CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED ANNUAL REPORT 2000

(Incorporated in Bermuda with limited liability)

The Year at a Glance

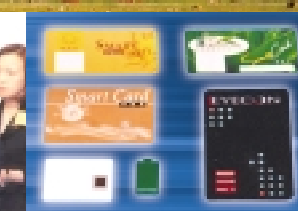
CKI is the largest publicly listed infrastructure company in Hong Kong with three core businesses–energy, transportation and infrastructure materials and infrastructure-related businesses. The Company has investments in Hong Kong, the Mainland, Australia, Canada and the Philippines.









ETSA Utilities / Powercor

ETSA Utilities and Powercor have made CKI and Hongkong Electric the largest power distributor in Australia.

Hongkong Electric

A premium asset, CKI increased its stake in Hongkong Electric to 38.87%.

Zhuhai Power Plant

Zhuhai Power Plant has become operational starting April, 2000. CKI's interest in the China power portfolio aggregates to over 2,500 MW.

Guangzhou E-S-W Ring Road

CKI's largest transportation investment in the Mainland, the Guangzhou E-S-W Ring Road was completed more than one year ahead of schedule.

Panyu Beidou Bridge

The Panyu Beidou Bridge and its connecting roads were operational in January 2001.

Environmental Awards

Green Island Cement and Anderson Asphalt won awards in environmental performance.

Polyphalt

Polyphalt completed CKI's asphalt product range and created good synergy with CKI's transportation business.

Stuart Energy

CKI is a cornerstone shareholder of Stuart Energy, the Canadian hydrogen fuelling technology company, and the holder of its Asia Pacific exclusive distribution right.

LPG Business

CKI holds a 51% stake in a joint venture to operate LPG business and vehicle conversion facilities in Shenyang.

e-Smart

CKI and OTI formed a 50:50 joint venture to launch contactless smart card technology in Asia Pacific.

	2000	% change
Profit attributable to shareholders (HK$ Million)	3,228	3%
Earnings per share (HK$)	1.43	3%
Dividend per share (HK$)	0.60	43%

2000


GULF OF MEXICO
BERMUDA
BAHAMAS
CARIBBEAN SEA
NORTH
ATLANTIC
OCEAN

Global Portfolio

China

Northern China

Fushun Cogen Power Plants
Shenyang Changqing Bridge
Shenyang Da Ba Road and South-West Elevated Sections
Shenyang Gongnong Bridge
Shenyang LPG Business
Shenyang Shensu Expressway
Siping Cogen Power Plants
Tangshan Tangle Road

Central China

Changsha Wujialing and Wuyilu Bridges
National Highway 107 (Zhumadian Sections)
Qinyang Power Plants
Yueyang Water Plants

Southern China

Guangzhou East-South-West Ring Road
Jiangmen Chaolian Bridge
Jiangmen Jianghe Highway
Jiangmen Jiangsha Highway
Nanhai Power Plant I
Nanhai Road Network
Panyu Beidou Bridge
Shantou Bay Bridge
Shantou Cement Grinding Plant
Shantou Chaoyang Power Plant
Shantou Chenghai Power Plant
Shantou Tuopu Power Plant
Shen-Shan Highway (Eastern Section)
Yunfu Cement Plant
Zengcheng Lixin Road
Zhuhai Power Plant

Hong Kong

Anderson Asphalt, Anderson Asia
Asia Stone, Anderson Asia
Bonntile, Anderson Asia
Eastern Harbour Crossing Rail Tunnel
e-Smart
Green Island Cement
Hongkong Electric
Ready Mixed Concrete, Anderson Asia

Australia

Envestra
ETSA Utilities
Powercor

Canada

Polyphalt
Stuart Energy

Philippines

Siquijor Limestone Quarry

FIVE-YEAR FINANCIAL SUMMARY

CONSOLIDATED INCOME STATEMENT SUMMARY

for the year ended 31st December

HK$ million	**2000**	1999	1998	1997	1996
Turnover	**3,345**	3,187	3,372	3,377	3,013
Profit attributable to shareholders	**3,228**	3,141	2,855	2,411	886
Dividends	**(1,353)**	(947)	(857)	(721)	(361)
Profit for the year retained	**1,875**	2,194	1,998	1,690	525

CONSOLIDATED BALANCE SHEET SUMMARY

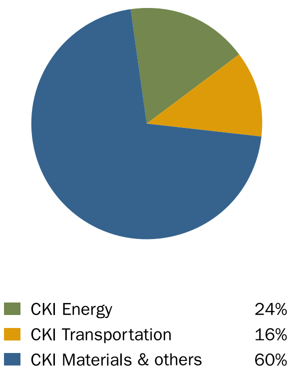
as at 31st December

HK$ million	**2000**	1999	1998	1997	1996
Property, plant and equipment	**2,267**	2,328	2,336	1,700	1,627
Interests in associates	**20,378**	12,609	10,450	9,657	95
Interests in jointly controlled entities	**4,791**	2,591	2,276	1,629	1,000
Infrastructure project investments	**4,294**	6,280	7,056	5,989	3,762
Investments in securities	**754**	676	-	-	-
Other non-current assets	**39**	11	6	4	2
Current assets	**4,034**	3,171	2,838	3,689	4,873
Total assets	**36,557**	27,666	24,962	22,668	11,359
Current liabilities	**(5,428)**	(1,263)	(1,272)	(1,223)	(3,000)
Non-current liabilities	**(7,011)**	(3,967)	(3,107)	(3,106)	(4)
Minority interests	**(256)**	(253)	(256)	(10)	(5)
Total liabilities	**(12,695)**	(5,483)	(4,635)	(4,339)	(3,009)
Net assets	**23,862**	22,183	20,327	18,329	8,350

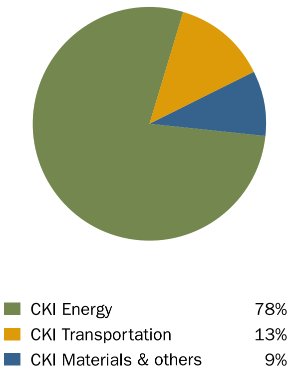
PER SHARE DATA

HK$	**2000**	1999	1998	1997	1996
Earnings per share	**1.43**	1.39	1.27	1.15	0.75
Dividends per share	**0.60**	0.42	0.38	0.32	0.16
Net book value per share	**10.59**	9.84	9.02	8.13	6.10

