



# Services

- Hong Kong Convention & Exhibition Centre  
Where the world exhibits and meets.

New World Services, the Group's 51% owned service arm, reported 10.9% growth in profit to HK\$818.9 million. All five operating divisions under NWS (Facilities, Contracting, Transport, Financial and Environmental) recorded satisfactory growth despite an unfavourable market environment. The increase in profit was mainly due to increase in market share, stringent cost control initiatives and productivity gains. NWS management, despite the economic downturn, will continue to strive for business growth through the proven management concept of People, Process and Technology.

## Facilities Division

Facilities Division achieved satisfactory growth in earnings during the year, due to expansion in market share and tight cost controls adopted by its property management sub-division as well as the growth in the number of exhibitions held at the Hong Kong Convention and Exhibition Centre.

During the year, HKCEC continued to be the most preferred destination for conventions and exhibitions in the region. A total of 2,229 events were organised and total attendance increased to over 5.1 million, up 50% from the previous year. In recognition of its excellent facilities management, HKCEC was named by CEO Asia Pacific Magazine as the "Asia Pacific's No.1 Exhibition Centre". It was also awarded "Best Overseas Centre, Meetings Category" for the eighth consecutive years in the Meetings and Incentive Travel Industry Award. In order to further enhance occupancy and rental income in the coming years, HKCEC has recently revamped and upgraded its function rooms.

Collectively managing 148,000 household units, 20 million sq.ft. of commercial/ industrial space and over 50,000 carpark units, NWS's property management sub-division is now the market leader in Hong Kong's property management sector. Its major operating manager, namely Urban Property Management Limited, has been selected by Hong Kong Housing Authority as the "Best Property

Management Agent” for the third time. Under its management, Yin Lai Court, Chun Wah Court and Cheong Shing Court were awarded the “Well-managed HOS Estates” in this year.

## Contracting Division

On the basis of market share occupied by its subsidiaries, namely Hip Hing Construction Company Limited, Tridant Engineering Company Limited and Young’s Engineering Holdings Limited, NWS is deemed the largest contracting company in Hong Kong.

Hip Hing, on the back of its expertise and experience, continued to be competitive and its contracts on hand totaled HK\$20,674 million. Major new contracts awarded this year included Police Headquarters Phase 3, Kowloon Station Development Package 4, East Rail Extension and Cyberport Development. Meanwhile, total contracts on hand for Tridant and Young’s amounted to HK\$4,000 million.

Subsequent to the year, NWS acquired Ngo Kee Construction Company Limited from Wai Kee Holdings Limited for HK\$43 million. The acquisition marks a

#### from left to right:

- Citygate**  
 Positioned at the heart of Tung Chung new town, Citygate is a bold new statement in retail and leisure.
- HKU Biological Science Building**  
 The Kadoorie Biological Sciences Building, floating elegantly at the University of Hong Kong with an energy efficient and environmental design, sets new standards for the design of research laboratories worldwide.



significant milestone for NWS in enhancing its leading position in the construction industry. The division will continue to adopt tight cost controls and improve product quality to compete in the very competitive, albeit shrinking construction industry.

## Transport Division

NWS's Transport Division, which consists of New World First Bus Services Limited and New World First Ferry Services Limited, continued to enjoy an increase in ridership.

With an average of 530,000 passengers per day, the patronage of New World First Bus Services Limited increased by 45% as compared to September 1998, when it first inaugurated the service. The significant growth in ridership is mainly due to its continuous service upgrades and competitive fare compared with other transport modes. During the year, NWFB won a regional award for its environmental marketing campaign from the Asia Pacific Marketing Federation and ranked amongst the top three winners for improving the lives of the disabled by the Physically Handicapped and Able-Bodied Association. Through the ongoing network expansion and the introduction of the Bus-to-Bus Interchange





Discount Scheme, NWFB's patronage is set to grow further. Additional revenue will come from increased advertising incomes since NWFB has teamed up with Star East Group to install plasma TV inside bus cabins, which will be launched in December 2001.

Despite incurring a loss since New World First Ferry took over the inner harbour and outlying routes in January 2000, the Company is determined to invest in and upgrade its ferry services. NWFF will seek ways to contain costs, such as re-arranging schedules during off peak hours and attracting passengers to ride on the cost-efficient fast ferries. Meanwhile, New World First Ferry Services (Macau) Limited, which operates a ferry service between China Hong Kong City Terminal and Macau, is proposing to run a new ferry route between Tuen Mun and Macau in order to ease congestion in the existing terminals during the peak hours.

from left to right:

- First Bus**  
 Significant growth in ridership can only be supported by continuous improvement of services. That's what New World First Bus provides.
- Multimedia display the bus cabin**  
 Provide passengers with the latest in news, infotainment, and advertising makes every bus trip an enjoyable journey.
- First Ferry**  
 First Ferry Aquan III, a new high-speed catamaran that commenced its service in early 2001.

## Financial Division and Environmental Division

These two divisions provide a multitude of services including landscape design, maintenance services and landfill technology services, as well as integrated financial services such as share registration, secretarial and accounting services.

During the year the two divisions achieved steady growth in earnings.



## Outlook

NWS will continue to focus on the management concept of “People, Process and Technology” to strengthen its human resources and process monitoring. Through the application of innovative technologies for effective resources utilisation, cost control is set to improve together with continuous growth in shareholders’ return.

Since China will soon become a member of the WTO and the 2008 Olympics will be hosted in Beijing, NWS sees great potential for expanding its shares in the financial and insurance markets in the PRC. Meanwhile, apart from expanding market share in its existing core businesses, NWS is actively seeking to expand into other sectors with growth potential.

