

財務資源及銀行貸款

本集團於二零零二年十二月三十一日之銀行貸款總數為十五億二千三百萬元(二零零一年：三億零二百萬元)。銀行貸款之大幅增加乃由於本集團於二零零二年購自Polytec之物業權益組合、新文華中心一樓商舖、信和中心商舖及本集團之物業權益發展支出。資本負債比率由百分之十上升至百分之四十七。隨著二零零三年初完成收購采文軒及本集團發展項目工程開始動工，本集團之負債比率預計將會提昇但卻以維持在符合本集團業務之適當水平為準。

本集團於二零零二年十二月三十一日約有五億七千萬銀行已承諾信貸額尚未動用，足以應付其來年之債務及承擔。預售本集團之發展中項目及轉售采文軒將於二零零三年內帶來現金流入。

利率及貨幣風險

銀行信貸乃配合本集團所需資金而按中期及短期形式進行。所有銀行借貸乃按浮動息率基準進行。管理層正密切留意所面對之利率風險及考慮利用現時低息率之環境對沖部份銀行借貸。由於本集團之核心業務乃於香港進行及大部份交易乃以港元為準，因此貨幣風險將不會對本集團構成重大影響。

資產抵押

於二零零二年十二月三十一日，本集團帳面值合共約三十三億七千七百萬元之物業已按固定質押抵押予銀行，以獲取授予本集團之一般銀行信貸。

或然負債

本集團就聯營公司訂立之履約保證書，已向某保險公司提供擔保，涉及金額為七百萬元。

FINANCIAL RESOURCES AND BANK BORROWINGS

As at 31 December 2002, the Group's total bank borrowings amounted to \$1,523 million (2001: \$302 million). The significant increase in bank borrowings during 2002 was due to the acquisition of the portfolio of property interests from Polytec, the retail space on the 1st Floor of New Mandarin Plaza, the retail shops in Sino Centre and the development expenditure incurred on the Group's property interests. The debt to equity ratio increased from 10% to 47%. With the completion of the acquisition of The Bonham Mansion in early 2003 and the commencement of construction works of the Group's development projects, an increase in the Group's gearing ratio is expected but will be maintained at a level appropriate to the Group's business.

The Group had committed undrawn bank facilities of approximately \$570 million as at 31 December 2002 which is sufficient to fulfill its obligations and commitments in the coming year. Pre-sales of the Group's development projects and re-sale of The Bonham Mansion are expected to generate cash inflows during 2003.

INTEREST RATE AND CURRENCY EXPOSURE

Bank facilities are arranged on both medium and short-term bases and are geared to the Group's funding needs. All bank borrowings are arranged on a floating rate basis. Management is closely monitoring the Group's exposure to interest rate risks and is considering hedging some of the Group's bank borrowings to take advantage of the existing low interest rate environment. The Group has no significant exposure to currency risk as most of the Group's core activities are carried out in Hong Kong and transactions are denominated in local currency.

PLEDGE OF ASSETS

As at 31 December 2002, properties of the Group with an aggregate carrying value of approximately \$3,377 million were pledged to banks under fixed charges to secure general banking facilities granted to the Group.

CONTINGENT LIABILITIES

The Group has given guarantees in the amount of \$7 million to an insurance company in respect of performance bonds entered into by certain associated companies.