

Chairman's Statement

主席報告



Chu Mang Yee Chairman

朱孟依 主席

“ While upholding its corporate mission in “The perfect realization of quality of living”, its well-defined development strategy, regulated corporate structure and solid fundamentals continued to steer the Group’s development in the property industry in China.

本集團秉承「優質生活，完美體現」的企業理念，憑藉成熟的開發模式、規範的管理體系以及雄厚的發展實力馳騁中國房地產市場。

I am delighted to present to our shareholders the annual results of Hopson Development Holdings Limited (“Hopson” or the “Company”) for the year ended 31st December 2003.

FINANCIAL RESULTS

Against the background of intense market competitions, the Company together with its subsidiaries (the “Group”) achieved record breaking results for the year under review. Profit attributable to shareholders amounted to HK\$315,354,000, representing an increase of 38% as compared to year 2002. Earnings per share were HK31 cents.

DIVIDEND

The Board of Directors recommended a payment of a final dividend of HK3 cents per share. This, together with the interim dividend of HK2 cents per share, the total dividend payout for the year will be HK5 cents per share.

本人欣然提呈合生創展集團有限公司（「合生創展」或「本公司」）截至二零零三年十二月三十一日止年度的全年業績，以供股東省覽。

財務業績

在回顧年度內，本公司連同其附屬公司（統稱「本集團」）在競爭激烈的市場中仍取得破紀錄的業績。集團錄得股東應佔溢利為315,354,000港元，較二零零二年上升38%。每股盈利為31港仙。

股息

董事會建議派發末期股息每股3港仙。連同中期股息每股2港仙，全年派發股息每股5港仙。

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Guangzhou • Gallopade Park-South Court
廣州 • 駿景花園—南苑



Beijing • Beijing Regal Court
北京 • 北京珠江帝景

MARKET OVERVIEW AND OPERATING ENVIRONMENT

Despite the outbreak of the Severe Acute Respiratory Syndrome (“SARS”) and its ramifications on the Chinese economy in 2003, China’s Gross Domestic Product (“GDP”) grew by 9.1% over that of 2002, which has been the fastest growth rate since 1997. Investment in property development, witnessing the highest growth rate since 1998, reached 30% as compared to that of 2002. The rapidly growing economy, together with the increasing personal income of the people and the potential demand attributed by the people’s desire to improve their living standards contributed immensely to the robust growth of the China’s property industry.

Favourable factors such as the continuous growth in China’s economy, the rise in personal income, wealth and consumption power as well as the desire in property investments, all helped to propel the demand for quality residential properties in China. The wealth effect as a result of the strong economic growth spurred the demand for quality homes. This phenomenon is

市場概況及經營環境

二零零三年中國經濟雖然受到爆發嚴重急性呼吸系統綜合症（「非典型肺炎」）的衝擊，但全年國內生產總值（「GDP」）仍比二零零二年增長9.1%，是自一九九七年以來增長最快的年份。全年國內房地產投資額增長速度是自從一九九八年以來錄得新高，比二零零二年增長達30%，高速發展的國民經濟、不斷提高的居民收入水平，以及居民對改善居住條件潛在的巨大需求，成為支撐房地產市場平穩發展的基礎力量。

隨着中國經濟持續穩定增長，居民的收入、財富以致消費力及置業意欲亦隨着上升，對其住屋的品質的需求亦相應提高。經濟增長為市民帶來的財富效應帶動較優質物業之市場需求，此現象於多個中國主要城市尤為明顯。累積多

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especially prominent in China's major cities. Leveraging on its extensive experience, the Group established solid reputation in the property industry in Guangzhou. To capture the enormous opportunities brought forth by the strong economic growth in China, the Group has commenced its cross-regional investments in 2002. Embracing its development strategy, the Group continued to implement various quality and large-scale property development projects in strategically selected cities such as Beijing, Tianjin, Shanghai and Guangzhou in 2003.

