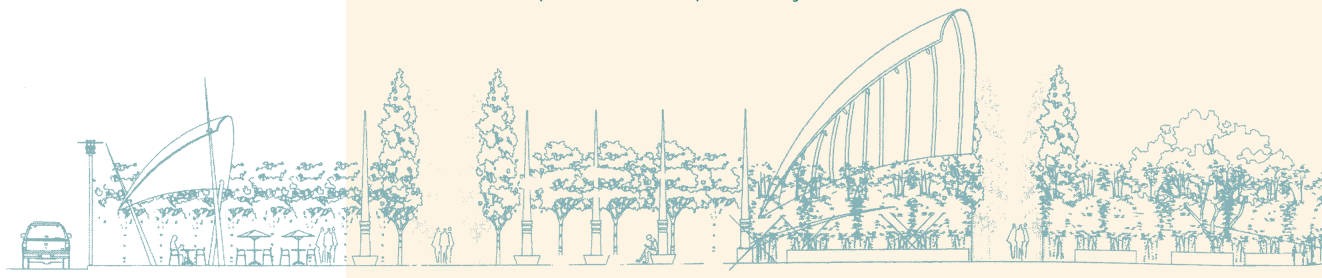


Chairman's Statement

For the year ended 31st December 2003, the audited net profit for ING Beijing Investment Company Limited ("ING Beijing" or the "Company") and its subsidiaries (the "Group") totaled HKD8,181,299. The consolidated net asset value per share of the Company was HKD0.337 as at 31st December 2003. The Group's audited net loss for the year up to 31st December 2002, and net asset value per share as at 31st December 2002 were HKD19,990,416 and HKD0.309 respectively.

The profit for the year was mainly contributed from the disposal of Everbright Timber Industry (Shenzhen) Company Limited, sale of Skyworth shares and write back of impairment loss previously made.



HIGHLIGHTS OF THE YEAR

According to the preliminary figures release by National Bureau of Statistics of China, China's Gross Domestic Product (GDP) exceeded US\$1,400 billion (Rmb11,670 billion) in year 2003 representing a growth of 9.1% from 2002. The GDP per capita reached US\$1,090, exceeded US\$1,000 the first time.

Based on information from Beijing Statistical Bureau, Beijing's GDP amounted to Rmb361 billion in year 2003, marking a 10.5% growth despite the negative effect of SARS. Beijing's economy has maintained a two-digit growth for the past five years.

Total investment in the Beijing real estate industry rose up to Rmb120 billion, representing a 21.5% increase compared with the year 2002.

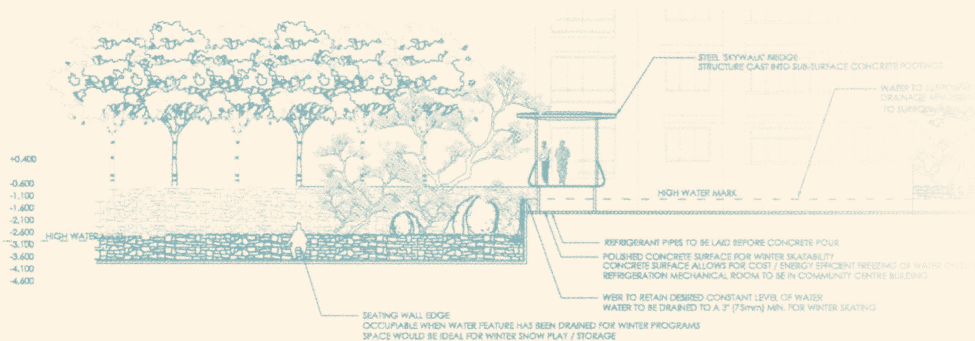
For the year 2003, commodity housing of 19 million square meters were sold, up by 11%. Sales revenue amounted to Rmb90 billion, recording a 10.4% increase over the year 2002. All these statistics reinforced the Group's decision two years ago to refocus its investment in the real estate sector.