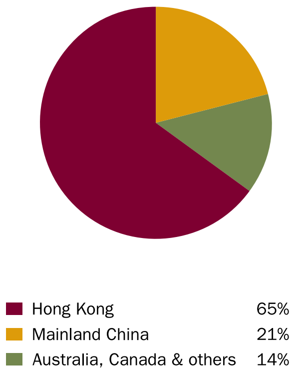
2000 TURNOVER BY BUSINESS SEGMENT



2000 PROFIT CONTRIBUTION BY BUSINESS SEGMENT

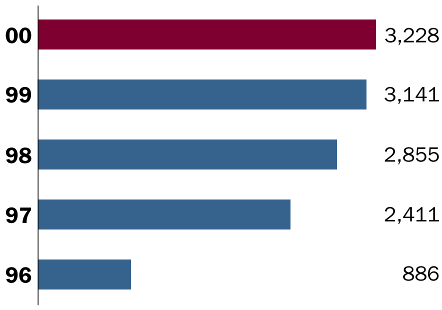


2000 PROFIT CONTRIBUTION BY GEOGRAPHIC REGION



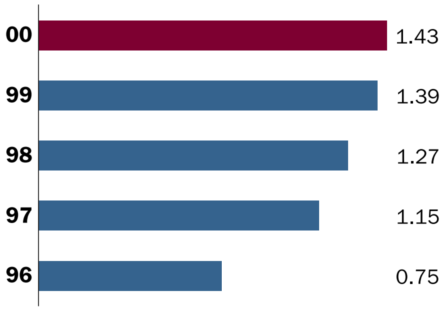
PROFIT ATTRIBUTABLE TO SHAREHOLDERS

HK$ million



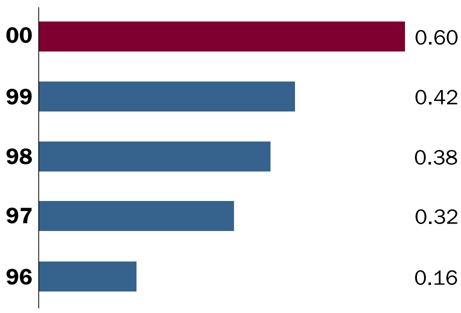
EARNINGS PER SHARE

HK$



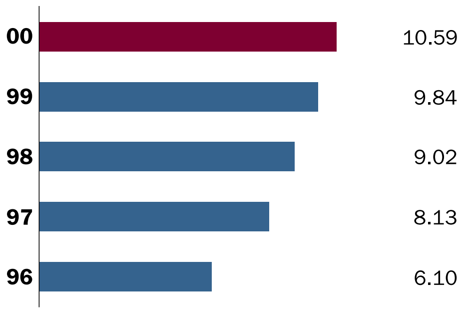
DIVIDENDS PER SHARE

HK$



NET BOOK VALUE PER SHARE

HK$



Li Tzar Kuoi, Victor (Chairman)

TO OUR SHAREHOLDERS

We are pleased to report that Cheung Kong Infrastructure Holdings Limited ("CKI") continued to grow steadily in year 2000. Net profit for the year ended 31st December, 2000 was HK$3,228 million, an increase of 3 per cent. from the previous year. Earnings per share were HK$1.43.

The Board of Directors is recommending a final dividend of HK$0.40 per share. Together with the interim dividend of HK$0.20 per share, this will bring the total dividend for the year to HK$0.60 per share, a 43 per cent. increase from the HK$0.42 per share paid in respect of 1999. The proposed dividend will be paid on 15th May, 2001 following approval at the Annual General Meeting, to shareholders whose names appear on the Register of Members on 10th May, 2001.

The year 2000 witnessed the bursting of the New Economy bubble and signs of a slowdown in the US and global economies. CKI's prudent financial management has enabled us to weather the

Globalisation and Diversification on Solid Foundations

situation and maintain a steady growth during the year. Our strategy of "Globalisation and Diversification on Solid Foundations" has played an important role in helping us build on our existing businesses :

1. Overall Performance

The Group's full-year net profit continued to record steady growth during the year, rising 3 per cent. The respective growth of profit contribution of the three core businesses was as follows:

Infrastructure Materials and Infrastructure-related Businesses	– 44%
Energy	+ 52%
Transportation	+ 9%

2. Infrastructure Materials and Infrastructure-related Businesses

The Group's infrastructure materials business continued to record a profit, notwithstanding a larger than expected drop of 44 per cent. in profit contribution. This impact, resulting from the slowdown of infrastructure materials business, has been mitigated through the development and growth of our other infrastructure-related businesses:

- The decline of our infrastructure materials business during the year under review was the result of a general business downturn in the construction industry led by reductions in government-subsidised housing and slowdown in the construction of infrastructure projects. The impact posed upon our subsidiaries, Green Island Cement (Holdings) Limited and Anderson Asia (Holdings) Limited, who are market leaders in the local materials industry, were therefore unavoidably great.

- In response to cyclical movements in the local infrastructure materials industry, challenging market conditions and further price erosion in the materials industry, the Group continued to launch plans to improve its business operations locally while exploring new opportunities overseas. The Group acquired a 63.7 per cent. stake in Polyphalt Inc., a Canadian-listed company engaged in the development and commercialisation of polymer modified asphalt products in March 2000. This acquisition has extended CKI Materials businesses from Hong Kong, the Mainland and the Philippines to Canada in North America.

- Besides geographical expansion, the Group also made remarkable strides in venturing into new industries. The belief that commercial interests and environmental concerns can produce a win/win formula is the primary impetus behind CKI's drive into the environmental protection industry. Our investments in environmentally friendly fuel projects in the Mainland and Canada are good examples. CKI entered into the LPG business in Shenyang in early 2000, a move which complemented the Mainland Chinese Government's active promotion for the use of environmentally friendly fuel.

  In August last year, CKI acquired a 12.9 per cent. stake in and formed a joint venture with Canadian-listed Stuart Energy Systems Corporation ("Stuart"), a global leader in the development and provision of fuel-grade hydrogen generation systems. A CKI subsidiary was also granted the exclusive rights in the Asia Pacific Region for the marketing of Stuart's hydrogen fuel technology.

- Electronic infrastructure is another new investment area of CKI. Earlier last year, CKI and German-listed Israeli-based On Track Innovations Limited formed a joint venture to develop the patented "EYECON" microprocessor-based contactless smart card business in Hong Kong and the Asia Pacific Region.

3. Energy

The energy division remained the largest profit contributor accounting for 78 per cent. of the Group's profit contribution. This represents a rise of 52 per cent. as compared to 1999. This strong growth is a prime example of the success of our strategy of "Globalisation and Diversification on Solid Foundations".

- Hongkong Electric Holdings Limited ("Hongkong Electric"), a listed company in Hong Kong, continued to provide steady earnings and cash income for the Group. Its profit increased by 4.7 per cent. in 2000. During the year under review, CKI increased its holding in Hongkong Electric from 37.63 per cent. to 38.87 per cent.

- Power investments in Mainland China continued to be another source of steady earnings for the Group. The Zhuhai power station, a RMB1.4 billion investment, commenced operation in 2000 and has begun to make profit contributions.

- In addition to our investments in Hong Kong and the Mainland, another major factor for the strong growth in the energy division is the profit contribution from our three major investments in Australia. The investment in Envestra Limited in mid-1999, our first venture beyond Asia, made CKI the single largest shareholder of the largest listed natural gas distribution company in Australia. In 2000, CKI together with Hongkong Electric, acquired two Australian power operators – ETSA Utilities which has the right to operate electricity distribution in the state of South Australia for a period of 200 years; and Powercor Australia Limited, an electricity distributor and retail operator in the state of Victoria. The two investments, which amount to a total of A$5.6 billion (approximately HK$24 billion), made CKI and Hongkong Electric the largest electricity distributor in Australia, serving over 1.3 million customers. Since all three Australian projects stated above were in operations when CKI made the investments, they immediately provided steady income for the Group upon acquisitions, and became new sources of profit contribution.

4. Transportation

A number of projects in CKI Transportation have reached harvesting stage and are providing long-term recurrent income for the Group. Year 2000 was another year of satisfactory growth for the division, with profit contribution rising 9 per cent. compared to 1999.

The Guangzhou East-South-West Ring Road, a RMB2 billion investment of the Group, commenced operation in the middle of 2000, one year ahead of schedule. As an important part of Guangdong province's transportation network, the Ring Road has become a solid income generator for CKI Transportation since its opening. The 3.25 km Beidou Bridge in Panyu was also completed on schedule at the end of 2000.

5. Financial Management

As a leading global infrastructure company, CKI has investments outside Hong Kong totalling HK$23 billion as at the end of 2000 of which investments in the Mainland and in Australia amount to HK$11 billion and HK$12 billion respectively. The Group's net debt-to-equity ratio stood at 35 per cent., with cash on hand of over HK$2 billion and debt of HK$11 billion. With a solid financial position and strong cash flow, the Group has the financial strengths to ensure continuous steady growth and the capability to aggressively pursue high quality capital-intensive infrastructure projects.

