

On behalf of the Board of Directors, I would like to extend my sincere gratitude to our shareholders, principal bankers, suppliers, customers and joint venture partners for their continuous support, and all our staff and workers for their contribution and devotion.

首先請允許我代表本集團董事會，對各位股東、各往來銀行、供應商、客戶、合資公司合作夥伴，以及為本集團辛勤奉獻的全體員工致以誠摯的謝意。

The year 2000 was a challenging year for the Group. We attained a turnover of HK\$2.602 billion and profit attributable to shareholders of HK\$10.86 million. The drop in our profit margin is mainly due to a surge in freight charges resulting from global volatility in petroleum price, along with China, as a major steel importing country, limits its steel imports by way of licenses for protection of its domestic markets. Notwithstanding such difficulties, the Group managed to achieve an increase of 30% in sales revenue over the last year and maintain its market share, thereby laying a solid foundation for the coming year.

International metal trading, particularly in steel products, remains one of our core businesses where the Group has established its credibility and goodwill. Metal trading, however, is inevitably subject to the cycles of global commodities prices and regional economic development. Last year, steel plate products exported from countries such as Russia and Ukraine to the Asian countries saw a 30% fluctuation, from the highest to the lowest, in prices; in Japan, the volume of products for sale and delivery in some major steel mills once reached a record high; in North America, sales of imported goods was adversely affected by the sluggish economy and goods were piling up in ports; in China, the Government demanded in the form of a directive that the metallurgy industry should reduce the productivity by 10% and tightened up the issuance of import licenses so as to protect the domestic market from the impact caused by foreign steel products. Despite all such conditions, the metal trading arm of the Group strived to broaden its product range, thanks to our rigorous marketing team and sound marketing network coupled with painstaking efforts. In addition to our traditional markets such as Asia, Russia

二零零零年對本集團而言是極富挑戰性的一年。於回顧期內，本集團實現營業額26.02億港元，股東應佔溢利為1,086萬港元。邊際利潤下降的主要原因是全球石油價格大幅波動造成運費急劇上漲，及主要鋼材進口國中國為保障本土市場，對進口許可證發放收緊而造成階段性經營困難，但本集團仍能取得較去年有30%實質增長的銷售收入，保持著已有的市場份額，為新的一年奠定著堅實的基礎。

從事國際金屬貿易尤其是鋼鐵買賣是本集團核心業務之一，在業界具有良好的聲譽和信用。惟金屬貿易不可避免的時常受全球商品價格周期性上落和區域經濟發展起伏的制約。過往一年，僅由俄羅斯、烏克蘭等國家出口往亞洲區的板材類貨品價格上下波幅逾30%；在日本各主要鋼廠待運之貨品一度達到歷史高峰點；而北美則受經濟放緩的影響，進口貨物堆集港區、銷情滯緩；在中國，政府指令性要求冶金行業自律限產10%，同時收緊進口許可證發放，以抵禦國外鋼材衝擊本土市場。在上述種種環境下，本集團金屬貿易部門憑藉嚴謹的營運班底和良好的市場網絡，經過艱苦的努力積極拓展商品經營種類，除活躍於亞洲、俄羅斯、烏克蘭等傳統市場外，並開始在南歐、中東和北美市場進行採購和銷售。鑑於金屬特別是鋼鐵業作為基礎原材料行業，在任何國家的國民經濟中佔據著舉足輕重的地位，隨著亞太區經濟的復甦和穩定，特別是中國加入世貿之後與國際市場更緊密的接軌，以及中國

and Ukraine, we also began to make purchases and sales in the Middle East and North America markets. Metal, in particular steel, is a kind of basic raw materials which plays a significant role in any national economies. As the Asian Pacific economy is recovering and stabilizing, with China's entry to the WTO seems imminent which will bring her closer to the international markets and a domestic demand driven by the development of northwest China, we are confident that the international metal trade will remain vigorous. Currently foreign investors doing business in the PRC are restricted to trade in foreign currencies. With the possible lifting of this restriction, the Group will surely benefit from the new business opportunities ahead.

In the past year, the internet-driven economy has from an irrational frenzy slumped into an incredibly downcast extreme. But in fact, any new economy has a pattern of development to follow before it comes to a balance and starts making contribution to humans. We perceive that the "bricks and clicks" economy that leverages on high-tech internet technology on the basis of the traditional economy is the only way for enterprises to grow and survive in the future. The popularization of new and high technologies, particularly the internet, has enhanced the overall productivity by making traditional trading simpler, faster and more productive. As e-commerce undergoes continual upgrading for perfection, it is likely to achieve substantial development as long as it gains solid support from the traditional business model.

