

主席報告

Chairman's Statement

本人欣然向股東提呈有關本集團業務營運之報告。

本年度之經營業績

本集團截至二零零零年十二月三十一日止年度之綜合營業額及股東應佔溢利約達港幣16.32億元及港幣0.97億元，分別上升268%及下降37%。每股盈利為港幣6.5仙（一九九九年：港幣10.3仙）。

營業額大幅上升，主要是由於北京市房地產市場在二零零零年強勁復甦。去年，北京市房地產銷售額約達898萬平方米，較一九九九年年度上升75.8%。房地產市場強勁復甦，主要歸因於三大因素：第一，主要之銀行已經撥出更多資源發展按揭市場，個人買家之購買力因而有所提升。第二，去年北京市之本地生產總值增長約10%，而持續改善之經濟有助提升個人買家之購買力。第三，由於預期中國即將加入世貿，新投資者對房地產之需求（包括住宅和辦公室）上升，因而幫助房地產市場復甦。

雖然營業額上升，然而股東應佔溢利卻下降，主要是由於購回本集團可轉換股債券之利潤大幅下降。一九九九年購回所帶來之溢利達港幣7,800萬元，而二零零零年則僅有港幣1,290萬元。

末期股息

董事會建議於二零零一年六月一日或該日前後向二零零一年五月二十八日名列於股東名冊之股東派發末期股息每股港幣2.0仙。

I am pleased to present to the Shareholders my report on the operation of the Group.

Operating Results For the Year

The Group's consolidated turnover and profit attributable to shareholders for the year ended 31st December, 2000 amounted to approximately HK\$1,632 million and HK\$97 million, representing an increase of 268% and a decrease of 37% respectively. Earnings per share were HK6.5 cents (1999: HK10.3 cents)

The substantial increase in turnover is mainly due to the strong recovery of the Beijing property market in Year 2000. Last year, volume of property sales amounted to approximately 8.98 million square meters, representing an increase of 75.8% comparing to Year 1999. The strong recovery is attributable to three principal factors: firstly, major banks have set aside more resources for the development of mortgage market which much enhanced the affordability of individuals. Secondly, the GDP growth in Beijing last year was approximately 10% and the continued improvement in economy helped raise individuals' affordability. Thirdly, with the expectation of China's entrance into WTO, demand for properties from new investors, including residential and office, increased and as a result helped the property market recover.

Though turnover increased, profit attributable to shareholders decreased. The main reason is due to the substantial decrease in profit from repurchase of the Group's convertible bonds. Profit from the buy back amounted to HK\$78 million in 1999 whilst in 2000, there was only HK\$12.9 million

Final dividend

The board of directors has recommended a final dividend of HK2.0 cents per share payable on or about 1 June 2001 to shareholders whose names appear on the Register of Members of the Company on 28 May 2001.

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業務回顧

物業發展

本集團二零零零年之經營溢利主要來自銷售發展物業，下列項目已於二零零零年出售：

項目名稱	Name of Project	建築面積 平方米 Gross Floor Area m ²
京通新城	Jing Tong	76,347
華亭嘉園	Majestic Garden	61,703
華清嘉園	Leisure Garden	111,707
鳳凰城	Phoenix City	32,509
百合園	Lily Garden	36,908
徙置房屋	Resettlement housing	52,195
		371,369

本集團自一九九八年以來一直重組其管理及市場推廣策略，務求應付房改帶來之市場轉變，從而令市場由機構買家主導轉向個人買家主導。鑑於二零零零年年度售出之面積大幅上升，本集團深信，本集團已經成功跨越過渡時期。與一九九九年相比，本集團之銷售額以售出面積計算增加了314%。

此外，京通新城、華亭嘉園、華清嘉園及鳳凰城獲提名為「二零零零年度北京市十大明星樓盤」，進一步顯示本集團已大大改善其市場推廣技巧和項目質素。

物業投資

本集團在位於西單商業中心區之兩項投資物業，即華威大廈和華南大廈，分別擁有50%和20%之權益。該等物業位於北京市最繁華之購物中心區。為了配合增加持續租金收入之長期策略，本集團將繼續物色並投資於位處黃金地段並可作租賃用途之優質物業。

Business Review

Property development

The Group's operating profit for 2000 was principally generated from the sale of property development units. The following projects were sold in 2000:

The Group has been restructuring its management and marketing strategies since 1998 in order to cope with the market changes brought by housing reform whereby market shifted from institution dominated to individual dominated one. The Group is confident that it has successfully passed through the transition as evidenced by the significant increase in area sold in Year 2000. Comparing to 1999, the Group's sales have increased by 314% in terms of area sold.