GUANGZHOU

Guangzhou's GDP growth in 2003 reached its highest in eight years at 15%. Market demand continued to record a stable growth with transaction areas of commodity property amounting to 9.07 million sq.m., representing a year-on-year increase of 14.1% as compared to 2002.

Focusing on Tianhe Sports Centre as a central point, the Guangzhou Municipal Government has been actively adopting a development strategy in developing to expand eastward and southward in recent years. The Group's property development is well in line with the Government's strategy. The Group in 2003 benefited from the commencement and completion of construction of various large-scale infrastructure projects. In light of the commencement of construction of the Metro line No. 3, the relocation of the Guangzhou Exchange Expo to the Guangzhou International Convention and Exhibition Center as well as the commencement of construction of the "Guangzhou University Project", it is expected that the pedestrian flow in the southern part of Guangzhou will grow remarkably. The Group's various property developments, namely Pleasant View Garden and Huanan New City together with Regal Riviera, performed impressively. In addition, as far as the eastern part of Guangzhou is concerned, further enhancement of the "Guangzhou Science City" and the commencement of the surveying work of the Metro line No. 5 will further improve the competitiveness of Gallopade Park and Huajing New City.

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年的經驗，本集團於廣州地區之房地產業已建立一定的名聲。為抓緊中國經濟近年迅速發展的機遇，本集團已於二零零二年開展跨地區之投資。於二零零三年，本集團繼續秉承以往的發展策略，於多個經策略性地挑選的城市，如北京、天津、上海及廣州重點發展優質大型綜合住宅項目。

廣州

廣州二零零三年的GDP增長速度達15%，創近八年來新高。住宅成交面積為9,070,000平方米，比二零零二年增長14.1%，市場的需求保持穩定增長。

近年，廣州市政府積極推行從天河體育中心，逐步向東及向南發展的政策。本集團旗下所有樓盤均在城市發展的主要方向上。二零零三年之業績受惠於多項大型城市基建的開工或落成。在廣州市南面，隨著地鐵三號線的開工，廣州交易會會址遷移到廣州國際會議展覽中心以及「廣州大學城」開始動工令該地區之人流更為暢旺。而本集團之樓盤如逸景翠園與華南新城連同珠江帝景均都獲得良好的表現。另外，在廣州市東面，「廣州科學城」的逐步完善與地鐵五號線開始勘探規劃，加大本集團的駿景花園及華景新城的市場優勢。

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While the property market in Guangzhou is mature and there is continuous growth in demand, market supply remains sufficient.

BEIJING

The GDP of Beijing in 2003 surged by 11% as compared to 2002, with the sales of various commodity properties amounting to 15.67 million sq. m.. The success in combating SARS bolstered the people's confidence in property investment and home buying in Beijing. Total investment in residential buildings amounted to RMB69.24 billion, representing an increase of 9.1% as compared with that in 2002. As the preparation for the Olympic Games has gone well underway in Beijing and the construction of various infrastructure projects, such as sports centers, railways and public transportation system has already commenced, all of these factors stimulated a positive effect on the property market in 2003. In addition, the infrastructure development in relation to the Central Business District ("CBD") in Beijing hogged the limelight in the market. The Group's three property developments, namely Beijing Regal Court, Città Eterna and Fresh Life Garden, are all located in the peripheral areas of CBD. The pre-sale of all three property developments commenced in 2003 and recorded promising sales performance.

Opportunities as well as challenges remained as far as government policies are concerned. The implementation of "Land Use Planning Regulations" in 2003 stipulated a tight regulation on the land supply as well as the abolishment of sale of land agreements, which limited property developer's ability in acquiring quality land lots, yet benefiting those developers with considerable land reserves. In addition, the Government also tightened the pre-sale criteria of commodity properties, which in turn, increase the capital requirement for property developers. Lastly, the legal approval of "Implementation Measures for Resale of Public Housing in Open Market" of Beijing City also enabled its people to resell the relatively cheaply acquired government allocated public housing in the market. This plan has a positive impact on the people's wealth, which in turn stimulates sales in the property market. Overall, the new government policies introduced in 2003 expedited the Group's business development immensely.

