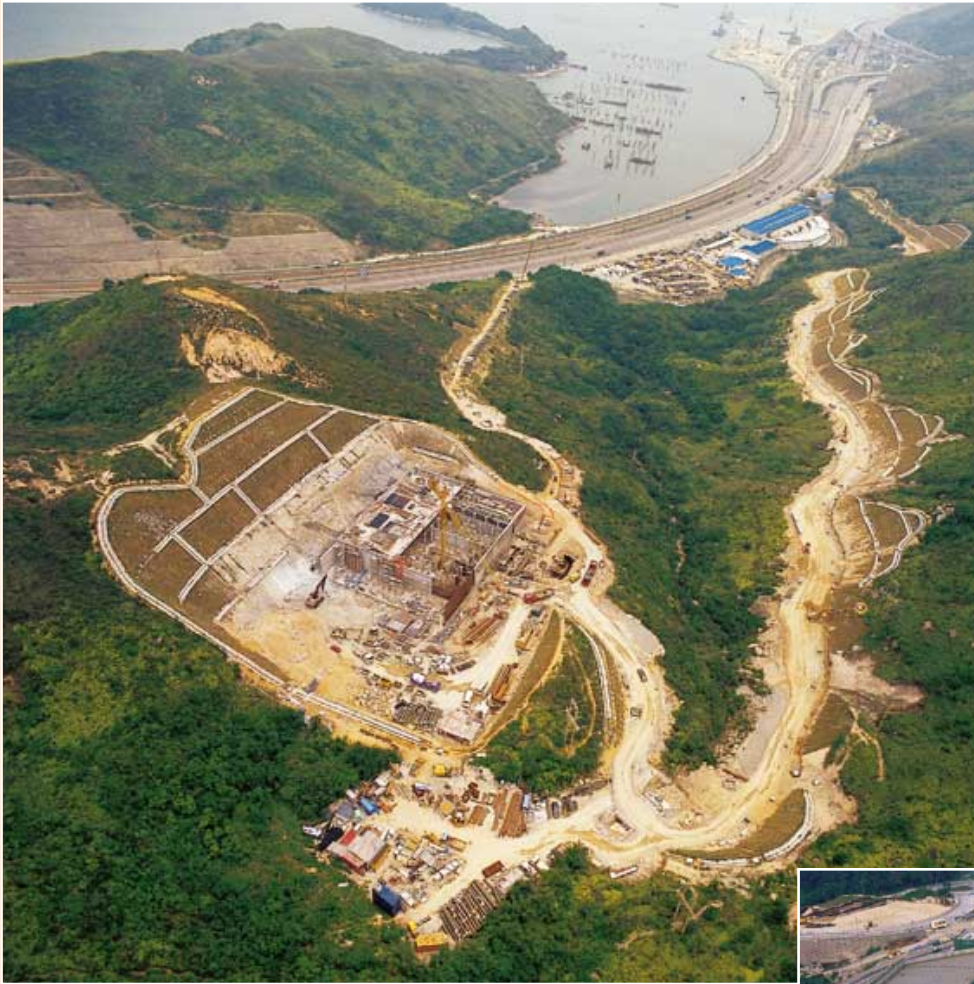


Civil Engineering Projects



Construction of Yam O Tuk Fresh Water Service Reservoir



Public Transport Interchange at Wu Kai Sha Station



Permanent Way for East Rail Extensions

("MTRC") Tseung Kwan O extension, the tunnelling works of the Black Hill Tunnels was completed successfully, fitting well into MTRC's window of commissioning the railway extension in August 2002, four and a half months earlier than scheduled. Our quality performance was highly commended by the client.

Construction of the "Vianni Cove", a proposed residential development at Tin Shui Wai Town Lot 27, the private residential development at Nos. 80-90 Des Voeux Road West and the superstructure work for the proposed residential development at NKIL 6275 West Kowloon Reclamation were proceeding well. Construction of the two primary schools at Tin Shui Wai Area 111 and three schools at Fat Tseung Street was nearing completion, targeted before the summer vacation.

Regarding progress of the Kowloon – Canton Railway Corporation ("KCRC") contracts, the remaining works for the West Rail Viaducts were basically completed, and the Tin Shui Wai Station was also basically completed with its remaining roadworks and bridgeworks progressing smoothly. Tracklaying for the West Rail – North Section was completed and trial runs successfully carried out. Tracklaying for the Ma On Shan Line and Tsim Sha Tsui Extension was progressing well. The Hung Hom Station modification works were substantially complete at time of reporting. During the reporting year, three Public Transport Interchanges respectively at Tin Shui Wai Station, Wu Kai Sha Station and Tai Wai Station were added to the Group's railway related contracts. Works were progressing well.

On other civil construction works, the Yam O Tuk Fresh Water Service Reservoir, part of the infrastructural development for Phase 1 Hong Kong Disneyland, was proceeding on schedule.

On foundation works, piling for the construction of two primary schools at Tin Shui Wai Area 111 and three schools at Fat Tseung Street, Sham Shui Po were completed. The additional piling works for housing development on the Black Hill Tunnel site was complete. Current works include the site formation and foundation works for the Proposed Residential Development at Tai Hang Road (Tiger Balm Garden), and the site formation and foundation works for the redevelopment of Pok Oi Hospital at Yuen Long. During the reporting year, a contract for bored piling works for the Public Transport Interchange at West Rail Tin Shui Wai Station was added to the Group's foundation works.

On maintenance works front, the Light Rail maintenance contract for KCRC, the building maintenance works for Hong Kong International Airport, and the term contract on waterworks for Water Supplies Department were undertaken smoothly. The works under the Minor Works contract with Architectural Services Department and the building maintenance works for Housing Authority were also progressing smoothly. During the reporting year, a Water Supplies Department's term contract for Waterworks District Kowloon, from Lai Chi Kok to Kwun Tong, and two Housing Authority's District term contracts for the Maintenance and Vacant Flat Refurbishment for Hong Kong East District and Sham Shui Po District respectively were added to the Group's maintenance works.

As for the MTRC Choi Hung Park and Ride Development, the foundation works within the tower portion, and the ground investigation works of the access ramp along Clear Water Bay Road were complete. Basement excavation and other works were progressing according to schedule.