

Building Projects



Residential Development at
TWIL 17, Tsuen Wan