Over the past year, the Group has followed its principle of prudent financial management. Appropriate financing schemes were also implemented to manage currency risks and to maintain proper gearing to generate better shareholder returns. In April 2000, the Group successfully arranged an A$2.05 billion debt financing programme for ETSA Utilities in capital markets.

Outlook

In recent years, the continuing slowdown of the infrastructure materials market has caused an impact on the Group. We are pleased to say that our strong analytical abilities, steadfast enterprising spirit and flexible approach have helped CKI weather this rough transitional period. We will draw on the experience gained during this period and continue to implement our strategy of "Globalisation and Diversification on Solid Foundations" to drive the Group's future growth.

Looking ahead, China's impending WTO entry, the prospect of lower interest rates worldwide and other favourable factors should stimulate flagging economies and present plentiful business opportunities for the Group, enabling us to further pursue our ongoing initiatives of globalisation and diversification.

For CKI, our geographical expansion plan will continue. Investments beyond Hong Kong and the Mainland will grow as they already have in the case of the Group's investments in Australia. The Group first started investments in Australia in 1999 and by now, Australian investments already account for more than 50 per cent. of the Group's total investments outside of Hong Kong. Going forward, CKI will be keeping a close eye on opportunities in the Asian, North American and European infrastructure markets. With our strong financial position, we will seize upon every opportunity to consolidate our position as a leading multi-national infrastructure company.

Following our past success formula of geographical expansion from Hong Kong and the Mainland to Australia, and industry diversification from power generation to power distribution, CKI will continue to grow based on our existing businesses. The Infrastructure Materials division will be repositioned to become an integral part of the larger "Infrastructure Materials and Infrastructure-related Businesses" division, which includes our ventures in the electronic infrastructure and environmental industries initiated last year. We will continue to explore new business grounds and target to attain new heights.

I would like to thank the Board of Directors and our staff for their hard work and dedication. I would also like to thank our shareholders for their continued support of our vision.

LI TZAR KUOI, VICTOR
Chairman

Hong Kong, 15th March, 2001

H.L. Kam (Group Managing Director)

Cheung Kong Infrastructure Holdings Limited (CKI) was listed on the Hong Kong Stock Exchange in 1996. Since then, CKI has become Hong Kong's largest infrastructure company in terms of market capitalisation. The Group has recorded continuous year on year growth over the past five years and instigated significant development in its core businesses. During this time, the Group has also extended its footprint from Mainland China and Hong Kong to Canada and Australia.

Much of this development is attributable to CKI's "Globalisation and Diversification" strategy started two years ago. The Group embarked on this effort to expand beyond Mainland China and Hong Kong, and to carry out initiatives to enrich its investment portfolio by incorporating businesses which could create synergies with existing ones.

Group Managing Director's Report

Solid Portfolio
Global Infrastructure
Sound Financial Strategy
Business Diversity

Year 2000 Review

The year 2000 reflected CKI's successful consolidation and evolutionary changes with a number of milestone achievements.

Energy: Distinguished Achievements

With a premium asset like that of Hongkong Electric Holdings Limited (Hongkong Electric), CKI Energy has been the Group's largest profit contributor over the years. Profit contribution growth from this division during the year was 52%. One major reason of this strong growth was the milestone achievement of the Group's acquisitions in Australia following its globalisation strategy.

CKI's energy projects in Mainland China and Hong Kong continued to record satisfactory performance. A substantial increase in profit contribution was achieved in this business segment last year, due to the completion of one of the largest power plants in China - the Zhuhai Power Plant, which had been planned for since 1993. The completion of the plant marked the full operation of all of the Group's power projects in the Mainland.

During the past year, the power industry in China witnessed continued high oil prices along with pressure to reduce power tariffs. In view of the circumstances, CKI started to consolidate its China power portfolio – one such move was the sale of the Nanhai Jiangnan Power Plant at a premium. At the same time, CKI has also launched programmes to strengthen the operations of its other power projects, in anticipation of the growing market demand post China's WTO entry. This reflects CKI's flexible investment philosophy of implementing timely expansion or consolidation decisions as appropriate.

Hongkong Electric continues to be a stable source of revenue stream for CKI. During the year 2000, the Group further increased its stake in Hongkong Electric to 38.87 per cent. A 50:50 partnership was also formed between CKI and Hongkong Electric to acquire ETSA Utilities and Powercor Australia Limited (Powercor) in Australia.

The acquisition of ETSA Utilities, South Australia's sole electricity distributor, and Powercor, Victoria's electricity distributor and retailer, were testaments to the Group's globalisation strategy in action. Together with the earlier investment in Australia's largest natural gas distributor Envestra Limited (Envestra) in 1999, the Group has now invested close to A$3 billion (approximately HK$12 billion) in Australia. This made Australia the Group's largest investment market outside Hong Kong within a span of one-and-a-half years.

Envestra's investment marked CKI's first foray into the gas industry; the subsequent acquisition of ETSA Utilities and Powercor marked its diversification from power generation to power distribution. These moves markedly enriched CKI's energy portfolio.

As all three Australian projects had already been operational for many years, they started generating profit contribution for the Group immediately after the transactions were completed.

The Australian investment demonstrates the success of the Group's "Globalisation and Diversification" strategy. Going forward, CKI will continue to apply its experience and expertise in the energy industry to capture further opportunities in the existing markets of Mainland China, Hong Kong and Australia, and also fresh opportunities in North America and Europe.

Transportation: A Mature Portfolio

In 2000, the Group's transportation business continued to perform satisfactorily, recording nine per cent. growth in profit contribution. An important milestone accomplishment during the year was the completion of the Guangzhou East-South-West Ring Road a year ahead of schedule. As the Group's largest transportation investment in the Mainland, the Ring Road has now become an important source of revenue. The Beidou Bridge in Panyu also commenced service during the year. With the completion of these two projects, transportation has now become a mature portfolio of the Group.

CKI's other toll roads and bridges in the Mainland have all reported satisfactory results and have provided steady income for the Group. While new projects were developed, the transportation division also consolidated its business by reducing its interest in the Shenyang road joint ventures.

The transportation division will follow the success formula of the energy division by diversifying its business and expanding geographically. The Group will continue to identify new transportation opportunities in Hong Kong, Mainland China, South Korea, Australia and other territories around the globe.

Infrastructure Materials – A New Positioning

Amongst the three core group businesses, the materials division underwent the most changes.

The reduction in public housing and the slowdown in the construction of infrastructure projects resulted in a 44 per cent. decline in profit contribution of the Group's materials division. Nevertheless, the Group's subsidiaries Green Island Cement (Holdings) Limited (Green Island Cement) and Anderson Asia (Holdings) Limited – market leaders in the industry – managed to continue generating respectable profit by streamlining its operations.

The materials industry is a cyclical business which follows closely the trend of the economy. The Group anticipated the downturn at an early stage and took strategic steps to mitigate the potential adverse impact. While focusing on increasing operational efficiency for the infrastructure materials business, the Group also re-positioned this business division under a broader scope of "Infrastructure Materials and Infrastructure-related Businesses". The portfolio under this business division will be widened to include hi-tech infrastructure materials, environmental projects and electronic infrastructure investments.

In March last year, the Group made an investment in the Canadian-listed polymer modified asphalt developer and distributor Polyphalt Inc. In August 2000, the Group acquired a stake in the world leader in hydrogen fuel technology – Canadian-listed Stuart Energy Systems Corporation (Stuart Energy), and formed a joint venture to distribute its hydrogen products in Asia Pacific on an exclusive basis. The Group also participated in the Liquefied Petroleum Gas (LPG) business in Shenyang, China last year. With the growing concern for environmental protection and increasing demand for related industries, it is expected that there will be great market potential in this arena. The Group is currently conducting negotiations on various projects in this direction.

