

## Report of the Directors

### 員工宿舍

本年度本集團並無向員工提供任何員工宿舍。

中國財政部於二零零零年九月六日發出財企〔2000〕295號文件，就企業住房制度改革中有關財務處理問題發出通知，並於發佈日起實行。北京北辰實業股份有限公司評估該等政策後認為，北京北辰實業股份有限公司不存在企業住房制度中有關財務處理問題，因此該等通知不會對北京北辰實業股份有限公司產生任何重大影響。

### 董事及監事之合約權益

於本年度末及本年度內任何時間，除有關本公司業務之服務合約外，本公司、其控股公司、任何本公司之附屬公司或同系集團之附屬公司概無訂有本公司各董事及監事直接或間接擁有重大利益之重要合約。

### 董事於競爭性業務之利益

於年內及截至本報告日期止，按上市規則規定，本公司之董事及管理層股東並無與本集團業務有所競爭或可能競爭之業務中持有權益。

### Staff Housing Quarters

During the year, the Company did not provide any housing quarters to its staff.

On 6th September, 2000, the Ministry of Finance of the PRC issued notification regarding financial treatment issues in respect of enterprise housing system reformation under document Cai Qi No. (2000) 295, which became effective from the date of issue. Having appraised the policies, Beijing North Star Company Limited are of the opinion that the Beijing North Star Company Limited does not have financial treatment issues in respect of the enterprise housing system, therefore, such notification will not cause any material effect to Beijing North Star Company Limited.

### Interests of Directors and Supervisors in Contracts

Apart from service contracts, in relation to the Company's business, no contracts of significance to which the Company, its holding company, any of its subsidiaries or its fellow subsidiaries was a party, and in which a director or supervisor had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### Interests of Directors in Competitive Business

During the year and up to the date of this report, directors and management shareholders do not have interest in business which competes or may compete with the business of the Group under the Listing Rules.

## 關連交易

截至二零零零年度止，本公司與北京北辰實業集團公司（「北辰公司」）進行之交易列示如下，於一九九七年十月六日，香港聯合交易所有限公司已有條件豁免本公司遵守上市規則第十四條規定的責任。據此，本公司毋須以新聞通告形式及／或通函方式披露該等關連交易的詳情及／或事前取得獨立股東的批准。

1. 根據於一九九七年四月十一日與北辰公司簽定的一項租賃協議（「租賃協議」），北辰公司同意將本集團投資物業及其配套物業（「亞運村」）所在之全部土地（該土地）租與本公司。該土地的地盤面積約195,000平方米，租期由40年至70年不等，視乎該土地不同部分的用途而定。二零零零年年度租金為人民幣15,000,000元，已於二零零零年十二月一日前支付。

## Connected Transactions

During the year ended 2000, the Company carried out the following business transactions with its controlling shareholder, Beijing North Star Industrial Group Company ("BNS Group Company"), to which The Stock Exchange of Hong Kong Limited has, subject to certain conditions, granted a waiver on 6th October, 1997 to the Company from compliance with the requirements stipulated in Chapter 14 of the Listing Rules to disclose details of such connected transactions by press notice and/or to obtain prior independent shareholders' approval.

1. Pursuant to a lease agreement dated 11th April, 1997 signed with BNS Group Company ("Lease Agreement"), BNS Group Company has agreed to lease to the Company all the land (the "Land") on which some of the Group's investment properties and ancillary facilities properties of the Group ("Asian Games Village Properties") are situated. The land has a site area of approximately 195,000 sq. m. and is leased for a fixed term ranging from 40 to 70 years depending on the respective land use of various parts of the Land. The rental for the year ended 31st December, 2000 was Rmb15,000,000 per annum and has been fully settled by 1st December, 2000.

