

集團業績

九龍建業有限公司(「本公司」)董事會宣佈本公司及其附屬公司(「本集團」)截至二零零二年十二月三十一日止年度之股東應佔盈利為一億六千一百萬元。於二零零一年，本公司以實物方式分派九龍巴士控股有限公司(「九巴」)之股份作為特別中期股息，因而於當年帳目產生巨額之財務影響，故此兩年之股東應佔盈利不能作直接比較。以下為本集團兩年就此分派而經調整之經營盈利分析：

GROUP RESULTS

The Board of Directors of Kowloon Development Company Limited (“the Company”) announces that profit attributable to shareholders of the Company and its subsidiary companies (the “Group”) for the year ended 31 December 2002 was \$161 million. In 2001, the Company distributed by way of a special interim dividend in specie of shares in The Kowloon Motor Bus Holdings Limited (“KMB”), causing a significant financial effect in the accounts of that year. As such, profits attributable to shareholders for the two years are not directly comparable. The following is an analysis of the Group’s adjusted profit from operations for the two years after taking into account the said distribution:

		二零零二年 2002 百萬元 \$ million	二零零一年 2001 百萬元 \$ million	變動 Change 百萬元 \$ million
經營盈利	Profit from operations	201.3	229.1	-27.8 (-12.1%)
減：就於二零零一年 以實物方式分派為 特別中期股息之 九巴股份所得之股息	Less: Dividends from KMB shares distributed in specie as special interim dividend in 2001 included in the above	—	(65.4)	
		201.3	163.7	+37.6 (+23.0%)

本集團之三千七百六十萬元(百分之二十三)經營盈利增長，主要源自出售元朗采茵軒第一期所有單位所得盈利及成功控制集團基本成本。

Profit from the sale of all the units of Phase I, Recours La Serre, Yuen Long and the success in keeping the Group’s cost base under control were the major contributors to the \$37.6 million or 23.0% rise in the Group’s profit from operations.

股息

董事會建議派發截至二零零二年十二月三十一日止財政年度末期股息每股二十仙(二零零一年:十八仙)予二零零三年五月二十一日已登記在股東名冊內之股東。有關股息如獲二零零三年五月二十一日召開之股東週年大會通過,將於二零零三年五月二十二日派發。上述末期股息連同於二零零二年十月十六日派發每股五仙之中期股息,年內總股息額將為每股二十五仙,派息合共一億二千零九十萬元。二零零一年度所派股息為每股三元二仙,包括以實物支付之特別中期股息,即每持有三十七股本公司股份可獲派四股九巴股份(相當於每股股息二元八角),第二次中期股息每股四仙以及末期息每股十八仙。

暫停辦理股份過戶登記手續

本公司將由二零零三年五月十三日星期二起至二零零三年五月二十一日星期三(包括首尾兩天在內)暫停辦理股份過戶登記手續。凡欲收取末期股息之股東,請於二零零三年五月十二日星期一下午四時正前將股份過戶文件連同有關股票送交本公司股份過戶登記處,香港中央證券登記有限公司,地址為香港灣仔皇后大道東一八三號合和中心十七字樓一七一二至六號舖,辦理過戶手續。

控制權及管理層之變動

於二零零一年十二月十八日Polytec Holdings International Limited(「Polytec」)之全資附屬公司Intellinsight Holdings Limited(「IHL」)完成收購本公司百之五十一點五之股份,並於二零零二年一月提出無條件現金收購建議,以收購其餘之股份及購股權。當收購建議於二零零二年二月七日截止時,雖然公眾人士持有本公司股份之數量少於百分之二十五,IHL於二零零二年五月成功完成一系列股份配售予獨立第三者,藉以減低其持股量至353,023,083股或百分之七十二點九七,以符合香港聯合交易所有限公司上市規則(「上市規則」)有關最少公眾持股量之要求。

DIVIDENDS

The Board of Directors recommends the payment of a final dividend of ¢20 (2001 : ¢18) per share for the financial year ended 31 December 2002 to shareholders whose names appear on the Register of Members of the Company on 21 May 2003. The proposed final dividend is expected to be paid on 22 May 2003 following approval at the Annual General Meeting to be held on 21 May 2003. The final dividend together with the interim dividend of ¢5 per share paid on 16 October 2002, gives an aggregate dividend of ¢25 per share for the year, resulting in a total dividend payment of \$120.9 million. The dividend per share paid in 2001 was \$3.02 representing a special interim dividend in specie of 4 shares of KMB for every 37 shares of the Company held (equivalent to a dividend of \$2.8 per share), a second interim dividend of ¢4 and a final dividend of ¢18 per share.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Tuesday, 13 May 2003 to Wednesday, 21 May 2003, both dates inclusive, during which period no transfer of shares will be registered. To qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-6, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Monday, 12 May 2003.

CHANGE OF CONTROL AND MANAGEMENT

Intellinsight Holdings Limited(「IHL」), a wholly-owned subsidiary of Polytec Holdings International Limited(「Polytec」), acquired 51.5% of the shares of the Company on 18 December 2001 and made a mandatory unconditional cash offer for the remaining shares and share options of the Company in January 2002. Although less than 25% of the shares of the Company were in public hands when the offer closed on 7 February 2002, IHL reduced its holding in the Company by May 2002 to 353,023,083 shares or 72.97% by way of a series of placing of shares to independent third parties, thereby fulfilling the minimum public float requirement of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited(「Listing Rules」).