The Group has also made forays in the electronic infrastructure business. Early last year, CKI and German-listed Israeli-based leader in smart card technology, On Track Innovations Limited (OTI), formed a joint venture to bring OTI's "EYECON" contactless smart card technology to Asia Pacific on an exclusive basis. The Group is currently actively pursuing electronic infrastructure opportunities in biometrics and other smart card related technologies.

Looking Ahead

During the past year, the Group has followed its two key strategic directions closely: "Globalisation" and "Diversification". The strategy for the coming year will remain the same.

Globalisation and Diversification on Solid Foundations

Geographically, Hong Kong accounted for 65 per cent. of the profit contribution of the Group in 2000. While this proportion has decreased due to its globalisation initiatives, Hong Kong will continue to be an important base for the Group's business in the foreseeable future.

The Group's HK$10 billion investment in the Mainland is expected to generate steady cash flow. China's impending entry into the WTO and the upcoming developments in western China will provide a plethora of opportunities for the Group in the coming years.

Investments in Australia and Canada marked the starting point of the Group's globalisation initiatives, fully demonstrating the Group's diversity of its investment strategy.

The acquisition of Envestra helped the Group establish a foothold in the Australian market and marked its first foray into the natural gas business. Investment in ETSA Utilities and Powercor broke further ground for the Group's power business. CKI's diversification efforts from electricity to natural gas, and from power generation to electricity distribution, as well as its geographic expansion from Mainland/Hong Kong to Australia, fully illustrate the Group's strategic direction of "Globalisation and Diversification". Within one and a half years, the Group's investment in Australia has surpassed that in the Mainland.

In Canada, the Group obtained a solid headstart in the North American market by becoming major shareholders of Canadian-listed Polyphalt Inc. and Stuart Energy. The strategy is to invest in listed companies and then make plans to develop large-scale projects based on experience generated from the investments.

The successful globalisation initiatives have broadened the Group's horizons. CKI will continue to actively pursue suitable business opportunities in Hong Kong, Mainland China, Australia and Canada, as well as other parts of the world.

Consolidation and Growth

The Group has a well-defined set of strategies for future development. The energy and transportation sectors have matured. It is anticipated that they would continue to grow organically and geographically following the "Globalisation and Diversification" strategy. The infrastructure materials and infrastructure-related businesses sector has just been re-positioned and is well poised to develop further in the environmental industry, electronic infrastructure and other infrastructure related businesses.

The Group's strong financial position is the key to maintaining continued growth. Organic growth of existing projects and the addition of new investments will strengthen the Group's profit base. CKI is well-prepared to meet new challenges and to explore new investment opportunities in anticipation of high returns in the future.

"Knowing when to expand and when to consolidate" is another of the Group's operating philosophy. CKI's growth strategy includes maintaining steady returns from its existing projects as well as consolidating its existing portfolio. There were times in the past when capital was scarce and interest rates were high in the Mainland, which led to the formation of many Sino-foreign joint ventures. Today, capital has become more readily available and interest rates have come down. Many Mainland joint venture partners are offering preferential terms to buy back their operations. The case of Nanhai Jiangnan Power Plant is an example of such a move where CKI sold back its interest to the Chinese partner at a premium.

Award-winning Excellence in Management

Throughout the years, CKI has been widely recognised for its prudent financial management, acute market sense and visionary foresight. In 2000, the Group received high ratings from influential credit-rating agencies along with accolades from various organisations, reaffirming that the Group's management and business philosophies are evolving in the right direction.

Acknowledgment

Derek K.C. Liu, Managing Director of Green Island Cement, has resigned from the Group to pursue a future in the academic field. Mr Liu joined the Company in 1992 and has made valuable contributions to the Group's development during his tenure. After his departure, he will act as the Group's consultant in environmental initiatives and will continue to share his experience and expertise with us. His dedication and loyalty have been highly appreciated. I would like to thank Mr. Liu and wish him all the best.

Lastly, I would like to take this opportunity to express my gratitude to the Board, Management and all the employees at CKI for their concerted efforts in contributing to the Group's success.

H.L. KAM

Group Managing Director

Hong Kong, 15th March, 2001

Review of Operations

ENERGY

In the energy sector, CKI has a 38.87 per cent. shareholding in Hongkong Electric Holdings Limited. Together with its power portfolio in four provinces in China, CKI Energy has interest in power plants of a total installed capacity of approximately 6,000 MW. The acquisition of ETSA Utilities in the State of South Australia and Powercor Australia Limited in the State of Victoria has made CKI the largest electricity distributor in Australia. CKI is the largest shareholder in Envestra Limited, the largest listed natural gas distributor in Australia, which supplies gas to over 850,000 consumers nationwide.

TRANSPORTATION

With the early completion of the entire 39-km Guangzhou East-South-West Ring Road, and the on-schedule opening of Panyu Beidou Bridge in January 2001, CKI's entire transportation portfolio of over 600 km of toll roads and bridges in five provinces in China are in operation. The Group also holds a 50 per cent stake in Eastern Harbour Crossing Company Limited, the concessionaire holder operating the rail part of the Hong Kong Eastern Harbour Crossing Tunnel.

INFRASTRUCTURE MATERIALS AND INFRASTRUCTURE-RELATED BUSINESSES

Amid a consolidation of the regional infrastructure materials market, Green Island Cement (Holdings) Limited and Anderson Asia (Holdings) Limited continue to maintain leading market positions in the cement and concrete businesses. Following the strategy of globalisation and diversification, CKI invested during the year in the Canadian-listed asphalt technology company Polyphalt Inc.; the Canadian-listed hydrogen fuelling technology company Stuart Energy Systems Corporation and the environmentally friendly LPG business in Shenyang, China. Coupled with the pioneering electronic infrastructure business of OTI's "EYECON" contactless smart card, a new business division under "Infrastructure Materials and Infrastructure-related Businesses" was formed to cover the fast expanding and more diversified initiatives of infrastructure materials, environmental business, electronic infrastructure and other infrastructure-related activities.

Energy

ETSA Utilities and Powercor together have made CKI-Hongkong Electric the largest electricity distributor in Australia, serving over 1.3 million customers in the states of South Australia and Victoria.

Energy

Leapfrog Increase in Profit Contribution

CKI Energy reported a leapfrog increase in profit contribution of 52 per cent. in 2000. The amount generated also accounted for 78 per cent. of the Group's total profit contribution during the year. The strong performance is testament of the Group's strategy of "Globalisation and Diversification on Solid Foundations".

During the year, CKI Energy has established three stable and sizeable revenue streams which include Hongkong Electric, China Power, and Australian Energy. These three strong pillars provide a solid foundation from which CKI Energy builds a broad-based portfolio of reliable cashflow. Further expansion opportunities will be sought from (i) the geographical base of these revenue streams – Hong Kong, the Mainland, and Australia – as well as North America, Europe and other parts of Asia; and (ii) the diversification of industry from the business nature of these pillars – electricity generation, electricity distribution, and gas distribution.

Powercor's network covers seven of Victoria's eight largest provincial centres providing electricity to an area of over 150,000 square km i.e. over half of the state.

Envestra owns about 17.250 kilometres of natural gas distribution networks and 1,110 kilometres of transmission pipelines.