Our vertical B2B portal, "WorldMetal.com", is designed to offer a full and comprehensive range of value-added services to all parties to metal trading, particularly those involved in the production, processing, delivery and the end users. We embarked on this project with great enthusiasm and contributed all necessary resources without hesitation, manifesting the Group's unswerving drive to seek a successful and mutually beneficial business model.

In the past year, WorldMetal.com has achieved remarkable results in terms of number of quality trading members, product types and transaction volumes, value-added services and commission income. It is particularly exciting that our founding members and trading members joining WorldMetal.com are mostly renowned enterprises in metal, particularly in iron and steel, which are also leaders in

開發大西北而帶來的需求，我們相信國際金屬貿易將會持續活躍，而以往外資在中國流通領域以人民幣經營的限制將有可能逐漸放開，在新的不斷湧現的商機面前，本集團將得以受惠。

過往的一年，所謂的網絡經濟由一個不可理喻的亢奮的極端陷入了一個令人難以置信的低沉的極端。然而，任何所謂新經濟的發展都將循著其自身的規律而步入平衡的階段。我們至今仍然感受到尋求新舊經濟的互補融合是企業賴以生存的必歷之路。高新科技尤其是互聯網的普及使得傳統交易變得簡捷和成本減低，提高生產力，而不斷更新和完善的電子商貿只有構築在傳統業務的根基上，始有可能取得扎實的發展。

由本集團策劃並創建的縱向商業對商業電子市場「WorldMetal.com」致力為金屬行業特別是鋼鐵生產、加工、流運、消費各循環體系的參與者提供以交易增值為核心的全面配套服務。本集團為此投入了極大的熱忱和相應的資源。本集團更堅定的憑著不懈的信念尋求成功的商業模式和行界共同的利益。

一年來，WorldMetal.com在優質交易會員數目、交易品種和數量、增值配套服務、佣金收入等方面取得了有目共睹的成績。特別值得欣慰的是，加入WorldMetal.com成為創始會員、交易會員的商業機構絕大多數均為金屬特別是鋼鐵行業內的知名企業，傳統業務領域的翹楚。他們的加入和新的陸續不斷加入

their core businesses. These quality members and the brilliant newcomers that follow have thrown their weight behind WorldMetal.com with their valuable experience, market niche and business network that serve to lay a foundation for the future development of WorldMetal.com. Members who complete their transactions through WorldMetal.com can surely benefit from getting all the services they need.

The Group has applied to The Stock Exchange of Hong Kong Limited for the spin-off and listing of WorldMetal Holdings Limited on GEM. This spin-off listing, if successful, will bring contribution to the shareholders of the Group.

The production and sales of our wholly-owned steel pipes production plant in Dongguan are steady. Despite the intensified competition in the steel pipe production industry resulting from the volatility in international steel and iron market in 2000, this production plant managed to achieve satisfactory results under our strong leadership.

The topping-out ceremony of Yangzhou Times Square in Jiangsu, currently the only large-scale development project of the Group in China measuring a total gross floor area of 68,000 sq.m., was held in November 2000. This development was well received by the market in its pre-sale during 2000. It is expected that one-third of the floor area will be sold in 2001 and looks set to generate handsome returns for the Group. The remaining two-thirds will be leased that will generate long-term rental income and enhance the asset value for the Group.

In 2001, the Group, as firmly determined as it always be, will optimize our human resources and unite our staff and workers to capitalize on immense business opportunities and steer clear of business risks. We are confident that we can overcome all challenges ahead and will strive for enhancing the returns for our shareholders.

CHAN Shing
Chairman

Hong Kong, 18 April 2001

的優秀企業以其行業的經驗、市場的地位、固有的網絡為WorldMetal.com構築下長遠發展的根基，而會員通過WorldMetal.com完成的交易，獲得其他種種各取所需的服務，亦必然為其自身獲取利益。

目前，本集團正在進行分拆WorldMetal Holdings Limited (金屬電子交易所集團有限公司) 在創業板上市的申請工作。如果分拆上市成功，將為本集團的股東帶來貢獻。

本集團獨資經營的東莞鋼管製造中心生產和銷售情況穩定，儘管二零零零年國際鋼鐵市場的動盪造成鋼管製造業競爭局面加劇，惟在具實力的管理層領導下仍能取得理想的業績。

目前，本集團唯一大型房地產開發項目一位於中國江蘇省境內的“揚州時代廣場”，已於二零零零年十一月封頂，樓面面積達68,000平方米。於二零零零年期間進行的預售工作反應熱烈。預期在二零零一年將出售三分之一的樓面，可為集團帶來滿意之投資回報。同時，餘下三分之二樓面將招租經營，可為集團帶來長期的租金收益及資產增值。

二零零一年，本集團仍將憑著堅定志向，把握各種商機，規避經營風險，善用人力資源，團結所有員工，接受種種挑戰，以為提高股東回報而不懈努力。

主席
陳城

香港，二零零一年四月十八日