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2. 根據本公司與北辰公司於一九九七年四月十一日簽訂的一項綜合服務協議（「綜合服務協議」），北辰公司將提供其中包括：(i)為本公司雇員提供社會及交通服務及(ii)為本公司提供熱力及保安服務。北辰公司亦會負責翻新、維修保養亞運村的道路及花園。北辰公司與本公司將共用若干位於亞運村內的道路及花園。本公司將為北辰公司提供電力、電視及電話服務。

該等安排由綜合服務協議簽訂之日起計十年內有效，惟道路及花園的翻新、維修及保養則為期約五十年。

除協議另有訂明者外，本公司或北辰公司所提供的各種服務的代價均按現行政府所定的價格而計算。然而，如並無可供使用的政府所定價格，則有關價格將按可供比較的當地市價（（如無當地市價，則按本公司或北辰公司於提供有關服務時所出現的合理成本（視情況而定））計算。

本集團於截至二零零零年十二月三十一日止年度與北辰公司之間就綜合服務協議所收取及支付之款項詳情如下：

2. Pursuant to a miscellaneous service agreement (“Miscellaneous Service Agreement”) dated 11th April, 1997 signed with BNS Group Company, BNS Group Company will provide, inter alia, (i) social and transport services to the Company’s employees and (ii) heating and security services to the Company. BNS Group Company will also be responsible for the upgrading, repair and maintenance of roads and parks in the Asian Games Village. BNS Group Company and the Company will also share the use of certain roads and parks in the Asian Games Village. The Company will provide BNS Group Company with the use of electricity, television and telephone.

These arrangements (other than the upgrading, repair and maintenance of roads and parks, which are for a term of approximately 50 years) are valid for a term of ten years from the date of signing of the Miscellaneous Services Agreement.

The considerations for the various services provided by the Group or BNS Group Company under the Miscellaneous Services Agreement are, save as otherwise stipulated therein, based on applicable government prescribed prices. However, in the absence of such government prescribed prices, the relevant consideration will be based on comparable local market prices, or failing which, the reasonable costs incurred by the Company or BNS Group Company, as the case may be, in providing the relevant services.

During the year ended 31st December, 2000, the Group and BNS Group Company received and paid the following amounts respectively in respect of the Miscellaneous Services Agreement:

北辰公司提供予本集團的主要服務  
項目：

**Principal services provided by BNS Group Company to  
the Group:**

		定價基準	Pricing Basis	人民幣 總值千元 Gross Amount Rmb'000
熱力	Heating	國家價	State Price	15,456
保安	Security services	市場價	Market Price	736
交通	Transport services	成本價	Cost	207
道路及花園維修	Maintenance of roads and open park	成本價	Cost	400
總計	Total			16,799

本集團提供予北辰公司的主要服務  
項目：

**Principal services provided by the Group to BNS Group  
Company:**

		定價基準	Pricing Basis	人民幣 總值千元 Gross Amount Rmb'000
電力	Electricity	市場價	Market Price	24
電視	Television	市場價	Market Price	3
電話	Telephone	市場價	Market Price	29
總計	Total			56

除上文披露者外，於二零零零年十月十八日北京北辰實業集團公司控制之北京北辰機電發展中心簽定了《北苑北辰居住區B4區首開區1#、2#地下自動停車車庫設備供貨合同》和《北苑北辰居住區B4區首開區1#、2#地下自動停車車庫設備技

Save as disclosed above, on 18th October, 2000, the 北京北辰機電發展中心 (Controlled by the BNS Group Company) entered into "Supply Contract for Beijing North Star B4 Residential Area Automatic Car Park Garage Equipment for Nos. 1 and 2 of the First Development Sites" and "Equipment Technology Contract for Beijing North Star B4 Residential Area

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述合同》，該合同已按香港交易所上市規則之有關要求，於二零零零年十月二十日予《香港經濟日報》報章上予以披露。

本公司獨立非執行董事確認以上交易均按有關交易之協議條款及於本集團一般日常業務過程中進行，並對本公司股東而言為公平及合理。

### 銀行貸款及其他借貸

於二零零零年十二月三十一日，本集團之銀行貸款及其他借貸詳情載於財務報表附註二十一。

### 優先購買權

根據本公司的章程及有關法律，並無規定本公司發行新股時須先讓現有股東按其持股比重購買新股。

### 附屬公司

本公司各主要附屬公司之詳細資料載於財務報表附註十四。

### 重大訴訟

本年內本集團概無重大訴訟或仲裁事項。

Automatic Car Park Garage Equipment for Nos. 1 and 2 of the First Development Sites". Disclosure had been made regarding these contracts in the "Hong Kong Economic Times" on 20th October, 2000 pursuant to the relevant requirements of the Listing Rules of the Hong Kong Stock Exchange.

