

RESULTS

Loss attributable to shareholders for the year ended 30th November, 2003 amounted to HK\$73.6 million (2002 (restated): HK\$256.3 million). Loss per share for the year was HK7.7 cents (2002 (restated): HK26.7 cents). Profit from operations for the year amounted to HK\$34.4 million (2002: loss from operations of HK\$150.8 million).

FINANCIAL AND INTEREST INCOME/ EXPENSES

Interest income for the year ended 30th November, 2003 decreased to HK\$1.9 million from HK\$2.3 million last year. This was due to the decrease in bank interest earned at the low level of bank interest rates offered. Finance costs capitalised for the year ended 30th November, 2003 increased to HK\$5.1 million over HK\$1.3 million last year. Interest expenses charged to the income statement increased to HK\$8.2 million from HK\$2.5 million last year. The Group accordingly recorded a net interest expense in the amount of HK\$6.3 million for the year as compared with HK\$0.2 million in year 2002.

DEBT AND GEARING

As at 30th November, 2003, the Group's bank and other borrowings increased to HK\$409.6 million (2002: HK\$327.9 million), of which HK\$17.5 million was payable within one year and HK\$392.1 million was payable after one year. HK\$255.9 million of the borrowings was secured while the remaining HK\$153.7 million was unsecured. Bank balances and cash amounted to HK\$22.0 million (2002: HK\$14.4 million), resulting in net borrowings of HK\$387.6 million (2002: HK\$313.5 million).

業績

截至二零零三年十一月三十日止年度之股東應佔虧損為港幣73,600,000元(二零零二年(重列): 港幣256,300,000元)。本年度之每股虧損為港幣7.7仙(二零零二年(重列): 港幣26.7仙)。本年度之經營溢利為港幣34,400,000元(二零零二年: 經營虧損港幣150,800,000元)。

財務及利息收入／開支

截至二零零三年十一月三十日止年度之利息收入由去年港幣2,300,000元減少至港幣1,900,000元，此乃銀行利率低廉令所賺銀行利息減少所致。截至二零零三年十一月三十日止年度撥充資本之財務費用增加至港幣5,100,000元，而去年為港幣1,300,000元。於收益表扣除之利息開支增加至港幣8,200,000元，而去年為港幣2,500,000元。因此，本集團於本年度錄得利息開支淨額為港幣6,300,000元，而二零零二年則為港幣200,000元。

債務及資本與負債比率

於二零零三年十一月三十日，本集團之銀行及其他借貸增加至港幣409,600,000元(二零零二年: 港幣327,900,000元)，其中港幣17,500,000元須於一年內償還，而港幣392,100,000元須於一年後償還。該等借貸中，港幣255,900,000元為有抵押借貸，餘下港幣153,700,000元為無抵押借貸。銀行結存及現金為港幣22,000,000元(二零零二年: 港幣14,400,000元)，因此借貸淨額為港幣387,600,000元(二零零二年: 港幣313,500,000元)。



FINANCIAL OPERATION REVIEW

財務業務回顧

Total debt to equity ratio was 31.9% (2002 (restated): 24.2%), which is expressed as a percentage of bank and other borrowings over the total net assets of HK\$1,283.8 million (2002 (restated): HK\$1,357.6 million). The net debt to equity ratio was 30.2% (2002 (restated): 23.1%), being a percentage of net borrowings over the total net assets. The increase in debt was due to the increase in borrowings for financing of development projects.

As at 30th November, 2003, the Group's borrowings were wholly denominated in Hong Kong dollars and carried at interest rates calculated with reference to Hong Kong Interbank Offered Rate. The Group did not have any financial instruments used for hedging purpose.

The Group's income were mainly denominated in Hong Kong or United States Dollars, partly in RMB. No hedging for non-Hong Kong Dollars assets or investment was made.

REMUNERATION POLICIES

During the year under review, the Group employed a total of 14 staff. Remuneration packages comprised salary and year-end bonuses based on individual merits.

NET ASSET VALUE

The Group's total net assets as at 30th November, 2003 amounted to HK\$1,283.8 million, a decrease of HK\$73.8 million or 5.4% as compared with the value of HK\$1,357.6 million (restated) as at 30th November, 2002. Total net asset value per share was HK\$1.34 (2002 (restated): HK\$1.41). The decrease mainly reflected the loss of HK\$73.6 million sustained for the year.

負債總額對權益比率為31.9%(二零零二年(重列): 24.2%), 即銀行及其他借貸對比總資產淨值港幣1,283,800,000元(二零零二年(重列): 港幣1,357,600,000元)之比率。負債淨額對權益比率為30.2%(二零零二年(重列): 23.1%), 即借貸淨額對比總資產淨值之比率。債務增加主要是為日後發展項目增加借貸所致。