ENERGY

- Hongkong Electric, Hong Kong
- Envestra Limited, New South Wales, Australia
- ETSA Utilities, South Australia, Australia
- Powercor Australia Ltd, Victoria, Australia
- Fushun Cogen Power Plants, Liaoning
- Nanhai Power Plant I, Guangdong
- Qinyang Power Plants, Henan
- Shantou Chaoyang Power Plant, Guangdong
- Shantou Chenghai Power Plant, Guangdong
- Shantou Tuopu Power Plant, Guangdong
- Siping Cogen Power Plants, Jilin
- Zhuhai Power Plant, Guangdong

Hongkong Electric

Hongkong Electric is a premium asset for CKI. Last year Hongkong Electric brought in stable cash revenue which constituted over half of the Group's energy investment return. In view of Hongkong Electric's secure nature and bright prospects, CKI continued to increase its stake in Hongkong Electric from 37.63 per cent. in 1999 to 38.87 per cent. in 2000 through scrip dividend and accumulation.

Hongkong Electric continued to improve its existing facilities with expansion plans calling for a 1,800 MW extension of the Lamma Island power station. In the Mainland, Hongkong Electric acquired a 3 per cent. stake in the Guangdong Liquefied Natural Gas (LNG) project, the first LNG receiving terminal project in the country. It also took up a strategic investment stake in CNOOC Limited, which was recently listed in Hong Kong and New York.

China Power

The commencement of the Zhuhai Power Plant operation is an important milestone for CKI's China power portfolio. It marked the completion of all of CKI's power plants in the provinces of Guangdong, Liaoning, Henan and Jilin. The Group's interest in the China power portfolio aggregates to over 2,500 MW.

The Zhuhai Power Plant is the Group's largest power investment in the Mainland. The first unit of the 2x700 MW Zhuhai Power Plant was completed in April 2000. During the peak summer season in 2000, it set an impressive record of over 100 days of continuous and safe operation. Since February 2001, the second unit has also been fully operational. The successful operation of the Zhuhai Power Plant demonstrates the Group's strong capabilities in planning, constructing and managing quality, efficient and reliable power projects in the Mainland.

The China power market presents opportunities as well as challenges in the coming year. With the impending accession of China to the WTO and the increasing demand for electricity in the Mainland, an increasing number of investment opportunities for power plants is foreseen. CKI will closely follow such opportunities and make appropriate investments as they arise.

High oil price environment, tightening power tariff regulatory policy, and the gradual establishment of power pool with competitive grid tariffs have put increasing pressure on the execution of some of the offtake contracts and the enforcement of assured-return guarantees. To alleviate the situation, CKI began divestments of certain plants at a premium; one such move was the disposal of the Group's 36.4 per cent. interest in the Nanhai Jiangnan Power Plant to the Chinese partner at a capital gain.

Australian Energy

The privatisation of South Australia’s power industry gave CKI an opportunity to establish a foothold in Australia’s electricity distribution business. In December 1999, CKI and Hongkong Electric formed a 50:50 joint venture to acquire ETSA Utilities, South Australia’s electricity distribution business, under a 200-year lease arrangement.

ETSA Utilities is a secure and premium long-term investment for the Group. Since the company was already in operation upon its privatisation, ETSA Utilities generated immediate and steady profit for the Group upon completion of transaction. An A$2.05 billion off-balance sheet financing was arranged successfully for the investment, enabling the Group a favourable equity return in the investment. Shortly after the acquisition, ETSA Utilities received a credit rating of A- by Standard & Poor’s, and A3 by Moody’s, the highest ratings received by a privately owned Australian electricity distributor. Domestic medium term note issue in an aggregate of A$1.6 billion, one of the largest non-government financing transactions in Australia, was successfully arranged in the domestic capital markets and won several major awards in the Australian financial sector.

In August 2000, the CKI and Hongkong Electric 50:50 partnership acquired Powercor Australia Ltd., largest of five electricity distributors and retailers in the state of Victoria. A low-risk business, the company received high credit ratings of A- from Standard & Poor’s and A3 from Moody’s subsequent to the acquisition.

ETSA Utilities and Powercor together have made the CKI-Hongkong Electric partnership the largest electricity distributor in Australia serving over 1.3 million customers in South Australia and Victoria. Performance of both operations has exceeded the initial projection of the Group. As both operations are of common ownership, incremental returns could be generated from potential synergetic values between the adjoining networks as well as non-regulated revenues such as telecommunications and field services through existing infrastructure and installation of additional optical fibre.

CKI has branched out to the gas industry through the acquisition of Envestra Limited, the largest listed natural gas distributor in Australia which serves over 850,000 customers throughout the country.

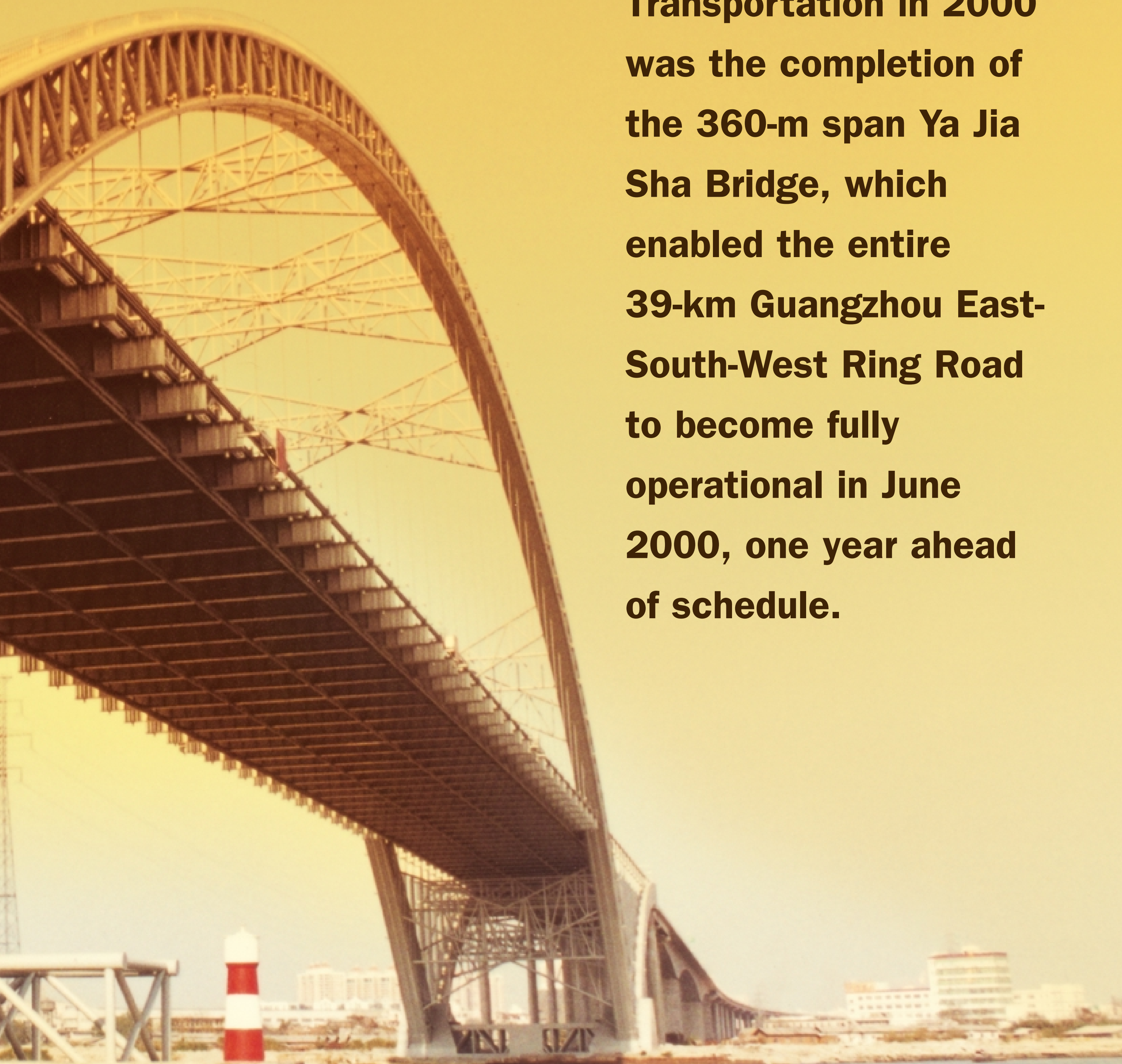
At present, CKI Energy’s investment in Australia amounts to A$2.9 billion (approximately HK$12 billion). These new acquisitions were key factors leading to the leapfrog growth in contribution from the energy sector in 2000.