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但是，我們必須注意到廣州作為全國最成熟的房地產市場之一，雖然需求不斷增加，但市場供應仍然充足。

北京

北京於二零零三年之GDP比二零零二年增長11%，全年住宅銷售的總面積15,670,000平方米。而防治「非典型肺炎」的成功，增強了市民於北京投資與置業的信心。全年完成住宅投資人民幣69,240,000,000元，比二零零二年增長9.1%。隨著二零零三年北京奧運之籌備進入實質性開發階段，各項基礎建設，如奧運場館、鐵路及公共交通等設施之動工使各項對房地產的利好效應在二零零三年開始呈現。另外，位於北京中央商務區（「CBD」）的建設備受矚目。本集團在北京的三個項目北京珠江帝景、羅馬嘉園與珠江綠洲家園都處於CBD之周邊區域，在二零零三年相繼推出市場，銷售狀況表現良好。

在政府政策調控方面，機會與挑戰並存。政府二零零三年陸續推出《土地利用規劃條例》，嚴格控制土地供應，取消土地協議出讓的方式，令發展商於短期未來難以以此方式大量收購優質土地，而擁有大量土地儲備的發展商將會受惠。另外，政府亦推出提高商品房預售條件的政策，提高了房地產商對資金之要求。最後，《北京市已購公有住房上市出售實施辦法》通過了市民可將以往廉價從國家分配到的公共房屋於市場出售，使人民財富上升繼而刺激房地產市場的成交。總體而言，北京市政府於二零零三年所推出的房屋政策能大力推動本集團之業務發展。

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SHANGHAI

Shanghai's GDP increased by 12% as compared to that of 2002. The implementation of a series of city planning measures has accelerated the pace in the development of key infrastructure projects and propelled the growth of the property sector in the metro and surrounding areas. The 2010 World Expo and the massive influx of foreign funds promoted the speedy yet healthy development of Shanghai. Rosy expectations remain in the property industry in Shanghai. The investments in commodity properties totalled RMB90.12 billion, representing an increase of 20% as compared to that of 2002 and the fastest growth across all industries. Total sales of commodity properties amounted to 22.25 million sq. m. and the average price increased by 21%, making Shanghai one of the cities with the fastest growth in property prices. The Group acquired two land lots in Shanghai in 2002 and 2003 respectively. Looking ahead, solid fundamentals underlying the property industry in Shanghai provided the Group with ample room for growth in 2004.

TIANJIN

The GDP increased by 15% in 2003 as compared to that of last year and sales of commodity properties reached unprecedented levels. Sales of commodity properties amounted to 10.22 million sq. m., which increased by 55% as compared to last year's. There was a tremendous inflow of external funds in the property development sector in Tianjin. Total property investment amounted to RMB 21.14 billion, which increased by 20%. The upsurge in property investment and the large-scale relocation of urban citizens in Tianjin spurred the demand for residential properties. All of the above provided favourable conditions for the sales performance of the Group's large scale property projects in Tianjin in 2004.

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上海

上海的GDP比二零零二年增長12%。上海實施新一輪城市總體規劃，加快城鎮設計之優化、重點產業的基地建設，直接帶動周邊地區房地產業之發展。加上成功申辦二零一零年世界博覽會以及外來資金湧入之雙重利好因素推動上海市快速健康發展。其樓市之表現持續看好，全年完成房地產開發投資額人民幣90,120,000,000元，比二零零二年增長20%，居各行業之首。全年住宅成交面積22,250,000平方米，房地產價格平均升幅高達21%，已經成為國內地產樓價升幅最快城市之一。本集團分別於二零零二年及二零零三年在上海購置兩地塊。良好之市場環境對本集團於二零零四年在上海房地產市場之發展提供更廣闊的發展空間。

