

## RESULTS

Turnover for the year ended 31st December, 2002 (the “Year”) amounted to HK\$729.3 million, a 4.3% increase from the previous year. It was mainly due to full year rental of Lowu Commercial Plaza was taken in 2002 because of privatisation of formerly listed PRC property arm of the Group, Evergo China Holdings Limited in November 2001. Gross profit for the Year amounted to HK\$631.8 million, a 3.5% decrease as compared with last year. Loss for the Year was HK\$1,459.6 million as compared to HK\$535.8 million for the last year. The loss was mainly attributable to a provision of HK\$1,391.3 million for impairment loss recognised in respect of properties under development and a provision of HK\$156.4 million for development projects held through associates. Loss per share was 61.6 cents (2001: 22.5 cents).

Other operating income recorded an increase of 15.2% to HK\$47.0 million when compared with the last year. Administrative expenses increased by 36.5% to HK\$217.3 million as compared with last year.

## NET ASSET VALUE

As at 31st December, 2002, the Group’s total net asset, after deducting negative goodwill of HK\$296 million, amounted to approximately HK\$11,017 million (31st December, 2001: HK\$15,686 million), a decrease of HK\$4,669 million or 29.8% when compared with 31st December, 2001. With the total number of ordinary shares in issue of 2,294,146,212 as at 31st December, 2002, the net asset value per share was HK\$4.8, a decrease of 27.3% over 31st December, 2001 (HK\$6.6). The decrease in net asset value per share was mainly due to the loss sustained for the Year and the adjustment on revaluation of investment properties.

## EQUITY

The number of issued ordinary shares as at 31st December, 2002 and 31st December, 2001 were 2,294,146,212 and 2,382,544,134 respectively.

## 業績

截至二零零二年十二月三十一日止年度（「本年度」）之營業額為729,300,000港元，較上年度增加4.3%，主要由於二零零一年十一月將本集團前中國物業上市公司Evergo China Holdings Limited私有化後接手之羅湖商業城於二零零二年提供全年租金收入所致。本年度之毛利為631,800,000港元，較上年度減少3.5%。本年度虧損為1,459,600,000港元，上年度則為535,800,000港元。虧損主要來自就發展中物業確認之減值虧損撥備1,391,300,000港元及透過聯營公司持有之發展項目撥備156,400,000港元。每股虧損為61.6仙（二零零一年：22.5仙）。

其他經營收入為47,000,000港元，較上年度增加15.2%。行政開支為217,300,000港元，較上年度增加36.5%。

## 資產淨值

於二零零二年十二月三十一日，本集團之總資產淨值經扣除負值商譽296,000,000港元後約為11,017,000,000港元（二零零一年十二月三十一日：15,686,000,000港元），較二零零一年十二月三十一日減少4,669,000,000港元或29.8%。根據二零零二年十二月三十一日之已發行普通股總數2,294,146,212股計算，每股資產淨值為4.8港元，較二零零一年十二月三十一日（6.6港元）減少27.3%。每股資產淨值之減少主要由於本年度錄得虧損及投資物業重估之調整所致。

## 股本

於二零零二年十二月三十一日及二零零一年十二月三十一日之已發行普通股數目分別為2,294,146,212股及2,382,544,134股。

**DEBT AND GEARING**

As at 31st December, 2002, the Group's bank and other borrowings amounted to HK\$4,653 million (31st December, 2001: HK\$4,335 million). Cash and deposit at bank amounted to HK\$1,060 million (31st December, 2001: HK\$1,422 million) and net borrowings amounted to HK\$3,593 million (31st December, 2001: HK\$2,913 million).

Total debt to equity ratio was 42.2% (31st December, 2001: 27.6%) and net debt to equity ratio was 32.6% (31st December, 2001: 18.6%), which are expressed as a percentage of bank and other borrowings, and net borrowings respectively, over the total net asset of HK\$11,017 million (31st December, 2001: HK\$15,686 million).

The increase of the total and net debt to equity ratio was mainly due to a decrease in the total net asset because of the loss sustained for the Year.