Hongkong Electric continued to improve its existing facilities with expansion plans calling for a 1,800-MW extension of the Lamma Island Power Station.

The successful operation of the Zhuhai Power Plant demonstrates the Group’s strong capabilities in planning, constructing and managing quality, efficient and reliable power projects in the Mainland.

Transportation

An exciting milestone achievement of CKI Transportation in 2000 was the completion of the 360-m span Ya Jia Sha Bridge, which enabled the entire 39-km Guangzhou East-South-West Ring Road to become fully operational in June 2000, one year ahead of schedule.



Transportation

The Guangzhou East-South-West Ring Road is a vital trunk route uniting the eastern, western and southern parts of Guangzhou, and provides a key link with major transportation corridors such as the Guang-Fo Expressway and Guang-Shen Expressway.

In Panyu, the Beidou Bridge and its connecting roads totalling 3.25km were completed last year on schedule and on budget.

A Mature Portfolio

CKI Transportation reported profit contribution growth of 9 per cent. over the previous year, mainly arising from existing projects' organic growth and revenue from newly completed projects. The Group's transportation investments have reached harvesting phase and this business division is expected to become an increasingly significant revenue contributor to the Group in the coming years.

CKI's joint ventures in the PRC own and operate over 600 km of toll roads and bridges spanning the provinces of Guangdong, Hunan, Henan, Hebei, and Liaoning. In Hong Kong, the Group owns a 50 per cent. stake in the Eastern Harbour Crossing Company Limited, the concessionaire holder operating the rail part of the Hong Kong Eastern Harbour Crossing Tunnel.

Guangdong Roads

With improvements in economic development in Guangdong Province, all the Guangdong toll roads and bridges owned and operated by CKI's PRC joint ventures reported double-digit percentage growth in toll revenue in 2000.

An exciting milestone achievement of CKI Transportation in 2000 was the completion of the 360-m span Ya Jia Sha Bridge in June 2000. This enabled the entire 39-km Guangzhou East-South-West Ring Road, the Group's largest transportation investment in the PRC, to become fully operational in June 2000, one year ahead of schedule. This Ring Road is a vital trunk route uniting the eastern, western and southern parts of Guangzhou, and provides a key link with major transportation corridors such as the Guang-Fo Expressway and Guang-Shen Expressway. Traffic flow and toll revenue on the Ring Road recorded satisfactory growth since operation commenced. Continued increase in revenue is expected as new highways connecting the Ring Road to other major highways are completed within the Pearl River Delta.

Another accomplishment was the ISO 9002 certification awarded by the Hong Kong Quality Assurance Agency (HKQAA) to the joint venture company which owns and operates the Ring Road. The award, a first for a toll expressway in the Mainland, reflects the Group's continued emphasis on quality management and operational efficiency.

TRANSPORTATION
Eastern Harbour Crossing Rail Tunnel, Hong Kong
Changsha Wujialing and Wuyilu Bridges, Hunan
Guangzhou East-South-West Ring Road, Guangdong
Jiangmen Chaolian Bridge, Guangdong
Jiangmen Jianghe Highway, Guangdong
Jiangmen Jiangsha Highway, Guangdong
Nanhai Road Network, Guangdong
National Highway 107 (Zhumadian Sections), Henan
Panyu Beidou Bridge, Guangdong
Shantou Bay Bridge, Guangdong
Shen-Shan Highway (Eastern Section), Guangdong
Shenyang Changqing Bridge, Liaoning
Shenyang Da Ba Road and South-West Elevated Sections, Liaoning
Shenyang Gongnong Bridge, Liaoning
Shenyang Shensu Expressway, Liaoning
Tangshan Tangle Road, Hebei
Zengcheng Lixin Road, Guangdong

In Panyu, the Beidou Bridge and its connecting roads totalling 3.25-km were completed last year on schedule and on budget. The Bridge and roads are currently fully operational. The Bridge, which connects the southern and northern parts of Panyu, will facilitate the economic development of the City, a key transportation hub in Guangdong Province.

On the eastern part of Guangdong Province, the Group's Shantou Bay Bridge and Shen-Shan Highway recorded double-digit growth in toll revenues.

CKI owns a 50 per cent stake in the Eastern Harbour Crossing Company Limited, the concessionaire holder operating the rail part of the Hong Kong Eastern Harbour Crossing Tunnel.

All the Guangdong toll roads and bridges owned and operated by CKI's PRC joint ventures reported double-digit percentage growth in toll revenue in 2000.

In the heart of the province, toll revenues from the dual two-lane Jianghe Highway and the Chaolian Bridge in Jiangmen almost doubled, while the 21-km Jiangsha Highway and the 30-km Class One Zengcheng Lixin Highway also recorded solid performance and growth.

Other China Toll Roads

Despite changes in economic conditions and government policies in some provinces, the overall performance of CKI Transportation's toll roads and bridges in other provinces in China posted satisfactory results.

In Henan, the joint venture company which operates the 114-km Zhumadian section of the dual two-lane Class Two National Highway 107 contributed favourable returns in spite of increased expenditure on maintenance and upgrading work since its opening in 1997. In Hunan, the Wujialing Bridge and Wuyilu Bridge reported steady growth in operating revenue.

Other road and bridge projects in Shenyang, Liaoning and the 100-km Tangshan Tangle Road in Hebei also recorded healthy revenue growth.

Eastern Harbour Crossing Company Limited, Hong Kong

Since CKI's acquisition in 1999 of a 50 per cent. stake in the Eastern Harbour Crossing Company Limited, which owns the rail tunnel connecting eastern Hong Kong and eastern Kowloon, the Tunnel has been generating satisfactory returns and a stable cash flow for the Group.

Geographical Expansion, Industry Diversification

The impending accession of China to the WTO, which is expected to drive higher economic growth and increase demand for more and better infrastructure developments in the Mainland, will provide CKI with great opportunities in this core transportation business.

Following CKI Energy's strategy of industry diversification from power to gas, and geographical expansion from Hong Kong and the Mainland to Australia, CKI Transportation has active plans to diversify into other transportation businesses such as railways, and expand its footprint into other markets such as South Korea.

Infrastructure Materials and Infrastructure-related Businesses

Commitment to the Environment:
Green Island Cement won the 2000 Hong Kong Award for Industry: Environmental Performance, which is the top honour for this category.

Infrastructure Materials and Infrastructure-related Businesses

Consolidation and Diversification

2000 was a challenging year for the infrastructure materials business. Following a cyclical business downturn, aggravated by the reduction in government housing and slow down in infrastructure activities, the demand for infrastructure materials in the year was generally on the decline and prices were further eroded. As leading players in the industry, Green Island Cement (Holdings) Limited (GIC) and Anderson Asia (Holdings) Limited (AAH) were strongly affected. To mitigate the impact brought about by the infrastructure materials business, the Group has adopted a strategy of consolidation and diversification. On one hand, the Group has consolidated the infrastructure materials business, streamlining operations and implementing cost control measures to further improve cost efficiency and productivity; on the other hand, it diversified into other infrastructure-related businesses such as those in the areas of environmental business, and electronic infrastructure. A new business division under "Infrastructure Materials and Infrastructure-related Businesses" has been formed to include the materials business and the new infrastructure-related initiatives.