The independent non-executive directors of the Company confirmed that such transactions had been carried out in accordance with the terms of the agreements relating to the transactions in question and that they were in the ordinary and normal course of business of the Group, and were fair and reasonable so far as the shareholders of the Company are concerned.

### Bank Loans and Other Borrowings

As at 31st December, 2000, the bank loans and other borrowings of the Group are as set out in note 21 to the accounts.

### Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles and related laws which oblige the Company to offer new shares on pro-rata basis to existing shareholders.

### Subsidiaries

Details of the Company's subsidiaries are set out in note 14 to the accounts.

### Major litigation

The Group did not engage in any litigation or arbitration of material importance during the year.

## 經營業績

二零零零年財政年度與一九九九年財政年度之比較

本集團於二零零零年之營業額約為人民幣1,952,090,000元，較去年同期數字上升約34.8%。本集團於截至二零零零年十二月三十一日止年度股東應佔溢利約為人民幣158,443,000元，比去年同期上升約16.1%。土地和物業銷售佔二零零零年財政年度營業額25.5%。

本集團於本年度內繼續發展多項普通商品住宅項目，由於本集團採取適當的銷售策略，本集團商品房銷售較上年度相比有所上升。銷售這些項目之收益共人民幣455,012,000元，比一九九九年財政年度上升305%。

因物業市場競爭激烈，本集團於二零零零年度之總租金收入下跌至人民幣241,143,000元。於二零零零年十二月三十一日，本集團之投資物業和酒店物業之公開市值為人民幣1,913,000,000元，比去年下降9.4%。

北辰購物中心繼續保持快速發展的經營態勢，本年度銷售收入為人民幣1,048,660,000元，較一九九九年財政年度大幅增長240,753,000元。

## 所得稅政策

根據北京市財政局於一九九七年三月十二日發出的批文，自本公司成立日期起，本公司的所

## Results of Operations

*Comparison of Financial Year 2000 to Financial Year 1999*

Turnover of the Group amounted to approximately Rmb1,952,090,000 for the year ended 31st December, 2000, which represented an increase of approximately 34.8% as compared to 1999. The Group's profit attributable to shareholders for the year ended 31st December, 2000 amounted to approximately Rmb158,443,000, which represented an increase of approximately 16.1% over 1999. Land and property sales in aggregate constituted approximately 25.5% of the turnover for the financial year 2000.

During the year, the Group proceeded with the development of a number of commodity housing projects. With the effective sales strategies, the Group's revenue from these commodity housing projects amounted to Rmb455,012,000, an increase by 305% as compared to 1999.

The Group's rental income fell to Rmb241,143,000 in 2000 due to keen market competition. The investment and hotel properties of the Group were valued at an open market value of Rmb1,913,000,000 as at 31st December, 2000, representing a decrease of 9.4% from the previous year.

Revenue from the Bei Chen Shopping center continued to experience rapid growth. the shopping centre's revenue for the year amounted to Rmb1,048,660,000, a substantial increase of Rmb240,753,000 as compared with the 1999 financial year.

## Policies on Income Tax

In accordance with an approval document issued by the Beijing Municipal Finance Bureau on 12th March, 1997, with effect from the date of establishment of the Company, the income tax rate

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得稅稅率為33%。該批文亦訂明，本公司可於繳納稅項後按本集團應佔課稅溢利之18%申請退稅。

根據國務院於二零零零年一月十一日發出的通函，自二零零零年一月一日起，所有地方政府將停止財政返還。財政部與國家稅務局於二零零零年十月十三日共同發出通函，放寬了前通函的限制，地方政府可以對上市公司繼續實行先徵33%的所得稅後返還18%的政策（實際稅率為15%）直至二零零一年十二月三十一日。自二零零二年一月一日起，除有法律或行政法規之改變外，所有公司將一律按33%計提企業所得稅。

