

RESULTS

The turnover for the year ended 31st December, 2001 decreased by 9.8% from HK\$5.1 million to HK\$4.6 million, which was mainly due to the drop in both the occupancy rate and the unit rent of its investment property. The Group's turnover for the current year was mainly generated from No.2 Arbuthnot Road and, prior to disposal in November 2001, the 80 car parking spaces at the Aberdeen Centre. The property rental income resulted in a gross profit of HK\$2.0 million (2000: HK\$1.6 million).

Loss from operations amounted to HK\$42.7 million, an increase of 4.9% as compared with last year's loss of HK\$40.7 million. The increase in operating loss for the current year was mainly due to the impairment loss recognised in respect of the properties under development of HK\$36.0 million (2000: HK\$23.3 million); deficit on revaluation of investment properties of HK\$4.6 million (2000: Nil) and loss on disposal of Aberdeen Centre carparks of HK\$2.8 million (2000: Nil).

DIVIDENDS

No interim dividend was declared for the year (2000: Nil). The Board did not recommend the payment of any final dividend for the year ended 31st December, 2001 (2000: Nil).

PROPERTY REVIEW

Arbuthnot Business Centre – Investment Property

Arbuthnot Business Centre is a 25-storey commercial centre located at No. 2 Arbuthnot Road, which is close to the commercial hub in Central. There are 62 office units with floor areas ranging from 242 to 624 square feet. Shops on the lower ground floor and the ground floor have been leased under a 3-year tenancy agreement commencing on 1st October, 2001 at a monthly rent of HK\$73,000. Rents generated from the building amounted to approximately HK\$3.0 million during the year and the occupancy rate was 57.62% as at December 2001. A sale and purchase agreement was signed on 11th February, 2002 for the disposal of the property at a consideration of HK\$48.38 million which will be completed on or before 6th May, 2002.

業績

截至二零零一年十二月三十一日止年度之營業額由**5,100,000**港元下跌至**4,600,000**港元，跌幅為**9.8%**，主要由於投資物業之出租率及單位租金均告下跌所致。本集團於年內之營業額主要來自亞畢諾道2號及於二零零一年十一月出售前之香港仔中心**80**個停車位。上述物業之物業租金收入產生毛利**2,000,000**港元(二零零零年：**1,600,000**港元)。

經營虧損為**42,700,000**港元，較去年之虧損**40,700,000**港元增加**4.9%**。本年度經營虧損增加主要由於就發展中物業確認之減值虧損**36,000,000**港元(二零零零年：**23,300,000**港元)、投資物業重估虧蝕**4,600,000**港元(二零零零年：無)以及出售香港仔中心停車位之虧損**2,800,000**港元(二零零零年：無)所致。

股息

本年度並無宣派中期股息(二零零零年：無)。董事會不建議派付截至二零零一年十二月三十一日止年度之任何末期股息(二零零零年：無)。

物業回顧

亞畢諾商業中心 — 投資物業

亞畢諾商業中心為一幢25層高商業中心，位於亞畢諾道2號，毗鄰中環商業中心。該物業共有**62**個寫字樓單位，單位樓面面積介乎**242**至**624**平方呎。地下底層及地下之商舖以三年租約租出，租期由二零零一年十月一日起計，而月租為**73,000**港元。於年內來自該大廈之租金約達**3,000,000**港元，而於二零零一年十二月之出租率為**57.62%**。本集團於二零零二年二月十一日就出售該物業簽訂一項買賣協議，代價為**48,380,000**港元，而買賣協議將於二零零二年五月六日或之前完成。

Car Parking Spaces at Aberdeen Centre – Investment Property

All 80 car parking spaces at the Aberdeen Centre were sold at a total consideration of HK\$20.28 million in 2001. Prior to the disposal in November 2001, the car parking spaces leased out recorded a total rental income of approximately HK\$1,592,000.

Hillier Street in Sheung Wan – Development Property

A composite development project with a gross floor area of approximately 42,295 square feet has proposed for the Hillier Street site. Piling works for the development was completed and superstructure works is anticipated to commence in mid 2002. The development is scheduled to be completed in the third quarter of 2003.

No. 34 Hill Road in Western District – Development Property

The subject property is a 7-storey composite building over 40 years old, which is currently vacant. The site has an area of 2,146 square feet and has been put into the market for sale.

Others

The Group had approached its joint venture partners to evaluate the value of its 15% interest in a development property in Foshan and 10% interest in a completed property development in Wuhan and to ascertain their future plans.

CORPORATE INFORMATION

In May 2001, Billion Up Limited, the controlling shareholder of the Company and a wholly-owned subsidiary of Chinese Estates Holdings Limited, completed the placing of 430,000,000 existing shares at HK\$0.065 per share and 150,000,000 units of the outstanding warrants at HK\$0.01 per warrant, representing approximately 14.47% and 25.24% of the existing issued share capital and the outstanding warrants of the Company respectively, to independent places with a view to maintain the public float of the Company of not less than 25% as a result of the exercise of put options by scheme creditors.

香港仔中心之停車位 — 投資物業

位於香港仔中心之80個停車位均於二零零一年售出，總代價為20,280,000港元。於二零零一年十一月售出該等停車位前，自該等停車位錄得租金收入總額約1,592,000港元。

上環禧利街 — 發展物業

禧利街地盤計劃發展為總建築面積約42,295平方呎之綜合發展項目。該發展項目之打樁工程經已完成，而上蓋工程估計於二零零二年年中展開。整個發展項目可望於二零零三年第三季完成。

西環山道34號 — 發展物業

該物業為樓齡超過四十年之七層高綜合大廈，目前空置。該地盤之面積為2,146平方呎，已推出市場出售。

其他

本集團已接洽其合營夥伴以評估其於佛山一個發展物業擁有之15%權益及於武漢一個已落成物業發展項目擁有之10%權益之價值，以及確定有關之未來計劃。

公司資料

因計劃債權人行使認沽期權之原故，本公司之控權股東及 Chinese Estates Holdings Limited 之全資附屬公司，Billion Up Limited 於二零零一年五月完成向獨立承配人以每股作價0.065港元配售430,000,000股之現有股份，及以每份作價0.01港元配售150,000,000份尚未行使之認股權證，分別佔本公司現有已發行股本及尚未行使之認股權證14.47%及25.24%，以維持本公司不少於25%之公眾持股量。

PROSPECTS

Facing with the uncertainty in global political and economic environment, Hong Kong is expected to have challenging months ahead. The Group will focus on completing its existing Hillier Street project and will consolidate its strength to formulate strategy for its future development, and enhance its value with right business opportunities.

APPRECIATION

I would like to 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.

On behalf of the Board
Thomas Lau, Luen-hung
Chairman

Hong Kong, 11th April, 2002

展望

鑑於全球政治及經濟之前景不明朗，預期香港於未來數月仍需面對嚴峻市況。本集團將專注於完成其現有之禧利街項目，及將集中資源為未來發展制訂策略，並把握合適之商機以提升集團之價值。

致謝

本人謹藉此機會對股東從不間斷之支持與董事及全體員工竭誠努力工作表示謝意。

代表董事會
主席
劉鑾鴻

香港，二零零二年四月十一日