INFRASTRUCTURE MATERIALS

Cement and Asphalt Market

Overall the price and volume of cement decreased due to a sluggish market. GIC recorded a decline in sales volume last year. Strong competition from lowered rates and surplus supply in the region also contributed to a drop in profit margin, which is forecast to decline further in 2001.

In the Philippines, the Group's limestone quarry continues to supply part of the Group's own requirement for the production of clinker.

While the Group streamlined domestic operations and implemented cost control measures, it broadened its infrastructure materials business footprint to North America by acquiring a 63.7 per cent. stake in the Canadian-listed asphalt technology company Polyphalt Inc. The company is engaged in the development and commercialisation of polymer modified asphalt (PMA) and other raw materials made from recycled substances. Another special feature of PMA is that it can prolong the usage of road surfaces and reduce maintenance cost.

The acquisition helped GIC complete its existing asphalt product range and created good synergy with CKI's transportation businesses. By combining the Group's extensive financial resources with Polyphalt's advanced technology, the Group looks forward to good contributions from Polyphalt.

Concrete, Aggregates and Spray Coating Market

Facing strong competition, a shrinking construction market and lower government contracting rates in Hong Kong, the Group's subsidiary recorded a decline in profit contribution in its concrete, aggregates and spray coating businesses.

AAH continues to enhance competitiveness by raising cost efficiency and productivity. The construction of several large infrastructure projects which are coming up in the next few years in Hong Kong are expected to contribute revenues in this sector in the near future.

Green Island Cement won the 2000 Hong Kong Award for Industry: Environmental Performance; Anderson Asphalt won the 2000 Hong Kong Awards for Industry Private Sector Committee on the Environment (PSCE) Certificate of Merit in Environmental Performance.

The Group's joint venture water treatment operation in Yueyang in Hunan, China, reported good performance last year.

INFRASTRUCTURE MATERIALS AND INFRASTRUCTURE-RELATED BUSINESSES

- Anderson Asphalt, Anderson Asia, Hong Kong
- Asia Stone, Anderson Asia, Hong Kong
- Bonntile, Anderson Asia, Hong Kong
- Ready Mixed Concrete, Anderson Asia, Hong Kong
- Green Island Cement, Hong Kong
- Shantou Cement Grinding Plant, Guangdong
- Yunfu Cement Plant, Guangdong
- Siquijor Limestone Quarry, Philippines
- Polyphalt Inc., Canada
- Stuart Energy Systems Corp., Canada
- Shenyang LPG Business, Liaoning
- Yueyang Water Plants, Hunan
- e-Smart System Inc., Hong Kong

The declining public housing market also affected the spray coating business under Bonntile Industries (HK) Ltd. While the company downsized its operations in Hong Kong and switched its marketing focus to the development of private properties last year, it plans to expand into the Mainland. The business environment is expected to improve in 2001.

Smart cards can be used on multiple applications such as stored value, fare collection, access control, time and attendance record, loyalty programmes, web transactions, and national identification.

Stuart Energy, through its proprietary water electrolysis technology, is a world leader in the development and production of hydrogen fuel appliances which supply hydrogen at the pressure and purity needed for clean energy applications.

INFRASTRUCTURE-RELATED BUSINESSES

Commitment to the Environment

During the past few years, the Group's environmental initiatives have revolved in the areas of waste material recycling, reduction of natural resources usage, and reduction of emissions to the environment. New environmental projects concluded and under development are the results of the Group's long-term strategy.

In 2000, GIC won the 2000 Hong Kong Award for Industry: Environmental Performance, which is the top honour for this category. This is an additional accolade to the Asia Pacific Economic Council (APEC) Environmental Award obtained by the company in 1999. Furthermore, another company within the Group, Anderson Asphalt Limited, won the 2000 Hong Kong Awards for Industry Private Sector Committee on the Environment (PSCE) Certificate of Merit in Environmental Performance. These accolades are a clear recognition of the Group's contribution to the environment while creating shareholder value in a win-win formula.

Liquefied Petroleum Gas

In early 2000, CKI concluded an agreement to hold a 51 per cent. stake in a joint venture with Petro China's subsidiary Liaoning Petroleum Industrial Company and Shenyang Transport Bureau's Shenyang Road Main Hub Group Company Limited, to operate liquefied petroleum gas (LPG) business and vehicle conversion facilities in Shenyang. This investment enables the development of the potentially lucrative LPG market in the Mainland and creates synergies with the Group's transportation and energy businesses.

Hydrogen Fuel

CKI's investments in environmental energy expanded beyond Asia last year with the Group's acquisition of a 12.9 per cent. stake in the Canadian-listed hydrogen fuelling technology company, Stuart Energy Systems Corporation (Stuart Energy). To introduce and develop the application of the technology into this part of the world, an exclusive distribution right of Stuart Energy's hydrogen fuelling technology was extended to a joint venture of Stuart Energy and CKI for the Asia Pacific Region for a period of 12 years.

Stuart Energy, through its proprietary water electrolysis technology, is a world leader in the development and production of hydrogen fuel appliances which supply hydrogen at the pressure and purity needed for clean energy applications such as transportation and regenerative power.

As an environmentally friendly alternative to fossil fuel, hydrogen is a cost-effective, zero-emission energy solution for the 21st century.

Water Business

The Group's joint venture water treatment operation in Yueyang in Hunan, China, reported good performance last year, contributing a steady profit. Other water treatment projects in the Mainland and other markets are being studied.

Smart Card

Technology is an integral part of the Group's diversification initiatives. Last year, CKI established a 50:50 joint venture, e-Smart System, Inc., with German-listed, Israeli-based On Track Innovations (OTI) to deliver the patented "EYECON" microprocessor-based contactless smart card technology to Asia Pacific.

Smart cards can be used on multiple applications such as stored value, fare collection, access control, time and attendance record, loyalty, web transactions, and national identification.

Riding along CKI's participation in smart card technology, further efforts on integrating smart card applications into biometrics and other electronic infrastructure initiatives are under development.

BOARD AND SENIOR MANAGEMENT

DIRECTORS' BIOGRAPHICAL INFORMATION

LI Tzar Kuoi, Victor, aged 36, has been the Chairman of the Company since its incorporation in May 1996. He is also the Managing Director and Deputy Chairman of Cheung Kong (Holdings) Limited, Deputy Chairman of Hutchison Whampoa Limited, an executive director of Hongkong Electric Holdings Limited, the Co-Chairman of Husky Energy Inc. and a director of The Hongkong and Shanghai Banking Corporation Limited. He is a member of the Chinese People's Political Consultative Conference, the Commission on Strategic Development and the Business Advisory Group. He holds a Bachelor of Science degree in Civil Engineering and a Master of Science degree in Structural Engineering.

George Colin MAGNUS, aged 65, has been Deputy Chairman of the Company since its incorporation in May 1996. He has also been an executive director of Cheung Kong (Holdings) Limited since 1980 and Deputy Chairman of Cheung Kong (Holdings) Limited since 1985. He is also the Chairman of Hongkong Electric Holdings Limited and an executive director of Hutchison Whampoa Limited. He holds a Master's degree in Economics.

FOK Kin Ning, Canning, aged 49, has been an Executive Director and Deputy Chairman of the Company since March 1997. Mr. Fok is currently the Group Managing Director of Hutchison Whampoa Limited. He is the Chairman of Hutchison Telecommunications (Australia) Limited and Partner Communications Company Ltd., the Co-Chairman of Husky Energy Inc. and the Deputy Chairman of Hongkong Electric Holdings Limited. He is also a director of Cheung Kong (Holdings) Limited, VoiceStream Wireless Corporation. He holds a Bachelor of Arts degree and is a member of the Australian Institute of Chartered Accountants.

