

I am pleased to present this annual report of New City (Beijing) Development Limited (the "Company") and its subsidiaries (the "Group") for the financial year 2005.

BUSINESS REVIEW

During the year under review, the Group devoted much of its efforts to monitor the construction progress of China Securities Plaza and kept close contact with China Network Communications Group Corporation ("CNC") in order to make the progress as scheduled.

CHINA SECURITIES PLAZA

Following the execution of an agreement with CNC in respect of certain financial and construction arrangements for China Securities Plaza by the end of December 2003, the construction work from our side had been substantially completed and we are now fully co-operating with CNC to support its subsequent work.

OUTLOOK

The Board will continue to monitor the construction progress of China Securities Plaza and ensure its handover in 2006. Furthermore, the economy of China has continued to growth and expanse, the Group seeks for investment project with good return in order to enhance the overall income of the Group.

APPRECIATION

On behalf of the Board, I would like to thank the shareholders and business partners for their strong support to the Group. I would also like to thank the management and all our staffs for their hard work and dedication to the Group over the past year.

Han Junran

Chairman

Hong Kong, 8 May 2006