

Chairman's Statement

主席報告



Mr. TAOCHAIFU Choofuang 陶哲甫先生
Chairman 主席

To Our Shareholders

We are pleased to present our second annual report to the shareholders.

2006 continued to see a very active property market in Suzhou, China, particularly in the New District area. Due to the substantial growth of the Chinese economy, property developers are seeing a promising trend of more and more homebuyers today. With this kind of demand from consumers in the property market, there is a tremendous boost to the property development business in Suzhou. At New Heritage, we are poised to take advantage of the aforementioned trend, building further on our product branding to maximise our returns generated from the Suzhou property market.

The prevailing increasing prices of residential homes in Suzhou are having a positive impact on the revenues of property development companies. Our reputation as a quality developer, coupled with a favourable market environment, continued to produce good margins on our revenues in spite of intensified competition among players in the market. Against this backdrop, the establishment of our listed company in 2005 has, without doubt, provided the Group with the platform to fuel its further growth, maximise value for and deliver returns to its shareholders.

Our strategy of focusing in property development and investment in Suzhou and other cities of Jiangsu Province as well as Beijing has enabled us to extend the best value and quality of properties to even more customers. Ongoing land bank expansion plans culminated in the successful acquisition of approximately 131,445 square metres of land situated in Guangfu Town of Wuzhong District, Suzhou, subsequent to the year ended 31 December 2006.

Results & Dividends

For the year ended 31 December 2006, New Heritage's revenue and profit attributable to the equity holders of the Company were approximately HK\$208.0 million and HK\$73.3 million respectively. Earnings per share was 11.1 HK cents.

The Directors have recommended the payment of a final dividend of 1HK cent per ordinary share for the year ended 31 December 2006, which will be satisfied by allotment of new shares of Company, by way of scrip dividend, with an alternative to shareholders to elect to receive such final dividend (or part thereof) in cash in lieu of such allotment. The Directors also propose to make a bonus issue of one new ordinary share of HK\$0.01 credited as fully paid for every 50 ordinary shares in issue held on the Register of Members on 1 June 2007.

致本公司股東

本集團欣然向股東提呈第二份年報。

於二零零六年，中國蘇州房地產市場持續暢旺，其中新區方面的發展尤其活躍。隨著中國經濟強勁增長，內地的住宅準買家群正不斷壯大。市場對房地產的需求愈益殷切，為蘇州的房地產發展提供強而有力的支持。新澤必乘此增長勢頭，進一步鞏固並強化集團品牌，以於蘇州房地產市場獲得最大的回報。

蘇州住房價格上揚，自然為房地產發展商的業務營運帶來正面影響。作為業內優秀的精品物業發展商，新澤良好的商譽配合利好的市況，讓集團從容面對激烈市場競爭，更持續取得令人滿意的利潤。背靠此基礎，本公司於二零零五年上市，無疑開創更新平台，為集團帶來源源不絕的增長動力之餘，更為股東創優增值，提供更佳回報。

集團專注在蘇州、江蘇省其他城市及北京進行房地產發展及投資，讓我們可著力提升物業的價值及質素，藉以吸引更多客戶。持之以恆的土地儲備擴展計劃取得進展，截至二零零六年十二月三十一日止年度後，我們成功購入位於蘇州吳中區光福鎮一幅約131,445平方米的土地。

業績及股息

截至二零零六年十二月三十一日止年度，新澤的收入及本公司權益持有人應佔純利分別約為208,000,000港元及73,300,000港元。每股盈利為11.1港仙。

董事會建議派付截至二零零六年十二月三十一日止年度的末期股息每股普通股1港仙，將透過以股代息方法配發本公司新股份支付。股東亦可選擇以現金收取該等末期股息（或其部份）以代替有關配發。董事亦建議按二零零七年六月一日股東名冊上每持有50股普通股，發行一股普通股每股0.01港元之繳足股本新紅股。

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Outlook

New Heritage has maintained and further refined its strategy of consolidating and strengthening its property businesses in Suzhou, Jiangsu Province and Beijing. Backed by a reputable and well-funded strategic investor, New Heritage will continue to apply its seasoned experience and extensive exposure to stay at the forefront of the China property market as a top quality and niche developer.

The Chinese economy in 2006 saw a rise in per capita disposable income for urban households in Suzhou from RMB16,230 to RMB18,530, and in Beijing from RMB17,648 to RMB19,978, respectively. Undoubtedly, this would fuel potential homebuyers' appetite for higher quality housing and property investment opportunities in the foreseeable future.