Chairman's Statement

REAL ESTATE TRANSACTIONS

ING Beijing invested in China Property Development (Holdings) Limited ("CPDH") in February 2002. Through subsequent share placement to a strategic investor to co-develop the project, the Company now holds 30% in CPDH. CPDH holds an 80% interest in a Beijing residential development project, the Pacific Town Project. The project is a 240,000 square meters high-end residential development project located in the northeast corner of Beijing just off the Fourth Ring Road. The project is situated in an up market district popular with foreigners and the diplomatic community. Average sale price of the property units is expected to be around Rmb9,000 per square meter for fully fitted apartments and Rmb15,000 per square meter for villas. The Pacific Town Project received its planning approval in July 2003, and is now preparing for its first sale launch in July 2004.

The Group invested HKD35 million in the Taiyanggong Zone F Project in October 2003. Formalisation of the investment is subject to approval by local authorities in Beijing. Taiyanggong Zone F Project is also known as Sun Star City. It is a 413,000 square meters residential development project targeting the middle sector. It is located between northeast Third and Fourth Ring Road in Beijing. It is only 2 km from the Yansa Business District, 5 km from the Central Business District, and 15 minutes drive to the Beijing International Airport. At the hub of the two business centers above, Taiyanggong Zone F Project benefits from a convenient and multi-dimensional hub of transportation system. After the pre-sales launch in August 2003, more than 80% of the units in its 110,000 square meters phase I project has been sold. Phase I is expected to complete and ready for occupation by the end of 2004. The construction work for phase II has been started in March 2004 and is expected to complete by August 2005.



Chairman's Statement

NEW GOVERNMENT POLICY

In the past, over 90% of land transactions in Beijing were carried out through private negotiation, which resulted in many problems, including land speculation and under valuation of state owned assets.

In an effort to regulate the land transfer system, the Beijing Municipal Government issued a policy In June 2002 to require all land transfers to follow open procedures through auction, competitive tendering, or public notice. The new system is likely to reduce land supply to the market in the medium term and produce upward pressure on property prices in the immediate market. All these are expected to favour ING Beijing's real estate investments in Beijing.



OTHER INVESTMENTS

Beijing Far East Instrument Company Limited ("Far East") is the only remaining non-property related investment in the Company's portfolio. Over the year, Far East has improved the credit control measure and expanded its business volume in 2003. In the competitive instrument manufacturing market, Far East explored technology application from industrial self-control system into building self-control system. It helped Far East to win the service contract of the Lotus Plaza project, a 100,000 square meter grade A office development project in Beijing. Far East also joined hand with an environmental protection engineering company in Shi Jia Zhuang to venture into the environmental protection business. Far East's production factory is situated in a prime location in Beijing close to the Beijing International Exhibition Centre, which carries good property development potential.

In March 2003, the Group successfully disposed its investment in Everbright Timber Industry (Shenzhen) Company Limited ("Everbright Timber"). Everbright Timber was one of the biggest timber processing company in China. The Asian financial crisis in 1997 has caused timber prices to tumble and changed the entire structure of the

Chairman's Statement

timber industry in China. Since then Everbright Timber was suffering from severe competition from cheap imported timber products. The Company had fully provided for its investment in Everbright Timber, and the disposal of the investment has enabled the Company to generate a gain of HK\$3.5 million including dividend recovered of HK\$1.5 million.

REDOMICILE SCHEME

The Board approved the Redomicile Scheme of ING Beijing Investment Company Limited in August 2003 through incorporation of a new holding company in the Cayman Islands with the name of "First International Investment Company Limited". The first scheme document was submitted to The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9th October 2003 and announcement was put out on newspapers immediately afterwards.

In February 2004, the Board resolved to change the name of the new holding company to "New Capital International Investment Limited". Revised documents and the updated scheme document had been submitted to the Stock Exchange.

FUTURE PROSPECTS

With the stable growth of China's economy, favorable government policies, entry to the World Trade Organization and the hosting of the 2008 Olympic Games, China's property sector is set to benefit and develop under a healthy environment. ING Beijing, with years of experience and knowledge in the Beijing market, will be well positioned to capture the opportunities in the buoyant Beijing property sector. The Directors are pleased with the Company's new positioning and are confident with the prospects of the industry and the Group.

