

主席報告

Chairman's Statement

本集團截至二零零三年六月三十日止六個月之綜合營業額及股東應佔溢利分別約為港幣3.05億元及港幣5,700萬元，比去年同期分別下跌22.3%及27.7%。每股盈利為港幣3.8仙，比去年同期下降27.8%。董事會不宣派中期股息，情況與去年上半年相同。

上半年回顧

在二零零三年上半年，本集團的營業額中有89.5%來自於銷售已發展物業收入，其餘部分為租金及其他收入(佔收入的10.5%)。所有營業額均來自於北京市。

在本年度的上半年，北京市住宅市場銷售額為人民幣211億元，銷售面積490萬平方米，雖然市場需求強勁，但競爭也十分激烈。

本集團旗下位于市區的高密度大型項目，例如優士閣和峻峰華亭等，受到本年第二季度北京市爆發的非典型肺炎的影響，幾乎接近停銷、停建的狀態。幸好，疫情反而引起置業人士對健康的居住環境的關注，促進了本集團旗下翡翠城一、二期等位於市郊排屋和別墅項目的銷售，大大彌補了本集團市區樓盤銷售量的下跌。整體上，本集團在二零零三年上半年售出了64,486平方米的物業，比去年同期增長174.2%。非典型肺炎對物業銷售的衝擊屬於短暫性的，只是一定程度地推遲了置業時間，並沒有降低需求。隨著非典疫情結束，市場也已恢復正常。

The Group's consolidated turnover and profit attributable to shareholders for the six month ended 30th June, 2003 were approximately HK\$305 million and HK\$57 million, respectively, representing decrease of 22.3% and 27.7%, respectively, compared to the same period of last year. Earnings per share was HK3.8 cents, decrease 27.8% year on year. The Board of Directors not declare interim dividend, same as the first half of the previous financial year.

First Half Review

The Group generated 89.5% its revenues for the first half of 2003 from the sale of developed properties, supplemented by rental and other income (10.5% of revenues). All revenues were earned in Beijing City.

During the first half of this year, the sales value and sales area of the commodity residential property sector in Beijing were Rmb21.1 billion and 4.9 million square metre, respectively. Despite the solid demand, competition was very keen too.

Most notably, owing to the outbreak of SARS (Severe Acute Respiratory Syndrome) in Beijing in the second quarter of this year, sale and construction of the Group's mass property projects in the urban area, such as U-Space and Top Box, was virtually halted. Fortunately, the plague has arouse home-buyers' awareness of a healthy living environment and which, in turn, lifted sales of the Group's suburban townhouse and villa projects such as La Firenze Phases 1 and 2. This has to a large extent compensated the decline in sales of the Group's urban projects and, as a whole, the Group sold 64,486 square metre of properties in the first half of 2003, translating into a growth of 174.2% year on year. Moreover, the adverse impact on SARS on property sales was proved to be short-lived which merely caused a deferral of home purchase rather than extinguishing the demand. As the outbreak is now over, businesses are back to normal.

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此外，於二零零三年六月，中國人民銀行第121號文頒佈了一系列措施，限制商業銀行對房地產市場提供過量資金，旨在控制若干房地產市場環節特別是土地市場過熱的現象。此等措施包括限制銀行向發展商提供流動資金貸款、嚴禁承建商墊款施工等，其中最嚴格的是有關按揭方面的政策，例如不允許銀行在物業封頂之前發放按揭款等。這一系列新按揭措施都增加了高檔住宅和商用物業買家的借貸成本。董事會相信，第121號文一旦全面落實，可能會使很多規模小的發展商陷入信貸緊縮的局面，引發行業整合。本集團資本雄厚，擁有多方面的融資途徑，故銀行收緊貸款政策並不會造成太大影響。董事會相信本集團有充足財務資源應付現金流量短暫不足的情況。因此，雖然從短期來看，本集團會因為按揭回款時間不確定性的增加而受到一些影響，但長遠而言本集團會得利於由此而來的行業整合及競爭減少。

Furthermore, in June 2003, the central bank of China has promulgated a series of measures aimed at curbing the supply of excess capital from commercial banks to the property sector which was deemed to have caused overheating in certain real estate segments such as the land market. Such measures, announced via Circular 121 of the People's Bank of China (PBoC), restricted banks from providing working capital loans to property developers and loans to construction companies which are ultimately used in contractor financing to developers. The most stringent part of the measures are those concerning mortgages which, for instance, disallow banks from issuing mortgages for residential properties before they are structurally topped-out. The new mortgage policies, amongst other things, raises the borrowing costs for buyers of high-end residential properties and commercial properties. The Directors believe the measures contained in Circular 121, if fully implemented, could cause a credit-crunch for many smaller property companies and could trigger a consolidation of the over-fragmented industry. Being a well capitalized company possessing multiple sources of finance, the tightening of bank's lending policies is unlikely to affect the Group. Even if the new mortgage rules are enforced, the Directors believe the Group has sufficient financial resources to cope with the resulted temporary shortfall in cash flow. Consequently, while the impact on the Group may be mildly negative in the short term, due to the slightly increased uncertainty in cash inflow from mortgages, it should be positive in the long term, thanks to reduced competition.

