

主席報告 Chairman's Statement

業務回顧

二零零一年對全球經濟體系而言是困難重重的一年。經濟信心在美國於二零零一年九月受到恐怖襲擊後進一步受到衝擊。在外圍環境持續疲弱下，本年度內香港經濟活動停滯不前。

香港的金融服務業亦受本地經濟疲弱影響。投資者及消費者之負面情緒導致貸款需求進一步疲弱、息差收窄、物業及股票價格亦下滑。儘管本年度內連番減息，令息口跌至歷史新低，但經濟仍未見復甦跡象，這從年底之本年度本地生產總值下跌1.2%、失業率攀升及個人破產個案數字急升中可見一斑。

在經濟呆滯及利率下調之情況下，經營環境困難，加上增長機會有限，令銀行間之競爭於本年度內進一步加劇。香港銀行業逐漸演變為小型銀行難以競爭之局面。

本集團於二零零一年錄得股東應佔綜合虧損192,000,000港元，而二零零零年則為溢利362,000,000港元；二零零零年之溢利包括來自本集團出售華潤美衛人壽保險有限公司之50%股本權益，以及香港交易及結算所有限公司之上市股份之非經常性收益260,000,000港元。

本公司前全資銀行附屬公司香港華人銀行有限公司及其附屬公司之溢利由二零零零年之93,000,000港元減少至二零零一年之32,000,000港元。此項減少乃主要由利息及非利息收入下跌，加上營運支出增加所致。

BUSINESS REVIEW

2001 was a difficult year for the global economy. Economic confidence was further shattered by the terrorist attack in the United State in September 2001. Reflecting the continuing weakness in the external environment, economic activities in Hong Kong was sluggish during the year.

The financial services sector in Hong Kong was also affected by the weak state of the local economy. Negative sentiments among investors and consumers resulted in further weakening loan demand, squeezing interest margins and declining property and stock prices. Despite the consecutive interest rate cuts during the year to historically low levels, the economy did not show signs of revival, as demonstrated by a 1.2% fall in gross domestic products for the year, rising unemployment rate and an alarming increase in personal sector bankruptcies at the year end.

Against the backdrop of a sluggish economy and declining interest rate, competition among banks further intensified during the year amid the difficult operating environment and limited growth opportunities. Banking in Hong Kong has increasingly become an industry in which the competitiveness of smaller players are disadvantaged.

The Group reported a consolidated loss attributable to shareholders of HK\$192 million in 2001, compared with a profit of HK\$362 million in 2000, which had included non-recurring gains of HK\$260 million from the disposal of the Group's 50% equity interest in CRC Protective Life Insurance Company Limited and the listed shares of Hong Kong Exchanges and Clearing Limited.

The profit for the year 2001 of The Hongkong Chinese Bank, Limited, a former wholly-owned banking subsidiary of the Company, and its subsidiaries fell to HK\$32 million from HK\$93 million in 2000. This reduction was mainly the combined effect of lower interest and non-interest incomes and higher operating expenses.

主席報告 Chairman's Statement

業務回顧 (續)

如先前所公佈，本公司於二零零一年十月底達成有條件協議，出售本公司於香港華人銀行有限公司及其附屬公司之全部100%股權予中信嘉華銀行有限公司，總代價為4,200,000,000港元。此項出售於年結後在二零零二年一月十七日完成。本公司之名稱其後於二零零二年二月八日由「The HKCB Bank Holding Company Limited」更改為「Hongkong Chinese Limited」。

二零零一年股市交投萎縮，亦導致本公司主要從事包銷、證券經紀、企業融資、投資顧問及其他有關服務之全資附屬公司力寶證券控股有限公司及其附屬公司之溢利貢獻減少。股市波動之不利影響引致須就本集團之基金管理業務作出72,000,000港元之撥備。

展望

展望未來，儘管美國漸露經濟復甦跡象，但預期本地經濟仍會持續疲弱多數個月。

儘管營商環境困難重重，本集團認為區內仍湧現良好投資機會，尤其是大中華地區。出售香港華人銀行有限公司及其附屬公司後，本集團之主要業務包括證券經紀、包銷、基金管理、投資顧問及其他有關服務。如先前所公佈，管理層正尋找機會運用出售所得款項，務求將所得款項用於與本集團為股東及本集團增值之目標相符之商機。

尤其是，本集團有意成立新投資銀行部。本集團管理層認為現正是大好時機擴大本集團證券業務於香港之市場佔有率，以及擴充其於亞洲其他地方（尤其是中國內地）之證券業務及投資銀行業務，以配合中國加入世界貿易組織所帶來之商機。

BUSINESS REVIEW (continued)

As previously announced, a conditional agreement was reached in late October 2001 to sell the Company's entire 100% stake in The Hongkong Chinese Bank, Limited and its subsidiaries to CITIC Ka Wah Bank Limited at an aggregate consideration of HK\$4.2 billion. This sale was completed after the year end on 17 January 2002. The name of the Company was subsequently changed from "The HKCB Bank Holding Company Limited" to "Hongkong Chinese Limited" on 8 February 2002.

The contraction in stock market activities during 2001 also caused a decline in the profit contributions from Lippo Securities Holdings Limited, a wholly-owned subsidiary of the Company, and its subsidiaries, which are principally engaged in underwriting, securities brokerage, corporate finance, investment advisory and other related services. The adverse conditions in the stock markets resulted in a provision of HK\$72 million being made for the Group's fund management operations.

OUTLOOK

Looking ahead, despite some early signs of an economic recovery in the United States, the local economy is expected to remain sluggish for more months.

Despite the difficult business environment, we see good investment opportunities emerging in the region, in particular, the Great China area. Following the disposal of The Hongkong Chinese Bank, Limited and its subsidiaries, the Group's principal activities include securities brokerage, underwriting, fund management, investment advisory and other related services. As announced earlier, management is looking at opportunities for the application of the proceeds from the disposal that are consistent with the Group's objective of creating additional value for shareholders and the Group.

In particular, the Group intends to establish a new investment banking group. The management of the Group sees excellent opportunities for increasing the Group's market share of securities businesses in Hong Kong and to expand its securities businesses and investment banking activities elsewhere in Asia, particularly Mainland China, in the light of China's entry to the World Trade Organisation.

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展望 (續)

如較早前所公佈，本集團已訂約收購 Impac Asset Management (Holdings) Ltd. (「Impac」) 已發行股本中85%之權益。Impac透過其附屬公司提供有關香港及亞洲互惠基金之投資及管理諮詢服務。

本集團將致力發掘金融及投資業方面之投資機會。在目前之經濟及營商環境下，加上全球經濟仍未明朗，管理層將以審慎態度作出投資決定。

本人謹此感謝各位股東一直以來之支持，並感謝各位董事及所有員工於年內竭盡忠誠及勤奮服務。

李文正博士
主席

二零零二年四月二十四日

OUTLOOK (continued)

As announced earlier, the Group has contracted to acquire an 85% interest in the issued share capital of Impac Asset Management (Holdings) Ltd. ("Impac"). Impac, through its subsidiaries, provides investment and management advisory services in relation to mutual funds in Hong Kong and Asia.

The Group will explore investment opportunities in the financial and investment sectors. Given the current economic and business environment and uncertainties facing the world economy, the management will take a cautious approach when making investment decisions.

I take this opportunity to thank the shareholders for their continued support and my fellow directors and all the staff for their dedication and hard work during the year.

Dr Mochtar Riady
Chairman

24 April 2002