At the balance sheet date, all of the Group's bank and other borrowings are denominated in Hong Kong dollars. Of the Group's total bank and other borrowings HK\$4,653 million, 6.9%, 12.5%, 80.2%, 0.4% are repayable within 1 year, 1 to 2 years, 2 to 5 years and over 5 years respectively. The Group's bank borrowings carry interest rates calculated with reference to HIBOR. No hedging for interest rate was subsisted at the end of the year.

The Group has carried out refinancing of debt during the Year. Certain bank borrowings were refinanced with longer tenor and more competitive pricing. The majority of the Group's income were denominated in Hong Kong dollars, RMB net income was minimal. No hedging for non-Hong Kong dollars assets or investment was made.

**PLEDGE OF ASSETS**

As at 31st December, 2002, the Group's investment properties, development properties, other property and time deposits with their respective book value of approximately HK\$11,550.7 million (31st December, 2001: HK\$14,674.6 million), HK\$360.0 million (31st December, 2001: Nil), HK\$13.0 million (31st

**債務及資本與負債比率**

於二零零二年十二月三十一日，本集團之銀行及其他借貸為4,653,000,000港元（二零零一年十二月三十一日：4,335,000,000港元）。現金及銀行結存為1,060,000,000港元（二零零一年十二月三十一日：1,422,000,000港元），而借貸淨額為3,593,000,000港元（二零零一年十二月三十一日：2,913,000,000港元）。

總債務與股本比率為42.2%（二零零一年十二月三十一日：27.6%）而淨債務與股本比率為32.6%（二零零一年十二月三十一日：18.6%），乃將銀行及其他借貸及借貸淨額分別除以總資產淨值11,017,000,000港元（二零零一年十二月三十一日：15,686,000,000港元）得出之百分比。

總債務及淨債務與股本比率之增加主要由於本年度錄得虧損導致總資產淨值減少所致。

於結算日，本集團之銀行及其他借貸全部均以港元計算。於本集團之總銀行及其他借貸4,653,000,000港元中，6.9%、12.5%、80.2%及0.4%須分別於一年內、一至兩年、兩至五年及五年後償還。本集團之銀行借貸乃參照香港銀行同業拆息計算利率。於年底並無就利率作出對沖。

年內本集團進行債務再融資。若干銀行借貸經過再融資後爭取到更長之還款期和更佳之條款。本集團大部份收入以港元計值。人民幣之淨收入並不重大。並無就非港元資產或投資作出對沖。

**資產抵押**

於二零零二年十二月三十一日，本集團賬面值分別約為11,550,700,000港元（二零零一年十二月三十一日：14,674,600,000港元）、360,000,000港元（二零零一年十二月三十一日：無）、13,000,000港元（二零零

### PLEDGE OF ASSETS (cont'd)

December, 2001: Nil) and HK\$52.4 million (31st December, 2001: HK\$169.6 million) were pledged to secure general banking facilities of the Group.

Further there were contingent liabilities of the Group in respect of guarantees given to banks and financial institutions for general banking facilities made available to associates and investee company of HK\$632.3 million (2001: HK\$400.4 million).

### FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in turnover and investment income. Finance cost included interest expenses on bank and other loans, compensation, arrangement and commitment fee expenses. Interest income for the Year was HK\$32.9 million, representing a decrease of 67.5% from that of 31st December, 2001 (HK\$101.2 million). A decrease of interest income was mainly attributable to decrease on interest generated from loan financing. Interest expenses for the Year amounted to HK\$212.9 million, representing a 26.3% decrease over the interest expenses of HK\$288.9 million recorded for last year. The decrease in interest expenses was due to decrease in interest rate during the Year.

### REMUNERATION POLICIES AND SHARE OPTION SCHEME

During the Year, the Group employed about a total of 222 (2001: 230) staff (excluding about a total of 169 (2001: 196) estate management staff employed under the Group's estate management company, Perfect World Company Limited). Remuneration packages comprised salary and year-end bonus based on individual merits. No share option scheme was adopted for the Year.

### THE KWONG SANG HONG INTERNATIONAL LIMITED

During the Year, the Group has an effective interest 34.36% in the listed shares of The Kwong Sang Hong International Limited ("Kwong Sang Hong").