In addition, Jing Tong New Town, Majestic Garden, Leisure Garden and Phoenix City were nominated the "10 best projects in Beijing in Year 2000" and it further demonstrated that the Group has significantly improved its marketing skill and quality of the projects.

Property investment

The Group currently has interests in two investment properties in Xidan North Avenue, namely Huawei Center and Huanan Building. The Group has 50% and 20% stake in Huawei Center and Huanan Building respectively. The properties are located in the heart of the busiest shopping area of Beijing. In line with the long-term strategy of increasing recurring rental income, the Group will continue to examine investing in good quality properties located in prime area which can be used for rental purposes.

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僱員及酬金政策

於二零零零年十二月三十一日，本集團在中國和香港僱用約250位全職人員。本集團根據僱員之表現、經驗和當時之市場價格，向僱員發放酬金，並酌情授予表現花紅。其他僱員福利包括保險及醫療計劃、資助教育及培訓計劃，以及購股權計劃。

負債及槓桿比率

於二零零零年十二月三十一日，本集團之借貸總額約達港幣20.9億元，當中的21%為美元可轉換股債券，而79%則為來自中國之銀行借貸。美元可轉換股債券將於二零零四年四月到期，在債券持有人的選擇下，本公司可於二零零二年四月三十日按本金132.868%連同應計利息贖回該等債券。至於來自中國之銀行借貸則主要為短期借貸，通常在到期時自動續期一年。在中國之財務費用介乎5.5%至6%。除美元可轉換股債券外，其他借貸之利息均按中國中央銀行所公佈之利率以浮息計算。負債比率乃按負債淨額對股東權益之比率計算，在結算日約為25%。

本集團透過購回和註銷其美元可轉換股債券以削減其美元借貸，同時增加人民幣借貸。於二零零零年年底，本集團在公開市場購回其面值約2,830萬美元之可轉換股債券。

於二零零零年十二月三十一日，本集團之現金及現金等值總額約達港幣11億元，其中33%為港元，餘下之67%則為人民幣。由於人民幣兌其他貨幣之匯率相對穩定，故本集團現時並未預視到其將需面對重大之匯率風險。因此，本集團並無進行任何匯率對沖。

Employee and remuneration policies

As at 31 December 2000, the Group employed approximately 250 full time staff in the PRC and in Hong Kong. The Group remunerates its employees based on their performance, experience and prevailing market price while performance bonuses are granted on a discretionary basis. Other employee benefits include insurance and medical cover, subsidised educational and training programmes as well as a share option scheme.

Debt and gearing

As at 31 December 2000, the total borrowing of the Group amounted to approximately HK\$2.09 billion of which 21% was the US dollar convertible bonds and 79% was the PRC borrowings. The US dollar convertible bonds will be matured on April 2004 and at the option of the holders of the bonds, the Company will, redeem such bonds on 30 April 2002 at 132.868% of its principal amount together with accrued interest.. For the PRC borrowings, they were mainly short term borrowings and are usually rolled over for another year when they are matured. The cost of financing in PRC was in the range of 5.5% - 6%. Except for the US dollar convertible bonds, the interest rate of the other borrowings is floating in accordance with the rate announced by the central bank in the PRC. Gearing is calculated based on net debt to shareholders' equity and was approximately 25% at the balance sheet date.

The Group has been down sizing the US dollar denominated borrowings through the purchase and cancellation of its US dollar denominated convertible bonds and increasing its Renminbi borrowings. As at the end of 2000, the Group had purchased approximately US\$28.3 million in nominal value of its convertible bonds in the open market.

As at 31 December 2000, total cash and cash equivalents of the Group amounted to approximately HK\$1.1 billion of which 33% is in HK dollar and the remaining 67% is in Renminbi. The Group does not foresee a substantial exposure to fluctuations in exchange rate as the Renminbi is relatively stable in relation to other currencies. Thus, the Group does not commit in any exchange rate hedges.

