

Results of 2002

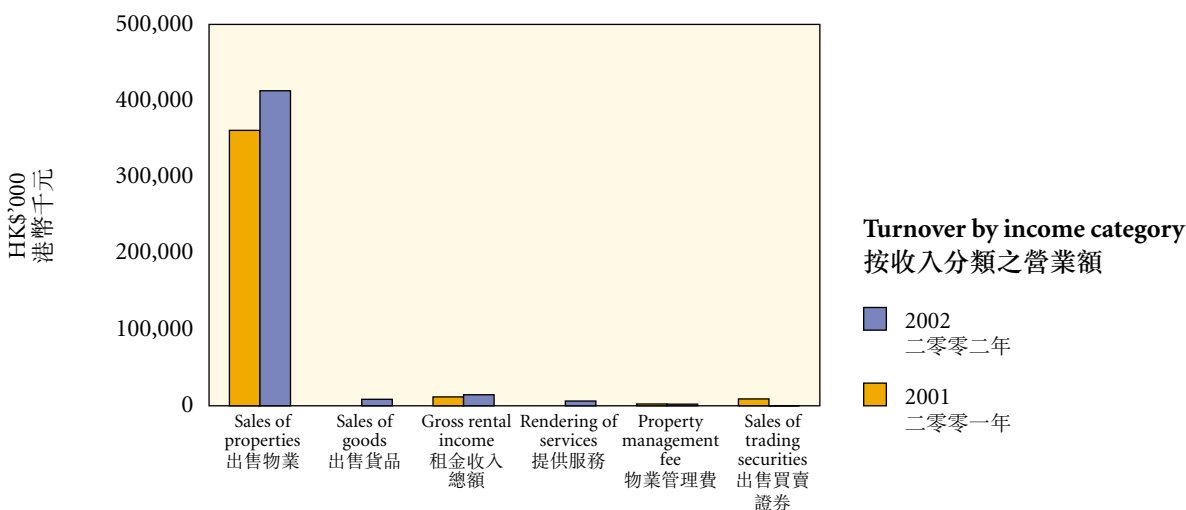
The Group's loss attributable to shareholders amounted to HK\$267 million, which was 33% lower than last year's loss of HK\$397 million. On a per share basis, the Group recorded a loss of HK11.3 cents, an improvement of 53% over that of last year's loss of HK23.8 cents.

In May 2002, the Group acquired CyberCity Investments Group ("CCI") which comprised several technology services companies. As a result, information and communication services ("Infocomm division") became the third core business, in addition to the business park and real estate development businesses. However, as the business park and technology services businesses were still at the building-up stage, they did not have any material impact to the overall results of the Group during 2002.

On the other hand, most of the real estate projects, during the year under review, were Hong Kong based and therefore were significantly affected by Hong Kong's weak property market, high unemployment and sluggish economy. Although the Group had already adopted a conservative view in valuing the Group's Hong Kong property portfolio in 2001, the market deterioration exceeded our expectations and therefore the Group was faced with a further diminution in value of its real estate stock. Despite the adverse market conditions and intense competition, the Group successfully sold over 75% of its portfolio in 2002.

Review of Overall Performance

Turnover increased by 16% to HK\$443 million from HK\$383 million, primarily due to the increase in sales of properties.



二零零二年業績

本集團股東應佔虧損為港幣267,000,000元，較去年虧損港幣397,000,000元減少33%。按每股計算，本集團錄得虧損港幣11.3仙，較去年虧損港幣23.8仙改善53%。

於二零零二年五月，本集團收購由若干科技服務公司組成之CyberCity Investments Group (「CCI」)。故此，科技及資訊服務 (「資訊科技部門」) 已成為第三核心業務，其餘兩項為商業園及房地產發展業務。然而，由於商業園及科技服務業務仍在構建階段，該等業務於二零零二年未為本集團之整體業績帶來任何重大影響。