於二零零二年一月十六日，本公司已委任九名新任董事(包括本人)，而前任之董事除一名外，亦於二零零二年四月辭任以反映本公司控制權之變動。

業務回顧

自二零零二年初管理層變更以來，本集團之業務主要集中物業發展及投資。

為配合本集團之新業務重點，本集團於二零零二年三月以代價二千五百五十萬元出售豐城有限公司百分之五十權益，該公司在中國提供巴士服務，同時亦於二零零二年七月以象徵式代價出售九建雅琳達有限公司百分之八十權益，該公司從事造鞋機器貿易。

年內，本集團以總代價八億五千七百一十萬元向Polytec收購物業權益組合，將土地儲備之可建樓面面積增加約二百萬平方呎(全部為住宅或商住用途)。該項須予披露及關連交易已於二零零二年四月十五日獲得獨立股東之批准。上述所增加之可觀土地儲備，為本集團未來四至五年之發展及擴展作好充分準備。此外，於二零零二年八月，本集團獲市區重建局授予一項共同發展住宅項目，該項目位於堅尼地城加惠民道33號，可建樓面面積逾七萬八千方呎。

除上述外，本集團亦積極擴展其優質投資物業組合，於二零零二年三月購入尖沙咀東部文華中心(又名新文華中心)商場之零售商舖，以及於二零零二年六月購入旺角信和中心商場之零售商舖。

本集團絕大部分盈利來自投資物業之穩定經常性租金收入。投資物業組合包括面積達五十七萬四千平方呎之零售、辦公室及住宅物業，以及逾三百個停車位。

Reflecting the change of control of the Company, 9 new directors, including myself, were appointed on 16 January 2002 and all except one of the former directors had resigned by April 2002.

BUSINESS REVIEW

Since the change of management in the beginning of 2002, the Group's business has focused mainly on property development and investment.

In line with the Group's new business focus, the Group disposed of its 50% interests in Harvest City Limited, a company engaged in the provision of bus services in China, at a consideration of \$25.5 million in March 2002, and also its 80% interest in KDC Prologue Limited, which was engaged in shoe-making machinery trading, in July 2002 at a nominal value.

During the year, the Group increased the developable floor area of its landbank by approximately 2 million sq.ft. (for residential or retail and residential development) through the acquisition of a portfolio of property interests at an aggregate cost of \$857.1 million from Polytec. The transaction, being both a discloseable and connected party transaction, was approved by independent shareholders on 15 April 2002. This substantial increase in size of the landbank has secured opportunities for development and expansion for the next four to five years. Furthermore, in August 2002, the Group was awarded a joint venture residential project by the Urban Renewal Authority for a site at 33 Ka Wai Man Road, Kennedy Town with over 78,000 sq.ft. developable floor area.

Apart from the above, the Group has also actively expanded its portfolio of quality investment properties by acquiring retail space in the Commercial Podium of Mandarin Plaza (also known as New Mandarin Plaza) in Tsimshatsui East in March 2002 and retail shops in the shopping arcade of Sino Centre, Mongkok in June 2002.

A substantial portion of the Group's profit arises from steady and recurring rental income from the Group's investment properties. The investment property portfolio consists of 574,000 sq.ft. of retail, office and residential properties as well as over 300 carparking spaces.

二零零二年之物業發展淨盈利主要來自出售元朗采茵軒已落成之第一期一百零四個住宅單位及九十一個停車位。

前景

基於現時全球經濟放緩，持續之高失業率及通縮，香港正面對前所未有之挑戰。預期全球經濟不穩定將繼續對香港經濟造成影響。儘管在各種不利因素下，本集團之全體管理層及員工均積極面對，努力不懈，希望發掘更多商機，為集團未來業務發展扎好根基。

本集團於投資物業方面擁有穩定之租金收入，亦致力將投資物業之出租率維持於理想水平。物業銷售方面，位於般咸道63號之采文軒住宅單位將於二零零三年上半年適當時候推出發售。而位於堅尼地城北街12號之住宅項目亦將於二零零三年第四季完成並預計於二零零三年下半年推出發售。本集團亦將繼續透過收購具發展潛力或回報穩定物業，鞏固物業發展及投資組合。

儘管在不利條件下，本集團在回顧年度仍取得滿意表現。本人謹藉此對各董事及本集團全體員工於年內之勤奮工作及支持致以衷心感謝。

主席
柯為湘

香港，二零零三年四月九日

Net profits from property development for 2002 related primarily to the completion and sale of 104 residential units and 91 carparking spaces of Phase I of Recours La Serre in Yuen Long.

PROSPECTS

In light of the global economic downturn, continuing high rate of unemployment and deflation, Hong Kong is now facing unprecedented challenges. Global economic volatility is expected to continue to affect the economy of Hong Kong. Amidst these difficulties, the Group's management team and employees are ready to face the challenges ahead with confidence and dedication, and to explore new business opportunities for future growth.

With steady rental income from investment properties, the Group will strive to ensure that the occupancy of its investment properties is maintained at a satisfactory level. With regard to property sales, residential units of The Bonham Mansion at 63 Bonham Road will be launched to the market at an appropriate time in the first half of 2003; while the residential project at 12 North Street, Kennedy Town will be completed in the 4th quarter of 2003 and its units will be offered for sale in the market in the latter half of the same year. The Group will also continue to strengthen its portfolio of development and investment properties by acquiring properties with good development potential or steady returns.

Despite unfavourable conditions, the Group has been able to achieve a satisfactory performance for the year under review. I would like to take this opportunity to extend my heartfelt thanks to my fellow Directors and all staff members of the Group for their hard work and support during the year.

Or Wai Sheun
Chairman

Hong Kong, 9 April 2003