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物業發展方面的最新資料

於二零零三年上半年，本集團售出及預售位於北京的住宅物業共64,486平方米，詳情如下：

主要樓盤銷售情況

推出日期 Launch Date	總建築面積 Total GFA	單位總數 Total Units	截至	截至	佔總數的 百分比 % of Total	截至	佔總數的 百分比 % of Total	二零零三年 上半年 已售面積 Area Sold in 1H03	平均售價 Average Price
			二零零三年 上半年累計 已售面積 Area Sold upto 1H03	二零零三年 上半年累計 已售單位 Units Sold upto 1H03					
	(平方米) (sq m)		(平方米) (sq m)					(平方米) (sq m)	(人民幣/ 平方米) (RMB/sq m)
翡翠城一期(別墅) La Firenze 1 (Villas)	39,497	161	14,032	36%	61	38%	4,816	6,960	
翡翠城二期(A區) La Firenze 2 (Area A)	75,237	381	40,113	53%	210	55%	21,957	4,909	
峻峰華亭 Top Box	55,816	311	2,862	5%	16	5%	1,264	9,737	
優士閣一期 U-Space Phase 1	58,593	600	20,636	35%	206	34%	9,503	8,417	
京通陽光華苑 Jingtong Sunny Uptown	330,648	3,339	303,668	92%	3,067	92%	20,433	4,273	
其它 Others									
住宅 Residential							4,757	7,781	
停車場 Car Park							1,756	4,028	
總數 Total	559,792	4,792	381,311	68%	3,560	74%	64,486	不適用 N/A	

在北京市以外，本集團旗下位於成都的項目進展良好。項目一期成都翡翠城已完成工地平整，該項目第一期的可出售面積約為125,400平方米，目前處於施工階段，並計劃在本年十月左右推出銷售。

Update of Property Development

During the first half of 2003, the Group sold and pre-sold 64,486 square metre of residential properties from the following key projects in Beijing City:

Sales Progress of Major Projects Launched on or before 1H03

Outside of Beijing City, the Group's project in Chengdu City is progressing well. Site-leveling for phase one of the project, known as Chengdu Jade City, comprising a saleable gross floor area of around 125,400 square metre, has completed. Construction is now in progress and the Group plan to launch the project in around October of this year.

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另一方面，本集團旗下位於上海的项目進展較預期慢，项目預售日期由原計劃的本年第四季度推延至二零零四年下半年。當地政府負責的居民拆遷工作正在進行中，董事會預期首幅完成拆遷清理的土地將於第四季度交付公司。上海项目的總建築面積逾200,000平方米，發展期為三年。

物業投資

本集團在北京市的重點投資物業如下：

On the other hand, the pace of the Group's project in Shanghai City is moving slower than the Group previously expected. Instead of the fourth quarter of this year, pre-sale of the Shanghai project is now re-scheduled to the second half of 2004. The relocation work for the existing dwellers on the site, which is handled by the local government, is still undergoing and the Directors expect the first plot of the cleared site to be handed-over to the Group in early fourth quarter of this year. The Shanghai Project has a total gross floor area of over 200,000 square metre and will be developed over 3 years.

Property Investment

The Group's key investment properties in Beijing City are as follows:

	本集團實際 擁有的權益 Effective Ownership Of the Group	總建築面積 Total Gross Floor Area	類別 Type
		(平方米) (sq m)	
西單文化廣場 Xidan Cultural Centre	70.4%	36,184	零售 Retail
華威大廈 Huawei Centre	35.2%	54,214	寓所／零售 Apartment/Retail
華南大廈 Huanan Building	14.7%	70,058	零售 Retail

西單文化廣場的整修工程目前在按計劃進行，董事會預期此購物中心將于本年十二月重開。華威大廈的服務公寓和短期租賃業務在第二季受到了非典的影響，因此在二零零三年上半年對本集團的業績貢獻遜於去年同期。

The renovation work for Xidan Cultural Centre has been progressing on schedule. The Directors expected this shopping mall to be reopened around December this year. The service-apartment and short-term rental businesses of Huawei Centre, was adversely affected by SARS in the second quarter. Consequently, its contribution to the Group in the first half of 2003 declined over the same period of last year.