The successful sellout of units in the of Suzhou Garden Towers project, the last phase of our legendary Suzhou Garden Villa residential complex, underscored the fulfilled promise of Suzhou's mid- to high-end residential market demands. The well-built twin high-rise residential towers with a carefully planned retail podium element had certainly justified the premium in value for housing developments of its kind. The Group looks forward to the turnover associated with expanding market demands for its reknown branded residential projects in vibrant, up-and-coming districts such as the Wuzhong District.

The completion of the renovation and extension of the Group's retail investment property, SGV Plaza, is now bearing fruit. Leasing takeup has been brisk and the property is now at a healthy occupancy level, ready to capitalise further on the promising retail sector in Suzhou.

The return on the Group's investment activities in Beijing, in particular its Beijing Landmark Towers joint venture, was fully booked in 2006. It will give a strong indication of the profit contribution from a quality property investment which the Group was instrumental in conceiving, designing, developing and managing. The proven earning ability of the project, which comprises two office towers, a hotel, service apartments and a multi-function conference centre, will continue to draw much interest from potential joint venture partners in hopes of replicating such an asset in their own property portfolios.

Having now been a publicly listed company for a complete year in 2006, our Group has not only continued to concentrate in what it does best in building quality homes for the evergrowing number of homebuyers in Suzhou, but has extended its scope further to Jiangsu Province and Beijing to consider the merits of medium and longer term projects in those respective regions. Attractive sites and projects have been sourced, which are currently in the process of feasibility and strategic analysis in light of the continued challenges from Central Government policies. Where there was risk experienced by the distressed parties, there is also potentially reward for our Group by managing and overcoming the risks.

In closing, I would once again like to extend my sincerest gratitude to fellow directors for their patience and diligence, and all our hardworking staff for their loyalty and dedication.

TAOCHAIFU Choofuang (CF Tao)
Chairman

Hong Kong, 30 March 2007

展望

新澤的策略為繼續專注於鞏固及進一步加強其於蘇州、江蘇省及北京的房地產業務。背靠國際知名及實力雄厚的策略性投資者的支持，新澤將繼續以其豐富經驗及廣泛知識，穩踞中國房地產行業的前列，成為優質頂尖的精品物業發展商。

於二零零六年，中國經濟持續向好，蘇州市城市戶口人均可動用收入由人民幣16,230元增至人民幣18,530元，而北京市城市戶口人均可動用收入則由人民幣17,648元增至人民幣19,978元。此無疑為潛在準住宅買家打下強心針，驅動他們在不久將來尋求優質的住房及物業投資機會。

集團出售旗下錦昌苑項目，即錦華苑小區內最後一項住宅項目，取得空前成功，標誌著蘇州中高檔住宅物業市場需求持續樂觀。該優質雙幢高層住宅物業，連同一個精密規劃的零售平台，確信可為有關物業發展帶來升值潛力。集團預期，隨著市場對嶄新住宅項目品牌的需求增加，集團可望在吳中區等蓬勃新興發展區取得不俗營業額。

集團旗下零售投資物業錦華商業廣場的翻新及擴建工程已經竣工，現正步入收入成期。租務情況理想，加上物業出租率亦處於健康水平，集團定能把握蘇州零售市場暢旺所帶來的商機，再創佳績獲取豐厚盈利。

集團於北京的房地產投資活動，尤其是北京亮馬河大廈合營項目的回報，已於二零零六年全數入賬。此一佳績正好說明了集團一手創構、設計及開發管理的優質物業投資的可觀利潤貢獻。這個包括兩幢辦公大樓、一幢酒店、服務式公寓及一座多功能會議中心的項目的盈利能力，將繼續吸引更多希望在本身物業組合依樣創造佳績的潛在合作夥伴。

二零零六年上市一整年後，集團除了專注在蘇州為不斷增長的準住房買家群建造優質住房的強項外，更著眼江蘇省及北京等其他城市，計劃開展各有關地區的中、長期項目。集團已物色得具吸引力地點及項目，並因應涉及中央政府政策的種種挑戰，現正進行可行性及策略性分析。只要審慎從事，監控得當並克服當中風險，集團當可獲得潛在的回報。

總結前，本人謹藉此向董事同寅的耐心及努力，以及全體員工的克盡職守和努力不懈，致以衷心致謝。

香港，二零零七年三月三十日

主席
陶哲甫