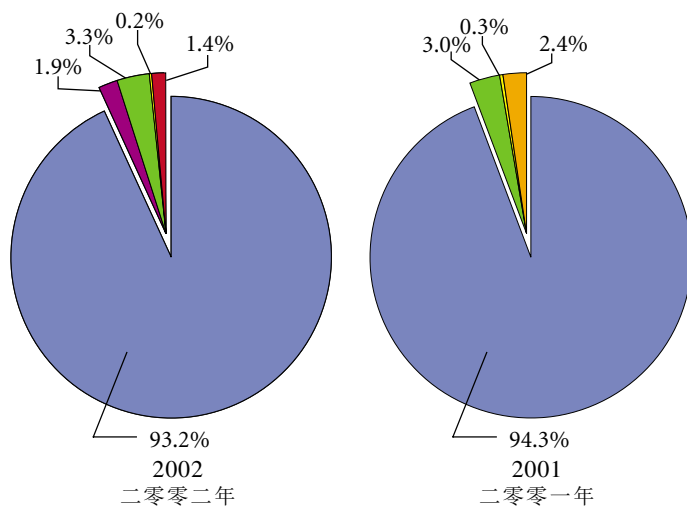
另一方面，於回顧年間，本集團大部份房地產項目均位於香港，故該等項目備受香港物業市場疲弱、失業率高企及經濟低迷所影響。儘管本集團於二零零一年對本集團在香港的物業採取保守估計，但市場的惡化程度仍遠超本集團的預期，因此本集團亦面臨房地產存貨之進一步減值。縱使面對不利的市況及激烈的競爭，本集團仍於二零零二年成功售出超過75%之物業。

整體業績回顧

營業額上升16%，由港幣383,000,000元增至港幣443,000,000元，主要是由於物業銷售增加所致。

Income from property sales remained the principal contributor to the Group's turnover, accounting for 93% of the total. The remaining 7% was derived mainly from sales of goods, gross rental income and rendering of services.

出售物業之收入仍為本集團營業額之主要來源，佔總營業額之93%。餘下7%主要源自出售貨物、租金收入總額及提供服務。



Turnover by income category 按收入分類之營業額

- Sales of properties
出售物業
- Sales of goods
出售貨品
- Gross rental income
租金收入總額
- Rendering of services
提供服務
- Property management fee
物業管理費
- Sales of trading securities
出售買賣證券

Provisions made for operations decreased by 76% to HK\$59 million from HK\$243 million. The Group made a provision of HK\$29 million or 50% of the total provisions in relation to its property projects. The balance of the provisions was made in relation to the divestment of non-core business operations.

為業務所作撥備減少76%，由港幣243,000,000元降至港幣59,000,000元。本集團就物業項目作出港幣29,000,000元之撥備（佔總撥備之50%）。撥備結餘由減持非核心業務而產生。

Non-operating provisions represented primarily provision made for impairment of HK\$107 million goodwill arising on acquisition of a subsidiary. The impairment was made with reference to a valuation report prepared by an independent qualified valuer. According to the Group's accounting policies, the goodwill which had been written off against reserves prior to 1 January 2001 was written off to the current year income statement due to impairment.

就非經營業務所作撥備主要為收購附屬公司而產生之商譽港幣107,000,000元減值。減值乃經參考由獨立合資格估值師所編製之估值報告後作出。根據本集團之會計政策，於二零零一年一月一日前已於儲備中撇銷之商譽因減值而撇銷至本年度之收益表。

Finance costs were reduced from HK\$42 million to HK\$22 million as a result of lower bank and other borrowings and reduction of interest cost following the debt refinancing.

由於銀行及其他貸款減少及債務再融資後利息成本降低，致使財務費用由港幣42,000,000元減至港幣22,000,000元。

Business Segments

Property

The property segment remained the key contributor to the Group's revenue. Turnover of the property segment was HK\$416 million or 94% of the total turnover. The number of units sold was 161 in 2002 compared to 190 in 2001. During the year, the Group sold its non-core investment property in Shun Tak Centre for a consideration of HK\$80 million. Operating profit before provision for impairment in values was HK\$25 million. Nevertheless, after including the provisions totalling HK\$29 million, a loss of HK\$4 million was recorded.

