

MAJOR PRODUCTS

The Group mainly produces and markets medium-gauge steel plates, steel sections, wire rods, steel billets, etc.. The Group also engages in the sale of non-steel by-products produced in the course of its iron and steel production process. The Group is one of the largest producers of medium-gauge steel plates in the PRC. The Group's steel plates for shipbuilding, pressure vessel plates and steel plates for boilers are well known for their superb quality and have received a number of quality awards and quality certificates issued by a number of domestic and international professional organisations.

Major products of the Group in 2002 and their applications are set out below:

A. Medium-gauge steel plates

Plates for shipbuilding:

Mainly used in the construction of the skeleton of ships.

Pressure vessel plates:

Mainly used in the manufacturing of pressure vessels such as reaction vessels, heat exchanging vessels, separating vessels and storage vessels.

Plates for boilers:

Mainly used in the manufacturing of cylinders and shell covers for medium and low pressure boilers.

Normal carbon structural plates:

Widely used in the machinery, construction and transportation industries.

A variety of low-alloy steel plates and others:

Widely used in machine engineering, heavy vehicle manufacturing, construction of bridges, mining and heat-resistant equipment.

Medium-gauge plates accounted for approximately 44.77% of the sales of the Group in 2002.

B. Steel sections

Widely used in the machinery, construction, shipbuilding, mining and transportation industries.

Steel sections accounted for approximately 17.94% of the sales of the Group in 2002.

C. Wire rods

Mainly used in the construction industry.

Wire rod products accounted for approximately 11.75% of the sales of the Group in 2002.

MAJOR PRODUCTS (CONTINUED)

D. Steel billets

Mainly sold to other steel producers whom does not deem as competitors of the Group and exported continuous casting steel billets.

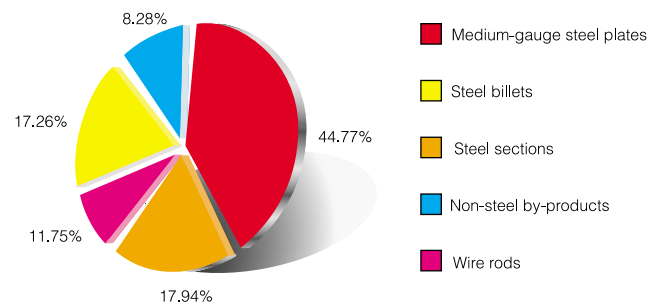
Steel billets accounted for approximately 17.26% of the total sales of the Group in 2002.

E. Non-steel by-products

The non-steel by-products produced in the course of iron and steel production process mainly include coking coal, coking by-products such as industrial naphthalene, ammonium sulphate, crude benzene etc., blast furnace grain slag and the provision of utilities such as water and electricity.

Non-steel products accounted for approximately [8.28]% of the total sales of the Group in 2002.

Sales Analysis of Principal Products of the Group for 2002



The Company awarded with "China May 1st Labour Prize"



Steel section production line



Cutting of a sliding hot cutter



Steel smelting control room for rolling furnaces

Refining system outside LF furnace of the Steel Smelting Plant



Medium-gauge steel plates production line