天津

二零零三GDP比上年增長15%，商品房銷售亦創歷史最高紀錄。全年實現商品房銷售總建築面積10,220,000平方米，比上年增長55%。外地投資商大量在天津進行房地開發投資，全年完成總投資人民幣21,140,000,000元，增長20%。房地產之投資額大增，加上天津市大規模的城市居民拆遷，增加市場對住宅的需求，令本集團計劃在二零零四年推出市場位於天津的大型綜合項目前景較為樂觀。

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GROUP'S SALES PERFORMANCE

While upholding its corporate mission of "The perfect realization of quality of living", its well-defined development strategy, regulated corporate structure and solid fundamentals continued to steer the Group's development in the property industry in China. Against the impact of the SARS outbreak, which took a toll on the property industries in certain cities in China during the first half of 2003, the Group still managed to record stable growth in its business operations in mainland China. In aggregate, 4,543 units in various property developments in Guangzhou such as Gallopade Park – South Court, Huanan New City, Pleasant View Garden, Fairview South Court, Huajing New City – Fragrant Garden as well as Regal Riviera, representing a GFA of approximately 543,078 sq.m. were sold.

As one of the first southern China developers starting their investments in the northern part of China, the Group has been making promising progress in its developments in Beijing and Shanghai and managed to establish its brand name in the major cities in China. In 2003, the Group sold 1,106 units of Fresh Life Garden, Beijing Regal Court and Città Eterna, with a total GFA sold amounted to 149,725 sq. m. Each project earned market recognition that is synonymous with quality.

Meanwhile, in Shanghai, Hopson Binjiang Court and the Lung Meng projects are undergoing their development stage.

Overall, 5,649 units were sold in 2003. Total GFA sold reached historical high of 692,803 sq. m., an increase of 212,799 sq. m. as compared to last year.

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集團銷售表現

二零零三年，本集團秉承「優質生活，完美體現」的企業理念，憑藉成熟的開發模式、規範的管理體系以及雄厚的發展實力馳騁中國房地產市場。儘管上半年國內部分城市受「非典型肺炎」爆發影響，間接衝擊地產市場，本集團於各地的業務仍穩健發展。二零零三年，集團於廣州所開發的項目包括駿景花園－南苑、華南新城、逸景翠園、愉景南苑、華景新城－芳滿庭園，連同珠江帝景，成功售出單位合共4,543套，銷售總建築面積合共約543,078平方米。

本集團作為南方較早北上拓展的大型發展商，目前在北京、上海等地項目的發展均非常順利。其品牌已在中國的主要大城市獲得認同。二零零三年，集團於北京開發的珠江綠洲家園、北京珠江帝景以及珠江羅馬嘉園，合共售出單位1,106套，銷售總建築面積合共約149,725平方米，各項目均成功樹立優質品牌形象。

上海方面，合生濱江苑和龍盟項目正處於前期積極規劃階段。

總括而言，二零零三年出售單位共5,649套，銷售總建築面積合共約692,803平方米，比去年增加212,799平方米，刷新歷年最高記錄。

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In 2003, the Group and its development projects continued to gain promising reception and praises from its customers. The Group was one of the "Top 10 listed property companies in China" and various projects such as Pleasant View Garden, Huajing New City and Regal Riviera won numerous accolades in the property industry.

PROJECT DEVELOPMENT PROGRESS

During the period under review, all the projects in Guangzhou and Beijing progressed smoothly as planned. Gallopade Park – South Court, Pleasant View Garden, Regal Riviera and Fairview South Court in Guangzhou and the first phase of Fresh Life Garden in Beijing were delivered to buyers as scheduled during the year. In addition, Tianjin Zhujiang Hot Spring City, the mega-size project that integrates holiday resort, travel and residential units in Tianjin has already commenced its development. As at the end of 2003, total GFA of all the projects under development of 2,660,718 sq. m. reached its historical levels.

