

# **BUSINESS REVIEW**

This year being the most rewarding year for China Rich Holdings Limited (the “Group”) since it was listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in 1994. Review of current year’s operations is as follows:-

## **CIVIL ENGINEERING WORKS**

The majority of construction activities of the Group are mostly awarded by the Hong Kong Special Administrative Region (“Hong Kong SAR”) and they are civil engineering contracts which relate to roads and highways formation and extension, drainage and sewage works, watercourse desilting works, construction and maintenance of drainage channels.

As of the financial year end, all contracts on hand amounted to approximately HK\$1 billion, of which HK\$500 million value of contracts are still outstanding.

### **Construction of Main Drainage Channels for Yuen Long and Kam Tin Stage II**

This is a new major drainage contract awarded from the Hong Kong SAR Government. The works were commenced in August of 1999 and scheduled to be completed by April 2002. The construction for these drainage channels is to assist and further improve the environment and flooding hazard problems in the Northwest New Territories areas and to deliver a pleasant and safe environment for the residing households.

### **Drainage Maintenance and Construction in Mainland North Districts**

This contract works were commenced in January of 2000 and will be completed in early 2002. It involves the maintenance and repair of drainage and sewage systems, the construction of improvement and minor works and drainage connections for private and public developments. The works site stretches from within the northern part of the New Territories which include Yuen Long, Tuen Mun, Fanling, Tai Po and Tin Shui Wai.

### **New Guangzhou Baiyun Airport**

GZTF Engineering Consulting Co. Limited was set up in October 1999 in which the Group holds 33% and the remaining shareholders are the 廣州交通投資有限公司 and the 中國航空港建設第二工程總隊. This joint venture involves consultation service and building works to the new Guangzhou Baiyun Airport and its infrastructure projects. The estimated value of this entire project is around RMB20 billion.

## **RECREATIONAL HEALTHCARE – THE EVERGREEN CLUB**

Due to the increased growth of the aging population, health awareness, the pursuit of quality lifestyle, recreational and healthcare services for the elderly become a demand in the society. The Group recognizes these needs for the retirees and thus creates the EVERGREEN CLUB (the “CLUB”). Its mission is to serve the retirees a healthy and worry-free environment, giving them another dimensions to enjoy their golden age. The CLUB not only serves as a permanent home or a holiday center, but it also provides daily and social facilities keeping the members intact with the rest of the world.

The CLUB comprises of the following sites and they are as follows:

### **Shunde Residential Clubhouse**

The resident clubhouse is at this vicinity and there are around 250 residential units ready to be taken up by the members. A permanent room will be assigned to each individual member and daily meals, recreation and periodic health check are available. Shuttle buses are there to facilitate members to travel from here to other locations.

### **Gaoming Silver Ocean Golf Resort**

An eighteen hole golf resort situated in the center of the Pearl River Delta. The golf course is adjacent to a reservoir and with a beautiful landscape and challenging course. The resort has a clubhouse, guestrooms, swimming pool, tennis court, conference facility and many more recreational services specially designed for the members.

### **廣州市紫霞山莊 (formerly known as 萬福山莊)**

This park is built for the rejuvenation of the mind, soul and body. Acres of hills and forestland with trailwalk, hiking, animal feeding, fishing and so on provide something which cityfolks are missing. Around thirty rooms are available for members who are in search of a simple outdoor living.

### **Guangdong Concord Medical Centre**

A private state-of-the-art medical centre with qualified medical professionals ready to assist our members in medical consultations, periodic examinations and emergency needs.

Besides, the CLUB also provides the following services:

### **Evergreen Travel Agency Limited**

A travel agency which provides travel arrangement and ticketing services for inbound and outbound members.

#### **[www.evergreen-club.com](http://www.evergreen-club.com)**

An internet website in which all members could access to obtain newsletter, monthly pamphlets, health knowledge, world events so that our members although retire could still be astute to the happenings in around the world.

## **OTHER INVESTMENT**

### **High Technology Investment**

In February, 2000, the Group separated its internet business through distribution in specie of shares in GreaterChina Technology Group Limited (“GreaterChina”). GreaterChina subsequently being successfully listed on the Growth Enterprise Market of the Stock Exchange on 6 April, 2000. As at the latest practical date, the Group holds 39% of GreaterChina which made GreaterChina the Group’s associated company. The mission of GreaterChina is to provide the most comprehensive and useful interactive contents on the internet within the health and lifestyle industry focusing on a balanced portfolio of online and offline technology related ventures that promote a premium quality lifestyle for the community. The mission is carried out through the following websites: [www.greaterchinaherbs.com](http://www.greaterchinaherbs.com), [www.ladiesasia.com](http://www.ladiesasia.com), [www.bio-bt.com](http://www.bio-bt.com) and [www.sensesshop.com](http://www.sensesshop.com). GreaterChina offers web solutions and consultation, e-commerce platform, Traditional Chinese Medicine Consultation, bio-technology products development and online education program.

### **Financial Services**

Another wholly-owned subsidiary, Fitzroya Finance Company Limited (“Fitzroya”) offers a range of services as a financial agent to undertake and execute different kinds of financial and monetary operations. Business of Fitzroya includes financial funding not limited to other operations of the Group, but also to the suppliers and subcontractors of the Group. A credit committee consists of experienced senior management has established policy and procedure to control and approve all credit applications.