Business Park

The business park located in Shenzhen continued to provide a stable income stream to the Group. Turnover for 2002 amounted to HK\$12 million.

Infocomm Technology

Following the restructuring of the Group's existing technology business and completion of acquisition of additional infocomm technology business in May 2002, the thrust of this core business was properly positioned. During the year under review, turnover for the segment was HK\$15 million.

Other Operations

Other operations of the Group included mainly investment in infrastructure and securities trading and investment business. Turnover of this segment dropped substantially to HK\$0.1 million as a result of the Group's measures to divest investment of non-core businesses. The Group will continue to divest its non-core assets at realistic prices.

Geographical Segments

Hong Kong

Geographically, the Group's activities in Hong Kong continued to be the largest contributor to turnover – 94% of the total turnover for 2002. Turnover increased by 11% to HK\$417 million from HK\$376 million and a loss of HK\$44 million was recorded after including the HK\$29 million provisions for the Hong Kong property projects.

業務分類

物業

物業業務仍為本集團收入之主要來源，其營業額為港幣416,000,000元，或總營業額之94%。二零零二年售出單位數目為161個，而二零零一年則為190個。於年內，本集團以代價港幣80,000,000元售出信德中心的非核心投資物業。為減值作出撥備前之經營溢利為港幣25,000,000元。此外，包括合共港幣29,000,000元撥備後，該方面業務錄得港幣4,000,000元虧損。

商業園

位於深圳市之商業園繼續為本集團提供穩定的收入來源。二零零二年之營業額為港幣12,000,000元。

資訊科技

本集團經過重組現有科技業務及於二零零二年五月完成額外的資訊科技業務收購後，此核心業務的發展已準備就緒。年內，該業務之營業額為港幣15,000,000元。

其他業務

本集團其他業務主要包括基建項目投資及證券買賣及投資業務。由於本集團採取減持非核心業務的措施，該等業務之營業額大幅減少至港幣100,000元。本集團會以切實可行的價格繼續減持非核心資產。

地區分類

香港

就地區而言，本集團於香港之業務仍為本集團帶來最龐大營業額，構成了本集團二零零二年總營業額之94%。營業額由港幣376,000,000元上升11%至港幣417,000,000元，另已就香港物業項目作出港幣29,000,000元之撥備後，錄得港幣44,000,000元之虧損。

China

Two residential property projects in China were still under development in 2002. Both the Group's business park operation and newly-acquired infocomm technology business in China contributed to the Group's results in 2002. Turnover from business activities in China increased to HK\$26 million, representing 6% of the total turnover.

Assets

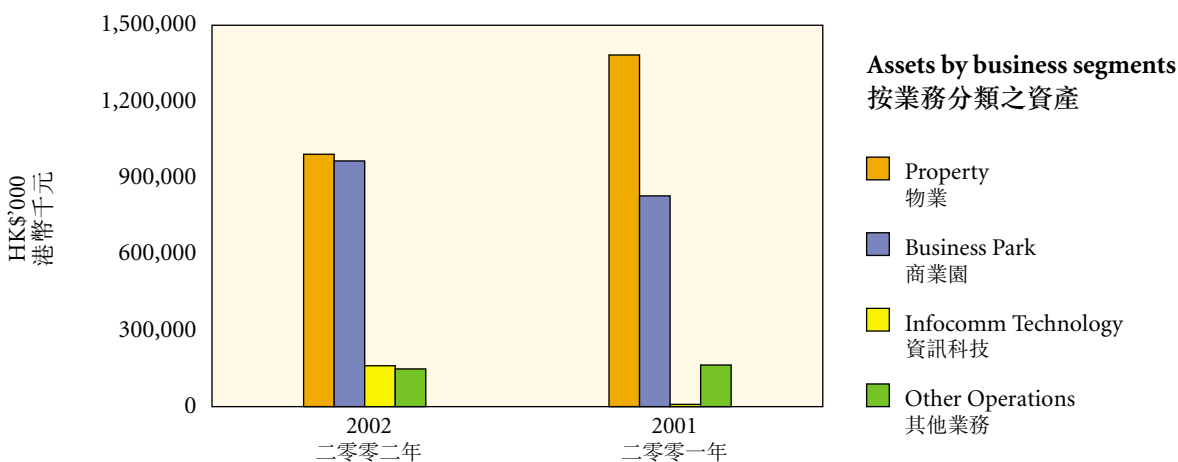
The value of the Group's total assets increased slightly to HK\$2,454 million as at 31 December 2002. During the year, the Group successfully completed a right issue which raised HK\$350 million and issued HK\$140 million worth of new shares to acquire the infocomm technology business in May 2002.