LANDBANK REPLENISHMENT

In order to sustain the current pace of expansion, the Group adopted a cross-regional development plan, focusing on landbank with large site areas and in 2003 acquired sites in various high growth cities with huge potentials such as Guangzhou and Shanghai, so as to further enhance its already abundant landbank. In Guangzhou, the Group was actively preparing for the acquisition of sites in Nanzhou Road and land lot G1-2 in the central part of Pearl River New City, comprising a site area of approximately 56,000 sq. m. and 6,000 sq. m., respectively. In Shanghai, the Group successfully acquired landbank of the Lung Meng project with a total site area of approximately 517,000 sq. m.. The management believes that the existing landbank will be sufficient for the Group to sustain its business growth in the foreseeable future.

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二零零三年，集團及旗下所開發項目均受到客戶熱烈追捧，贏得廣泛讚譽，集團榮膺「中國房地產上市公司十強」，逸景翠園、華景新城、珠江帝景等項目也同時獲得業界多項殊榮。

項目發展進度

回顧期間，本集團於廣州及北京等地區各項目的工程均如期進行。廣州地區的駿景花園一南苑、逸景翠園、珠江帝景、愉景南苑之相關樓宇以及北京地區的珠江綠洲家園首期於年內陸續如期交樓。此外，位於天津一個集渡假、旅遊及居住一體的超大型項目，天津珠江溫泉城，亦已正式動工。截至年底前，本集團於廣州、北京及天津等主要城市興建中的總建築面積約為2,660,718平方米，為歷年之最。

增購土地儲備

為實現集團跨地區發展的擴張步伐，集團在土地儲備上謀求規模化發展，於廣州、上海等房地產發展前景廣闊的城市增購土地，進一步擴大已然充裕的土地儲備。二零零三年積極籌備位於廣州地區南洲路地塊以及廣州珠江新城中部G1-2地塊，佔地面積分別約56,000平方米和約6,000平方米，同時成功於上海購置「龍盟」地塊，佔地面積約517,000平方米。管理層相信目前所擁有的土地儲備足夠為集團於可見將來持續發展之用。

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MATERIAL ACQUISITION

On 20th February 2003, the Group acquired 100% of the share capital of Chia Lung Group Company Limited ("Chia Lung") and Prestige Dragon Development Limited ("Prestige Dragon") which are incorporated in Western Samoa and Hong Kong, respectively. Chia Lung and Prestige Dragon collectively owned 75% of Shanghai Long Meng Company Limited which is incorporated in mainland China and owned a piece of land with a total site area of approximately 517,000 sq.m. in Shanghai, mainland China. Capital contribution together with site clearance fees amounted to approximately HK\$403 million.

PROSPECTS

China's rapid economic growth will further increase personal income of its people and enhance the demand for improving living standards and property investments. Overall, the momentum in the property industry will remain strong in the foreseeable future. Given the tremendous room for growth in China's property industry, the Group will continue to strengthen its established brand name and accelerate its pace of development.

In addition to its existing property portfolio, the Group will seize every opportunity to further expand its business developments. In 2004, the Group will launch its various property developments in Guangzhou, namely, Gallopade Park – South Court, Huanan New City, Pleasant View Garden, Huajing New City – Fragrant Garden and Regal Riviera. In Beijing, in addition to those which the Group has already launched in the market, such as central zone of Fresh Life Garden, Beijing Regal Court Zone B and Città Eterna Phase I, the Group will further introduce the eastern zone of Fresh Life Garden and Città Eterna Phase II. The pre-sale of the Group's project developments in Shanghai and Tianjin is also expected to commence in 2004. Barring unforeseen circumstances, it is expected that the Group will perform reasonably well in 2004.