於二零零三年十一月三十日, 本集團之借貸均以港元為面值, 息率參考香港銀行同業拆息計算。本集團並無使用任何金融工具作對沖用途。

本集團之收入主要以港元或美元為面值, 亦有部份以人民幣為面值。本集團並無就非港元資產或投資進行對沖。

薪酬政策

於回顧年度, 本集團共聘用14名僱員。薪酬包括月薪及視乎僱員本身表現而發之年終花紅。

資產淨值

於二零零三年十一月三十日, 本集團總資產淨值為港幣1,283,800,000元, 較二零零二年十一月三十日之港幣1,357,600,000元(重列)減少港幣73,800,000元或5.4%。每股總資產淨值為港幣1.34元(二零零二年(重列): 港幣1.41元)。總資產淨值之減少主要反映本年度錄得之虧損港幣73,600,000元。

PROPERTY VALUATION

As at 30th November, 2003, a property valuation has been carried out by Norton Appraisals Limited, registered professional surveyors, in respect of the Group's investment properties. That valuation was used in preparing 2003 financial statements of the Group. The Group's investment properties were valued at HK\$499.9 million (2002: HK\$477.3 million), comprising a net surplus on revaluation of HK\$45.1 million recognised for the year.

PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

As at 30th November, 2003, the Group's investment properties, properties under development for sale and time deposits with an aggregate book value of HK\$985.8 million (2002: HK\$1,018.6 million) were pledged to secure general banking facilities of the Group. The contingent liabilities of the Group in respect of guarantees given to banks and financial institutions for general facilities made available to associates and an investee company as at 30th November, 2003 were HK\$344.6 million (2002: HK\$62.3 million).

OBLIGATIONS UNDER BANKING FACILITIES DOCUMENTATION

The following is the particulars of loan covenants which impose specific performance obligations on the controlling shareholders of the Company as at 30th November 2003:

In respect of a banking facility of HK\$910 million with a term of 4 years granted to a wholly-owned subsidiary of the Company, Chinese Estates Holdings Limited ("Chinese Estates") and Solar Chain Limited ("Solar Chain") together will maintain a controlling interest in the borrower of not less than 35%. In addition, as one of the guarantors of the banking facility, Chinese Estates will maintain a minimum consolidated tangible net worth of HK\$10 billion, and total consolidated liabilities to total consolidated tangible net worth not exceeding 70%.

物業估值

於二零零三年十一月三十日，本集團之投資物業已由註冊專業測量師普敦國際評估有限公司進行物業估值，該估值乃用以編製本集團二零零三年之財務報表。本集團投資物業之估值為港幣499,900,000元(二零零二年：港幣477,300,000元)，包括本年度確認之重估盈餘淨額港幣45,100,000元。

資產抵押及或然負債

於二零零三年十一月三十日，本集團賬面總值為港幣985,800,000元(二零零二年：港幣1,018,600,000元)之投資物業、發展中待售物業及定期存款已抵押，作為本集團一般銀行融資之擔保。於二零零三年十一月三十日，本集團就給予聯營公司及接受投資公司之一般融資而向銀行及財務機構作出擔保之或然負債為港幣344,600,000元(二零零二年：港幣62,300,000元)。

根據銀行信貸之承擔

於二零零三年十一月三十日，對本公司控股股東強制履行責任之貸款契約之資料如下：

就本公司一間全資附屬公司獲批金額港幣910,000,000元為期四年之銀行信貸，Chinese Estates Holdings Limited(「華人置業」)及Solar Chain Limited(「Solar Chain」)須於借貸人維持不少於35%之控股權益。此外，作為該項銀行信貸之擔保人之一，華人置業須維持最少港幣10,000,000,000元之綜合有形資產淨值，而綜合負債總額與綜合有形資產淨值總額之比率不超過70%。



FINANCIAL OPERATION REVIEW

財務業務回顧

AFFILIATED COMPANIES

An unaudited proforma combined balance sheet of the affiliated companies of the Group and the interest attributable to the Group as at 31st January, 2004 (the latest practicable date) are as follows:

聯屬公司

本集團的聯屬公司之未經審核備考合併資產負債表及本集團於二零零四年一月三十一日(最後實際可行日期)之應佔權益如下:

		(Note)	
		(附註)	
		Interest	
		Combined	attributable
		total	to the Group
		合併總值	本集團應佔權益
		HK\$million	HK\$million
		港幣百萬元	港幣百萬元
Non-current assets	非流動資產		
Investment properties and other fixed assets	投資物業及其他固定資產	231	46
Interests in associates	聯營公司權益	6	2
Mortgage loans receivable	應收按揭貸款	3	1
Current assets	流動資產		
Properties under development for sale	待售發展中物業	513	128
Other current assets	其他流動資產	94	22
Current liabilities	流動負債		
Bank borrowings	銀行借貸	(136)	(27)
Other current liabilities	其他流動負債	(220)	(38)
Net current assets	流動資產淨值	251	85
Non-current liabilities	非流動負債		
Bank borrowings	銀行借貸	(390)	(98)
Other non-current liabilities	其他非流動負債	(1,522)	(32)
Minority interests	少數股東權益	(46)	(9)
Net liabilities	負債淨額	(1,467)	(5)
Contingent liabilities	或然負債	-	-
Capital commitments	資本承擔	199	50

Note:

Consolidated adjustments relating to interests in affiliated companies were included to conform with the Group's accounting policies.

附註:

已計入有關聯屬公司權益之綜合調整,以符合本集團之會計政策。