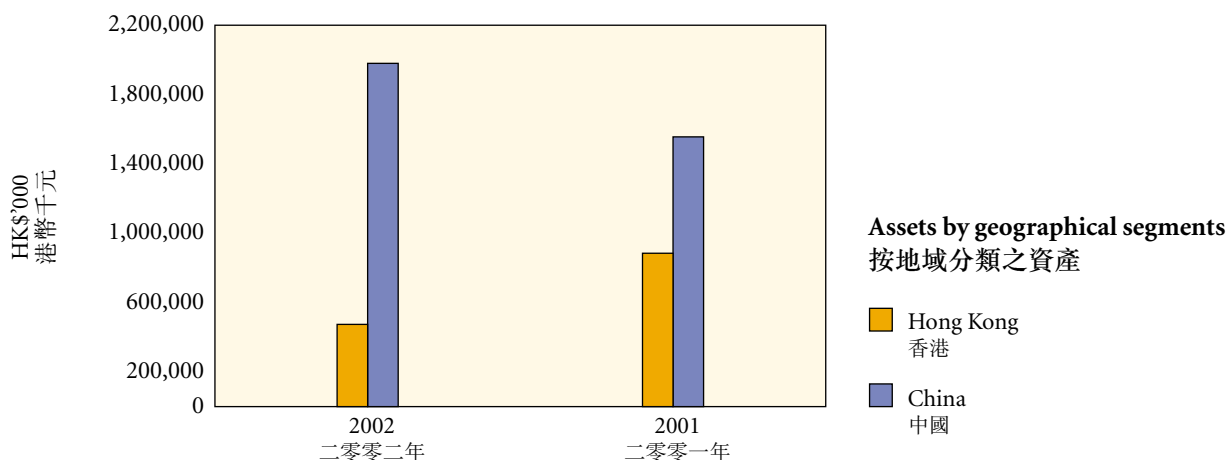
中國

在二零零二年，兩項在中國的住宅物業項目仍在發展中。本集團在中國商業園的營運及新近收購的資訊科技業務亦於二零零二年為本集團的業績帶來建樹。來自中國業務活動的營業額增至港幣26,000,000元，佔本集團總營業額的6%。

資產

於二零零二年十二月三十一日，本集團之資產總值輕微上升至港幣2,454,000,000元。於年內，本集團成功透過完成一項供股籌得港幣350,000,000元，並發行價值港幣140,000,000元的新股用於在二零零二年五月收購資訊科技業務。





The business park segment constituted 39% of the Group's total assets. Owing to the sales of the Hong Kong property portfolio in 2002, the share of assets by real estate segment decreased from 57% in 2001 to 40% in 2002.

The Group's activities expanded to China in 2002 and total assets held there increased by 27% from HK\$1,556 million to HK\$1,980 million. In order to reduce the foreign currency exposure, the Group has secured additional renminbi borrowings to finance our PRC assets. During the year, renminbi borrowings had increased to HK\$204 million, a net increase of HK\$22 million compared with 2001. The remaining borrowings were denominated in Hong Kong dollar.