土地儲備

本集團有充足土地儲備支持集團未來的增長，所以在二零零三年上半年並未購入任何土地。本集團目前的土地儲備總面積約543萬平方米。

Land Bank

Since the Group has sufficient land bank to support its growth for the near future, the Group did not purchase any land in the first half of 2003. The current total size of the Group's land bank remains at around 5.43 million square metre.

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負債及資本負債比率

截至二零零三年六月三十日，本集團的綜合借貸額為港幣32.7億元，現金及銀行結存為港幣14.3億元，其中53.3%為人民幣，其餘為美元。本集團的淨負債對股東權益比率為46.7%。

在本集團的借貸總額中，約46.4%為人民幣借款，其餘為美元借款，截至本年六月三十日為止，並未安排美元借款匯率對沖。其後，本集團與香港一間知名銀行簽定貨幣掉期合同，為約四分之一的美元貸款進行匯率對沖，規避人民幣貶值風險。本集團的匯率對沖政策是將匯率變動產生的負面風險維持在審慎水平，同時保留若干空間把握匯率變動產生的好處。

截至二零零三年六月三十日，本集團約41.5%的銀行貸款於一年內到期，而其餘則為長期貸款。本集團的平均借款成本為年息約4.2%。本集團所有銀行貸款的利率均為浮動利率。

僱員及酬金政策

本集團的僱員數目與酬金政策與本集團最近期刊發的年報所披露的資料無重大出入。

前景

由於非典型肺炎的陰霾已散，加上下半年屬於地產銷售旺季，董事會預期本集團下半年的銷售會較上半年有所增長。具體而言，本集團計劃於下半年推售四個新樓盤，增加可售面積超過400,000平方米。隨著物業需求持續上揚，外圍負面因素亦已消化，本集團業務將繼續增長，並為股東帶來合理的回報，對此董事會充滿信心。

Debt and Gearing

As of 30th June, 2003, the Group had consolidated borrowing of HK\$3.27 billion and cash and bank balances of HK\$1.43 billion, of which 53.3% was in Renminbi and the rest was in US dollars. The Group's net debt to net equity ratio stood at 46.7%.

Of the Group's total borrowing, about 46.4% was denominated in Renminbi and the rest was in US dollars. While Group did not hedge any of its US dollars exposure as of the balance sheet date, it subsequently entered into a currency swap arrangement with a reputable bank in Hong Kong to insure against the depreciation risk of Renminbi against US dollars for around a quarter of its US dollars loan exposure. The hedging policy of the Group is to control the downside risk of currency fluctuation at a prudent level while leaving a certain degree of upside potential.

As of 30th June, 2003, about 41.5% of the Group bank loans were due within one year and the rest were long term in nature. The average cost of borrowing of the Group was around 4.2% per annum. All of the loans are floating rate in nature.

Employee and Compensation Policies

There has been no material change in the number of employees the Group employed and in the compensation policies of the Group from the information disclosed in the Group most recent annual report.

Prospects

With SARS now behind us and a seasonally stronger second half, the Directors expect sales of the Group to increase in the second half over the first half of this year. In particular, the Group plans to launch four new projects in the second half of this year which should add over 400,000 square metre to the saleable resources of the Group. With the demand for property continue to rise and the worse of the external environment is now over, the Directors are confident that the Group will continue to grow and generate satisfactory return to shareholders.

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計劃於二零零三年下半年推售的樓盤

Projects Planned to Launch in Second Half of 2003

	預期推售日期 Expected Launch Date	總建築面積 Total GFA
		(平方米) (sq m)
置地星座 (前稱麗華中心) Grand Constellation (formerly known as Resources Centre)	已經於二零零三年七月推出 Launched in Jul-03	56,633
鳳凰城二期 Phoenix City Phase 2	二零零三年第四季 4Q03	123,637
住宅 Apartment		1,182
零售 Retail		55,275
停車場 Car Park		30,760
翡翠城二期 (B1區) La Firenze 2 (Area B1)	二零零三年第四季末 Late 4Q03	
成都翡翠城一期 Chengdu Jade City Phase 1	二零零三年十月 Oct-03	
住宅 Apartment		124,200
零售 Retail		2,476
停車場 Car Park		20,730
總數 Total		414,893

主席
寧高寧

Ning Gaoning
Chairman

二零零三年九月十六日

16th September, 2003