Kwong Sang Hong had total asset and net asset of HK\$1,920.4 million and HK\$1,377.4 million respectively at 30th November, 2002.

### 資產抵押 (續)

一年十二月三十一日：無)及52,400,000港元(二零零一年十二月三十一日：169,600,000港元)之投資物業、發展物業、其他物業及定期存款已作抵押以令本集團獲得一般銀行信貸。

此外，本集團就聯營公司及接受投資公司所獲之一般銀行信貸向銀行及金融機構提供擔保之或然負債為632,300,000港元(二零零一年：400,400,000港元)。

### 財務及利息收入/支出

營業額及投資收入包括利息收入。財務費用包括銀行及其他貸款之利息開支、賠償、安排及承擔費用開支。本年度之利息收入為32,900,000港元，較二零零一年十二月三十一日(101,200,000港元)減少67.5%。利息收入減少主要由於貸款融資產生之利息減少。本年度之利息支出為212,900,000港元，較上年度錄得之利息支出288,900,000港元減少26.3%。利息支出之減少乃由於本年度之利率下調所致。

### 酬金政策及購股權計劃

本年度內本集團僱用約共222名(二零零一年：230名)職員(不包括本集團之物業管理公司忠信物業管理有限公司僱用約共169名(二零零一年：196名)之物業管理員工)。酬金(包括薪金及年終花紅)乃根據個人表現釐定。年內概無採納購股權計劃。

### THE KWONG SANG HONG INTERNATIONAL LIMITED

本年度內，本集團於The Kwong Sang Hong International Limited(「廣生行」)上市股份之實際權益為34.36%

於二零零二年十一月三十日，廣生行之資產總值及資產淨值分別為1,920,400,000港元及1,377,400,000港元。

#### ACQUISITION AND DISPOSALS

During the year, as a restructuring plan in PRC, the Group acquired an additional 20% interest in Tianjin Winson Plaza and an additional 40% interest in Haikou Asian Villas, while disposed of its entire interests in Shanghai Hua Bao Garden and Fuzhou Asian Villas. Haikou Asian Villas was subsequently disposed of.

In Hong Kong, the Group disposed of Yuen Long New Place in Yuen Long and several floors of Chung Kiu Godown Building in Kwai Chung and received certain unlisted convertible debt securities.

Further, the Group acquired companies engaged in brokerage and dealing in listed securities, future, gold and securities margin.

Other than the existing projects and as disclosed in the annual report, the Group did not have any future plans for material investment or capital assets.

#### PROPERTY VALUATION

A property valuation has been carried out by Norton Appraisals Limited, independent professional valuers, in respect of the Group's investment properties as at 31st December, 2002 and that valuation was used in preparing 2002 financial statements. The Group's investment properties were valued at HK\$12,284 million (2001: HK\$15,604 million), a 20.4% decrease over 2001 after adjusted for additions and disposals of investment properties during 2002. Development properties, non-investment properties and unlisted investments of the Group were stated at cost less impairment, if any, in the financial statements.

#### 收購及出售

年內，作為於中國之重組計劃，本集團增購天津市華盛廣場之 20% 權益及海口市亞州豪苑之 40% 權益，同時出售其於上海華寶花園及福州盛亞豪苑之全部權益。海口市亞州豪苑於其後出售。

於香港，本集團出售位於元朗之元朗新地帶及位於葵涌之中僑貨倉大廈若干樓層，並收到若干非上市可換股債務證券。

此外，本集團購入從事經紀業務及上市證券、期貨、黃金及證券孖展交易之公司。

除現有項目及年報所披露者外，本集團對將來投資或資本資產暫無重大計劃。

#### 物業估值

獨立專業估值師普敦國際評估有限公司已就本集團於二零零二年十二月三十一日持有之投資物業進行物業估值，有關估值乃用於編製二零零二年財務報表。本集團投資物業之估值為 12,284,000,000 港元（二零零一年：15,604,000,000 港元），經作出二零零二年投資物業之增加及出售之調整後較二零零一年減少 20.4%。本集團之發展物業、非投資物業及非上市投資乃於財務報表中按成本減去減值（如有）列賬。