Shareholders' funds

Following the completion of the rights issue and the issuance of new shares for acquiring CCI, the Group's total shareholders' funds increased from HK\$1,221 million as at 31 December 2001 to HK\$1,549 million. The enlarged capital base will enhance the Group's future financing capability. On a per-share basis, the consolidated net asset value of the Group at 31 December 2002 was HK54.6 cents per share, compared to HK73.2 cents per share as at 31 December 2001.

商業園業務構成本集團總資產之39%。由於二零零二年銷售香港物業，房地產業務資產比例由二零零一年之57%下降至二零零二年之40%。

由於二零零二年本集團在中國的業務增加，致使於中國持有之總資產增加27%，由港幣1,556,000,000元增加至港幣1,980,000,000元。為減少外幣風險，本集團已獲得以人民幣為本位之額外貸款以撥付本集團在中國的資產。於年內，人民幣貸款已增至港幣204,000,000元，較二零零一年有港幣22,000,000元之淨增加。其餘貸款以港幣為本位。

股東基金

完成為收購CCI而作出之供股及發行新股後，本集團股東基金總額由二零零一年十二月三十一日之港幣1,221,000,000元增加至港幣1,549,000,000元。資本基礎的擴大將提高本集團未來的融資能力。以每股計算，本集團於二零零二年十二月三十一日之綜合淨資產為每股港幣54.6仙，於二零零一年十二月三十一日為每股港幣73.2仙。

Financial Resources, Liquidity and Capital Structure Completion of a Rights Issue

The Group completed a rights issue in 2002 and raised net amount of HK\$348 million (after deduction of related expenses). The proceeds were used to finance a joint venture with Beijing Tsinghua Science Park Construction Co. Ltd. to develop a business park project in Beijing, the development of Phase 2 of Vision (Shenzhen) Business Park and to fund working capital requirements.

Liquidity and Capital Structure

During the year under review, the Group's total borrowings fell significantly from HK\$740 million as at 31 December 2001 to HK\$387 million as at 31 December 2002, a reduction of 48%. The Group's cash and bank deposits balance as at 31 December 2002 was maintained at HK\$327 million. The Group's net debt (measured by total bank borrowings minus cash and bank deposits) was HK\$60 million. This compared favourably with the Group's net debt of HK\$607 million at 31 December 2001 and represented a reduction of HK\$547 million or 90%.

With the enlarged capital base and reduction of external borrowings, the Group's gearing ratio (measured by total borrowings divided by shareholders' funds) excluding convertible bonds strengthened to 25% at 31 December 2002 from 55% at 31 December 2001. Net debt divided by total shareholders' funds also strengthened to 4% at 31 December 2002 from 50% at 31 December 2001.

As at 31 December 2002, the Group had total undrawn facilities of approximately HK\$100 million. The Group will continue to review its financing requirements to obtain any unsecured bank financing at corporate level whenever possible and supplement such borrowings with secured project financing as and when the need arises.

財務資源、流動資金及資本架構 完成供股

於二零零二年，本集團完成了一次供股，籌措所得款項淨額為港幣348,000,000元（已扣減相關開支）。所得款項已用於應付一間與北京清華科技園建設股份有限公司合組的合營公司於北京發展商業園項目的財務需要，並用於深圳威新軟件科技園之第二期發展及應付一般營運資金所需。

流動資金及資本架構

於回顧年內，本集團總貸款由二零零一年十二月三十一日之港幣740,000,000元大幅減至二零零二年十二月三十一日之港幣387,000,000元，減幅達48%。於二零零二年十二月三十一日，本集團現金及銀行存款結餘維持於港幣327,000,000元。本集團債項淨額（銀行貸款總額減現金及銀行存款）為港幣60,000,000元。這較本集團於二零零一年十二月三十一日之債項淨額港幣607,000,000元為佳，減少了港幣547,000,000元或90%。