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重大收購項目

於二零零三年二月二十日，本集團購入佳龍集團有限公司（「佳龍」）及譽龍發展有限公司（「譽龍」）全部股本，該兩間公司分別於薩摩亞群島及香港註冊成立。佳龍及譽龍共同擁有上海龍盟有限公司75%權益。上海龍盟有限公司於中國大陸註冊成立並在中國大陸上海擁有一塊佔地積約517,000平方米之土地。注資額與拆遷費總共約403,000,000港元。

業務展望

中國高速發展的國民經濟會不斷提高居民收入，並引發居民對改善居住環境和投資物業的龐大潛在需求。在可見將來，中國房地產總體發展勢頭依然看好。受惠於國內良好地產市場發展空間，本集團將憑藉已取得的成功品牌，一如既往繼續其發展步伐。

集團開發物業在保持現有區域基礎上，將努力拓展新的發展空間。踏入二零零四年，集團於廣州地區將繼續推售駿景花園－南苑、華南新城、逸景翠園、華景新城－芳滿庭園、珠江帝景等知名項目。而北京地區將繼二零零三年已推廣的珠江綠洲家園中區、北京珠江帝景B區以及珠江羅馬嘉園一期之外亦會加推珠江綠洲家園東區和珠江羅馬嘉園二期。此外，集團位於上海、天津地區之新開發計劃也預計於二零零四年內開始預售。除非有不可預見之情況，集團於二零零四年將會有合理之表現。

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In 2004, in addition to further reinforcing its competitiveness in the residential properties sector, the Group plans to increase the sale or rental of its shopping arcade and car parks to strengthen its return on assets. The Group will also proceed with the development of commercial properties such as office buildings. The commercial projects of Yuehua and Gallopade Park Phase 4 have already entered their development stage in early 2004.

It is noteworthy that while China's economy and its property industry remains strong growing and at a fast pace, property developers are faced with certain inherent risks. Market supply remains sufficient, particularly in Guangzhou. Cost of construction materials, such as steel, surged persistently last year. These factors would have an impact on the future profitability of the real estate developers in China.

In light of these challenges, the Group will continue to maximize sales while enhancing the profit margin and efficiency of its projects. The management will adopt stringent cost control measures, especially in regards to the cost of construction, selling, marketing and general and administrative expenses. The Group will, with the benefit of its established brand name, aim at maximizing the selling prices of its property developments. The management will also closely monitor the cash flows of properties sold in an effort to reduce the Group's finance costs.

Capitalizing on the immense momentum of China's economy and property market, the Group will take steps to reinforce its brand name, its product and service quality and to strengthen its professional team and operating efficiency. The management is determined to seize every opportunity to enhance the Group's overall competitiveness.

主席報告

另外，集團將於二零零四年鞏固在住宅方面優勢之餘，為增強資產回報，亦會計劃增加出售或出租本集團的商舖及車位；同時亦會進行發展如寫字樓的商業項目，如位於廣州地區的越華商業項目和駿景花園第四期之商業項目將於二零零四年初進入開發階段。

但於中國大陸經濟以及房地產業快速增長的同時，房地產發展商亦面對一定的風險。這包括市場供應仍然充足，尤以廣州為甚，以及主要建築原材料，如鋼材之價格於去年不斷上升。此等風險將影響中國房地產發展商未來的利潤率。

面對市場上的挑戰，本集團於未來一年在爭取銷售額的同時，管理階層亦會繼續著重各項目的利潤率以及營運效率。各項目公司之管理層亦會繼續嚴格控制其建築成本、銷售及管理費用。同時，本集團亦會倚仗其於中國大陸房地產業已建立的品牌效應，務求使樓宇之單位售價於競爭激烈之市場環境下達至最大化。另外，管理層亦會注重銷售房款資金回籠的情況，以盡量減輕本集團之財務成本。

本集團將把握中國經濟快速增長帶動樓市同步向前之良機，充分發揮超卓品牌、高質素產品及服務、專業人才隊伍及高效管理運營之優勢。同時，管理層亦會尋找適當的商機，以增加集團的競爭力。

Chairman's Statement

主席報告

Lastly, I would like to take this opportunity to express my heartfelt gratitude to my fellow directors for their advice and to all members of our staff for their devotion and support.

CHU MANG YEE

Chairman

Hong Kong, 21st April 2004

最後，本人亦藉此機會對各董事所提供之意見及全體員工之努力貢獻及支持，深表謝意。

主席

朱孟依

香港，二零零四年四月二十一日