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土地儲備

本集團目前擁有24個主要物業發展項目，並擁有土地儲備約240萬平方米。本集團將繼續物色理想地皮，包括位於市郊和市區之地皮，以補充其土地儲備。本集團有意在本年度增加約一百萬平方米之新土地儲備，務求土地儲備可供本集團在未來四至五年發展。收購新土地儲備之資金將來自中國之銀行借貸。

前景

本集團對北京市房地產市場的未來前景感到樂觀。本集團預測市場將最少以每年10%至15%之速度增長，理由如下：

1. 人均居住空間上升：預期人均居住空間將在二零零五年前改善至18平方米，而現時則為14平方米。為配合居住空間之改善，在未來15年將會需要興建面積合共3,600萬平方米之單位，折合成每年之需求，即相等於每年240萬平方米。
2. 世貿之影響：中國加入世貿預期會為北京市吸引更多外國投資者，從而為辦公室、商用及住宅空間創造新需求。
3. 二零零八年奧運會：北京市是舉辦二零零八年奧運會之候選城市之一。倘北京市成功取得二零零八年奧運會之主辦權，北京市政府將會作出重大投資，改善北京市之基建和運輸網絡。此舉將可帶動房地產市場增長，創造額外之房屋需求；
4. 按揭市場之發展：銀行現正投放更多資源發展按揭市場，而按揭可大大提升個人買家之購買力，繼而有助創造額外之需求；

Land bank

The Group currently has interests in 24 principal property development projects and owns a land bank of approximately 2.4 million square meters. The Group will continue to look for quality sites, including sites located in the sub-urban and city area, to replenish its land bank. It is the intention of the Group to add approximately 1 million square meters of new land bank this year so that the size of the land bank can maintain the Group's development in the next 4-5 years. The acquisition of the new land bank will be financed by PRC bank borrowings.

Prospect

The Group is optimistic of the future prospect of the Beijing property market. It foresees that the market will expand at least at rate of 10 – 15% each year basing on the following reasons:

1. Increase in living space per person it is expected that the living space per person will improve to 18 square meters by 2005 whilst it is 14 square meters as of today. To cater for the improvement in living space, altogether 36 million square meters of flats needed to be built in the next 15 years which is equivalent to 2.4 million square meters when translated into annual demand;
2. WTO effect: China accession into WTO is expected to attract more foreign investors into Beijing and this will in turn create new demand for office, commercial and residential spaces.
3. 2008 Olympic Game: Beijing is one of the candidate city of the 2008 Olympic Game. If Beijing successfully obtain the right to host the 2008 Olympic Game, Beijing Municipal Government will invest substantially to improve the infrastructure and transportation network of Beijing. This will in turn drive the growth of property market and create additional housing demand;
4. Development of mortgage market: banks are now putting more resources on the development of mortgage market and with the help of mortgage, the affordability of individual will be much enhanced which will in turn help create additional demand;

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5. 住房補助：住房補助政策早已實施，而北京市政府早已預留人民幣20億元作為二零零一年年度之住房補助，部分資金已在二零零一年第一季度支付。住房補助可大大提升公職人員之購買力，必定有助創造額外之房屋需求。

本集團相信以上因素將對北京市之房地產市場有重大正面影響，而為著應付城市和市郊地區與日俱增之需求，本集團現正積極尋找新的土地儲備，本集團並有意在二零零一年度增加另外一百萬平方米之土地。

憑藉穩健之財政狀況、良好之聲譽，以及在房地產發展和管理方面之豐富經驗，本集團有信心可以擴大市場佔有率，為股東帶來滿意回報。

本人謹代表董事會和全體股東，衷心感謝集團全體職員在過去一年之努力不懈。

主席
寧高寧

香港，二零零一年四月十日

5. Housing subsidy: Housing subsidy policy has already put in place and Beijing Municipal Government has already earmarked Rmb2 billion for the housing subsidy in Year 2001 and part of the funds have already been disbursed in the first quarter of 2001. With the help of the housing subsidy, affordability of civil servants will be much improved and this will definitely help create additional housing demand.

The Group believes that the above factors will have a profound and positive impact on Beijing property market and in order to cope with the increasing demand, both in the city and sub-urban areas, the Group is now actively looking for new land bank and it is the intention of the Group to add another 1 million square meters of land in Year 2001.

With its strong financial position, good reputation, and substantial experience in property development and management, the Group is confident to expand its market share and bring satisfactory return to shareholders.

On behalf of the Board of Directors and the Shareholders, I would like to express my sincere appreciation to all the staff for their hard work in the past financial year.

Ning Gaoning
Chairman

Hong Kong, 10th April, 2001