由於資本基礎擴大及外來貸款減少，本集團之資本負債比率（以貸款總額除以股東基金計算）（不包括可換股債券）由二零零一年十二月三十一日之55%改善至二零零二年十二月三十一日之25%。債項淨額除以股東基金總額亦由二零零一年十二月三十一日之50%改善至二零零二年十二月三十一日之4%。

於二零零二年十二月三十一日，本集團未動用備用貸款總額約港幣100,000,000元。本集團將繼續檢討其財務需要，在可行時以企業層面取得任何無抵押銀行融資，在有需要時亦會以有抵押項目融資補足該等貸款。

Short-term and Long-term Borrowings

The maturity profiles of the Group's convertible bonds and bank borrowings outstanding as at 31 December 2002 and 31 December 2001 are summarized as follows:

	31 December 2002 二零零二年 十二月三十一日		31 December 2001 二零零一年 十二月三十一日		
	HK\$ million 港幣百萬元	% 百分比	HK\$ million 港幣百萬元	% 百分比	
Within one year	223	58	555	75	一年內
In the second year	42	11	185	25	第二年內
In the third to fifth year	122	31	—	—	第三至第五年內
Total	387	100	740	100	總額

During the year under review, the Group completed a HK\$222 million restructuring exercise to refinance a number of short-term project loans to a three-year term loan with decreases in interest margins. As a result, the Group extended the maturity profile of its debt and at the same time lowered its borrowing costs.

Financial Management

Foreign Currency Risk

The potential exposure of foreign currency risk that may arise from the Group's investments in China had been considered. To mitigate such exposure in its China projects where cashflows are denominated in renminbi, the Group increased its renminbi financing as shown below:

	31 December 2002 二零零二年 十二月三十一日		31 December 2001 二零零一年 十二月三十一日		
	HK\$ million 港幣百萬元	% 百分比	HK\$ million 港幣百萬元	% 百分比	
In HK\$	183	47	558	75	港幣
In RMB	204	53	182	25	人民幣
Total	387	100	740	100	總額

短期及長期貸款

本集團於二零零二年十二月三十一日及於二零零一年十二月三十一日之未償還可換股債券及銀行貸款還款期情況概述如下：

於回顧年度，本集團完成一項總額約港幣222,000,000元之債務重組，為若干數目之短期項目再融資，轉為息率較低的三年期貸款。因此，本集團已就債項延長還款期，同時減低其貸款成本。

財務管理

外幣風險

本集團已考慮於中國之投資或會在外匯風險方面產生潛在風險。為減低人民幣本位現金流量的中國項目的潛在風險，本集團已增加其人民幣融資如下：

The increase in the proportion of renminbi borrowings is in line with the Group's new business exposure to China and its financial policy to minimise exposure to currency risk.

Interest rate risk

The Group is exposed to changes in interest rate fluctuations to the extent that they affect the cost of funds for floating rate borrowings. At 31 December 2002, about 47% (2001: 66%) of the Group's total borrowings was on a floating rate basis whilst the remaining 53% (2001: 34%) was fixed rate borrowings. The Group will continue to maintain a mixture of floating rate and fixed rate borrowings and take necessary actions to hedge against any foreseeable interest rate exposure, if necessary.

Pledge of Assets

The Group's bank borrowings, overdrafts and other loans were secured by certain completed properties held for sale and under development with carrying values of HK\$605 million (2001: HK\$752 million) and cash deposits of HK\$122 million (2001: HK\$44 million).

Contingent Liabilities

As at 31 December 2002, the Company issued guarantees to the extent of HK\$271 million (2001: HK\$393 million). HK\$203 million (2001: HK\$383 million) was utilised in respect of bank and other borrowings granted to its subsidiaries and HK\$1 million (2001: Nil) was utilised in respect of the lease of fixed assets taken up by a subsidiary.