KAM Hing Lam, aged 54, has been the Group Managing Director of the Company since its incorporation in May 1996. He has also been Deputy Managing Director of Cheung Kong (Holdings) Limited since February 1993. He is also an executive director of Hutchison Whampoa Limited and Hongkong Electric (Holdings) Limited. He holds a Bachelor of Science degree in Engineering and a Master's degree in Business Administration.

IP Tak Chuen, Edmond, aged 48, has been an Executive Director of the Company since its incorporation in May 1996. He has also been an executive director of Cheung Kong (Holdings) Limited since September 1993 and is currently a non-executive director of TOM.COM LIMITED. He holds a Master of Science degree in Business Administration and a Bachelor of Arts degree in Economics.

Frank John SIXT, aged 49, has been an Executive Director of the Company since its incorporation in May 1996. He has also been a director of Cheung Kong (Holdings) Limited since 1991. Mr. Sixt is the Chairman of TOM.COM LIMITED, Group Finance Director of Hutchison Whampoa Limited and an executive director of Hongkong Electric Holdings Limited. He is also a director of Hutchison Telecommunications (Australia) Limited, Partner Communications Company Ltd., VoiceStream Wireless Corporation and Husky Energy Inc. Mr. Sixt holds a Master's degree in Arts and a Bachelor's degree in Civil Law, and is a member of the Bar and of the Law Society of the Provinces of Quebec and Ontario, Canada.

CHOW WOO Mo Fong, Susan, aged 47, has been an Executive Director of the Company since March 1997. She is the Deputy Group Managing Director of Hutchison Whampoa Limited, a director of Hongkong Electric Holdings Limited and a non-executive director of TOM.COM LIMITED. She is a solicitor and holds a Bachelor's degree in Business Administration.

TSO Kai Sum, aged 69, has been an Executive Director of the Company since March 1997. He is the Group Managing Director of Hongkong Electric Holdings Limited. He has broad experience in property development and power generation. He holds a Bachelor of Science degree in Engineering and is also a Chartered Engineer.

Barrie COOK, aged 58, has been an Executive Director of the Company since January 2000. He holds a Bachelor of Science degree in Civil Engineering and is a Chartered Engineer, a fellow of the Institute of Management and a member of the Chartered Institute of Marketing. He is the Chairman of the East Asian Cement Forum, the Hong Kong Construction Materials Association, the Hong Kong Cement Association and the past Chairman of the Environment Committee of the Hong Kong General Chamber of Commerce. He is a member of the Hong Kong Government's Advisory Council on the Environment, the Chairman of the Hong Kong Government's Waste Reduction Committee and the Convenor of the Hong Kong Business Coalition on the Environment.

Executive Committee
Victor Li (Centre front), **H.L. Kam, Edmond Ip** (Middle row from left), **Ivan Chan, Barrie Cook, Eric Kwan, George Magnus, Dominic Chan** (Back row from left)

KWAN Bing Sing, Eric, aged 56, has been an Executive Director of the Company since January 2000. He joined the Company in 1996 and has been with the Cheung Kong Group since February 1994. He holds a Master's degree in Business Administration and is a Chartered Engineer. He is also a member of the Institution of Electrical Engineers and Institute of Management of UK.

CHEONG Ying Chew, Henry, aged 53, is an Independent Non-executive Director of the Company. He holds a Bachelor of Science degree in Mathematics and a Master of Science degree in Operational Research and Management. He is a director of certain other listed companies in Hong Kong. Mr. Cheong is a member of the Process Review Panel for the Securities and Futures Commission, a member of the Derivatives Market Consultative Panel of the Hong Kong Exchanges and Clearing Limited and also a member of the Corporate Advisory Council of the Hong Kong Securities Institute.

LEE Pui Ling, Angelina, aged 52, is an Independent Non-executive Director of the Company. She is a practising solicitor, has a Bachelor of Laws degree and is a fellow of the Institute of Chartered Accountants in England and Wales. She is a director of certain other listed companies in Hong Kong and is active in public service. Her current public commitments include membership on a number of Hong Kong Government advisory and appeal boards.

SENIOR MANAGEMENT'S BIOGRAPHICAL INFORMATION

CHAN Kee Ham, Ivan, aged 38, Senior Manager, Planning and Investment, has been with the Cheung Kong Group since September 1999. He has over 14 years of experience in investment, banking and finance. He holds a Bachelor's degree in Science, a Bachelor's degree in Chinese Law and a Master's degree in Business Administration.

YEUNG, Eirene, aged 40, Company Secretary, has been with the Cheung Kong Group since August 1994. She is a solicitor of the High Court of the Hong Kong Special Administrative Region and of the Supreme Court of Judicature in England and Wales.

CHAN Loi Shun, Dominic, aged 38, Group Finance Manager, joined Hutchison Whampoa Limited in January 1992 and has been with the Cheung Kong Group since May 1994. He is an associate of the Hong Kong Society of Accountants and a fellow of the Association of Chartered Certified Accountants.

CHU Kee Hung, aged 56, General Manager, Technology Development, has been with the Cheung Kong Group since January 1994. He holds a Doctor of Philosophy degree in Mechanical Engineering and is a member of the American Society of Mechanical Engineers.

LEE Chack Fan, aged 55, General Manager, Infrastructure Development, has been with the Cheung Kong Group since February 1994. He holds a Doctorate in Geotechnical Engineering and is a Chartered Engineer.

YUEN Ming Kai, Clement, aged 54, General Manager, China Transportation, has been with the Company since January 1997. He holds a Bachelor's degree in Civil and Structural Engineering, and a Doctor of Philosophy degree in Geotechnical Engineering. He is a Chartered Engineer.

LUN Pak Lam, aged 44, General Manager, China Energy, joined Hutchison Whampoa Limited and Cheung Kong (Holdings) Limited in May 1993 and June 1994 respectively and has been with the Company since July 1996. He holds a Bachelor's and a Master's degree in Engineering.

LEUNG Ying Wah, Lambert, aged 54, Managing Director of Green Island Cement (Holdings) Limited since September 2000, re-joined Anderson Asia (Holdings) Limited in July 1993. Prior to re-joining Anderson Asia (Holdings) Limited where he previously worked for 14 years, he was with a leading investment bank in Hong Kong. He is a fellow of the Association of Chartered Certified Accountants, a fellow of the Hong Kong Society of Accountants, a fellow of the Institute of Quarrying (UK) and the past chairman of the Institute of Quarrying, Hong Kong Branch.

YU Siu Lim, Gary, aged 45, Managing Director of Green Island International Limited and Director of Polyphalt Inc., has been with Green Island Cement (Holdings) Limited since 1993. Before joining Green Island Cement (Holdings) Limited, he worked for over 10 years with various companies of the Cheung Kong Group. He holds a Bachelor of Computer Science degree.

John LAM, aged 50, Managing Director of Anderson Asia (Holdings) Limited, re-joined Anderson Asia (Holdings) Limited in March 1998. Prior to re-joining Anderson Asia (Holdings) Limited where he previously worked for 9 years, he was with a leading civil engineering company in Hong Kong. He holds a Master's degree in Business Administration. He is a fellow of the Association of Chartered Certified Accountants and the Hong Kong Society of Accountants.

Donald William JOHNSTON, aged 58, Director of Anderson Asia (Holdings) Limited, Green Island International Limited and Polyphalt Inc., has been with the Cheung Kong Group since 1988. He holds a Master's degree in Business Administration and a Bachelor's degree in Civil Engineering and is a Chartered Professional Engineer. He is a member of the Institute of Engineers (Australia) and a fellow of the Institute of Quarrying.