### 財政資源及流動資金狀況

於二零零零年十二月三十一日之股東權益較一九九九年十二月三十一日之股東權益有1.1%的下降。此下降主要是由於本年度投資物業之減值計人民幣165,800,000元。

本集團在二零零零年財政年度年結日之借款淨額為人民幣226,987,000元。本集團之借款主要來自本集團之控股公司。本集團之流動資產主要是銀行存款及現金、持作出售之土地及發展中物業，流動資產的數額為人民幣2,557,455,000元。而流動負債數額則為人民幣1,020,845,000元。於二零零零年十二月三十一日，銀行存款及現金的餘額為人民幣987,929,000元。

applicable to the Company is 33%. The approval document also provides for the Company to apply for a financial refund, following payment, at a rate of 18% of taxable profits of the Group.

On 11th January, 2000, a circular was issued by State of Council which requires all local government to cease financial refund effective on 1st January, 2000. On 13th October, 2000, a circular was jointly issued by the Ministry of Finance and State Administration of Taxation which relaxes the requirements announced in previous circular. In particular, it stipulates that "the preferential treatment of tax at 33% with subsequent refund of 18%" (effective tax rate 15%) granted to listed companies by local government will continue until 31st December, 2001. Effective from 1st January, 2002, except in the event when there is a change in law and other administrative regulation, all enterprises should be taxed based on the statutory corporate income rate of 33%.

### Financial Resources and Liquidity

At 31st December, 2000, the shareholders' funds of the Group showed a decrease of 1.1% from that of 31st December, 1999. Such decrease is mainly due to the devaluation of investment properties of approximately Rmb165,800,000 during the year.

The Group's net borrowing as at the end of the financial year of 2000 was recorded at Rmb 226,987,000 with a majority of the funding being obtained from its holding company. Current assets of the Group, which mainly comprised cash at bank and on hand, and land and properties under development for sale, were recorded at Rmb2,557,455,000, whereas the Group's current liabilities amounted to Rmb1,020,845,000. As at 31st December, 2000, cash at bank and on hand amounted to Rmb987,929,000.

## 最佳應用守則

本公司董事會尚未按照上市規則附錄14之「最佳應用守則」(「最佳應用守則」)之第14段，成立一個旨在檢討及監察本公司的財務匯報程序及內部控制的審核委員會(「審核委員會」)。但本公司的組織架構內已設立一個職能與之相若的監事會，所不同的是本公司的監事會成員由三人組成，其中兩名由股東大會選出及罷免，另一名由本公司職工經民主選舉出及罷免。監事會向股東大會負責而非向董事會負責，而一個審核委員會的成員則為一家公司的非執行董事。除此之外，本公司截至二零零零年十二月三十一日止年度內均遵守最佳應用守則。

## 核數師

本年度賬目經由羅兵咸永道會計師事務所審核，彼等依章告退，但願繼續受聘為本公司之核數師。於一九九九年，自羅兵咸會計師事務所與永道會計師事務所合併後，羅兵咸永道會計師事務所即接替羅兵咸會計師事務所成為本公司核數師。

承董事會命

沙萬泉

董事長

中國 • 北京

二零零一年四月十七日

## Code of Best Practice

The Directors has not established an audit committee (the "Audit Committee") to review and supervise the Company's financial reporting process and internal controls pursuant to paragraph 14 of the Code of Best Practice set out in Appendix 14 to the Listing Rules (the "Code of Best Practice"). However, the Company has set up, in lieu thereof, a Supervisory Committee which carries out functions similar to that of an Audit Committee. The differences are that the Company's Supervisory Committee comprises three representatives of whom two are elected and removed in general meeting of shareholders and one is elected and removed by the staff and workers of the Company, and reports to the shareholders in the general meeting instead of to the Board of Directors, whereas an Audit Committee comprises the non-executive directors of a company. Apart from this, the Company has complied throughout the year ended 31st December, 2000 with the Code of Best Practice.

## Auditors

The accounts have been audited by PricewaterhouseCoopers, who retire and being eligible, offer themselves for reappointment. PricewaterhouseCoopers replaced Price Waterhouse as auditors in 1999 following the merger of Price Waterhouse and Coopers and Lybrand.

By Order of the Board

**Sha Wan-Quan**

Chairman

Beijing, PRC

17th April, 2001