Acquisition of Interests in Subsidiaries and Associated Companies

During the year ended 31 December 2002, the Group entered into a new joint venture agreement and completed several acquisitions to support its growth strategies in China.

人民幣貸款比例之增加反映了本集團於中國拓展新業務，並與尋求降低外匯風險之財務政策一致。

利率風險

本集團正面對利率波幅變動，其影響浮動利率貸款的融資成本。於二零零二年十二月三十一日，本集團總貸款約47%（二零零一年：66%）以浮動利率計息，其餘53%（二零零一年：34%）為固定利率貸款。本集團將繼續維持混合浮動利率及固定利率貸款及倘有需要時作出必要行動以對沖任何可預見之利率風險。

資產抵押

本集團之銀行貸款、透支及其他貸款乃以賬面值為港幣605,000,000元（二零零一年：港幣752,000,000元）之若干待出售之已完成及發展中物業及港幣122,000,000元（二零零一年：港幣44,000,000元）之現金存款作抵押。

或然負債

於二零零二年十二月三十一日，本公司所作出之擔保合共港幣271,000,000元（二零零一年：港幣393,000,000元），其中就授予附屬公司之銀行及其他貸款港幣203,000,000元（二零零一年：港幣383,000,000元），及港幣1,000,000元（二零零一年：無）用於一間附屬公司之固定資產租賃。

收購附屬公司及聯營公司之權益

於截至二零零二年十二月三十一日止年度，本集團已訂立一項新合營協議及完成若干收購，以支持其於中國之增長策略。

On 19 April 2002, the Group entered into a Joint Venture Agreement with Beijing Tsinghua Science Park Construction Co Ltd to form Vision Huaqing (Beijing) Development Co Ltd for the development of Vision International Centre in Beijing. Total development cost is estimated at RMB390 million.

On 28 May 2002, the Group completed a major acquisition of the entire issued share capital of CyberCity Investments Limited from CyberCity Holdings Limited for a consideration of HK\$140 million, which was satisfied by way of an allotment and issue of 334,285,714 shares equivalent to an issue price of HK42 cents per share.

On 14 June 2002, the Group completed an Exchange Agreement with China Land Group Limited whereby the Group increased its shareholding in the Scenic Place project in Beijing from 50% to 65% at a total consideration of HK\$43 million and disposed of its interest in its Villa Sapphire property project in Hong Kong at the same amount of consideration. The transaction enabled the Group to direct its resources on property development in China.

On 25 September 2002, the Group further entered into Sale and Purchase Agreements to acquire from Dalian Guangxia Development Co Ltd and Dalian Bohai Group Co Ltd their 10% and 2% respective interests in Vision Century Real Estate Development (Dalian) Co Ltd at a total consideration of RMB9 million (equivalent to approximately HK\$8 million).

於二零零二年四月十九日，本集團與北京清華科技園建設股份有限公司訂立一項合作協議書，合組威新華清(北京)置業發展有限公司，以發展位於北京之威新國際大廈。總開發成本估計為人民幣390,000,000元。

於二零零二年五月二十八日，本集團完成從賽博控股有限公司收購CyberCity Investments Limited的全部已發行股本，代價為港幣140,000,000元，已透過配發及發行334,285,714股股份(相等於每股股份之發行價港幣42仙)的方式支付。

於二零零二年六月十四日，本集團與中國置地集團有限公司完成一項交換合同，據此，本集團增加北京蝶翠華庭項目之股權，由50%增至65%，總代價為港幣43,000,000元，並以相同代價出售其香港海澄軒物業項目之權益。該項交易有助本集團將資源移向中國之物業發展。

於二零零二年九月二十五日，本集團進一步訂立轉讓協議書，收購大連廣廈置業有限公司及大連渤海集團有限公司分別於威新房地產開發(大連)有限公司之10%及2%之權益，總代價為人民幣9,000,000元(相等於約港幣8,000,000元)。