



本人謹此提呈本公司截至二零零一年十二月三十一日止年度報告，並向各位股東致意。

I have pleasure in presenting the annual report of the Company for the year ended 31st December 2001 and express my gratitude to shareholders of the Company.

◀ 唐民偉 董事長 Tang Min Wei Chairman

## 經營業績

二零零一年，由於國內鋼材生產總量增長過快，同時鋼材進口大幅增加，出口急劇減少，鋼材消費水平又處於不斷回落的局面，且鋼材價格從五月末呈逐月下跌的勢頭，鋼材市場競爭較二零零零年明顯加劇。面對競爭日趨激烈的鋼材市場形勢，本集團堅持強化營銷，加強企業內部管理，優化產品結構，改善各項技術經濟指標，努力降低生產成本，有效發揮生產能力，保持了生產經營的穩步發展，實現了人民幣207,271,000元盈利目標。

### 1、調整營銷策略，強化市場銷售

本集團根據市場需求狀況的變化，不斷地鞏固和拓展華東、中南、東北、西北市場，努力擴大西南市場，堅持保價、促銷、增回款的營銷原則，使鋼材銷售量大幅上升。全年銷售鋼材150.80萬噸，與二零零零年同比提高了5.90%；貨款回籠率為103.59%，同比提高了2.58個百分點。

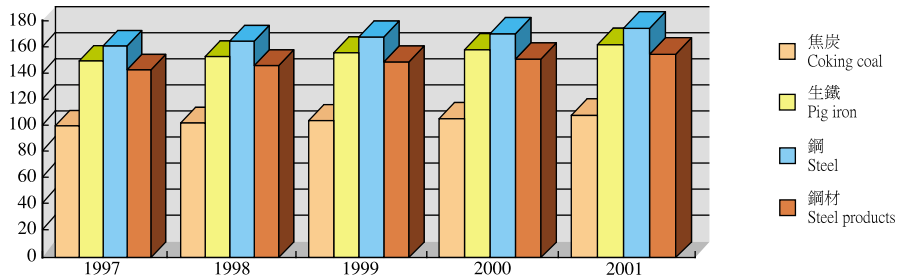
## Operating results

In 2001, the total domestic production volume of steel increased rapidly. In addition, the import of steel increased significantly and the export of steel decreased sharply. The level of consumption of steel continued to decrease and the steel prices were falling month by month since May. As a result, competition in steel market was more severe than 2000. In view of the fierce competition in the steel market, the Group strived to strengthen marketing force; to reinforce internal management; to enhance product mix; to improve various technical and economic targets; to put efforts in reducing production costs; and to maximise the utilisation of production capacity. The Group was therefore able to maintain stable development in production and operation and achieved the profit target of Rmb207,271,000.

### 1. Adjusting marketing strategies to strengthen sales

In line with the changes in the market conditions, the Group continued to consolidate and expand the markets in the East, Middle South, Northeast and Northwest regions. The Group also strived to expand the market in the Southwest region. The Group strictly applied the policies on maintaining the prices, increasing the sales and speeding up the debt collection. As a result, the sales volume of steel increased significantly. During the year, the Group sold 1,508,000 tonnes of steel, representing an increase of 5.90% as compared with 2000. The ratio of debt collection to sales was 103.59%, representing an increase of 2.58% as compared with the previous year.

主要產品產量 (單位：萬噸)  
Production Volume of Principal Products (As at 31st December)



## 經營業績 (續)

### 2、精心組織生產，產量穩步增長

本年度生產組織堅持以市場需求為導向，強化以保合同兌現為核心的生產管理，實施精料方針，加強設備維護，使本集團生產指標全面刷新歷史最好紀錄，邁向新的臺階。

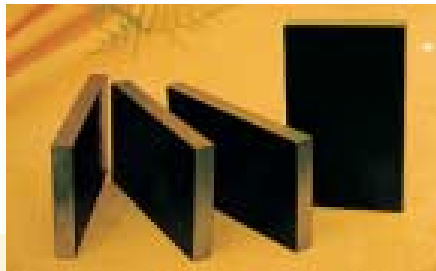
全年生產焦炭 106.87 萬噸、生鐵 159.56 萬噸、鋼 171.84 萬噸、鋼材 152.48 萬噸，分別比二零零零年同比提高 2.39%、4.53%、6.22%、8.88%。同時，根據用戶對特殊產品的需求，增加優良品種生產，全年生產優質鋼產量佔總量的 70% 以上。

## Operating results (continued)

### 2. Well organised production schedules to maintain stable growth in production volume

During the year, the Group strictly organised production schedules based on market demand, strengthened the production management with focus on fulfilling sales orders on hand, implemented the principle of best quality and strengthened the maintenance of equipment. Accordingly, the Group was able to achieve new records in the production targets and approached towards new stage of development.

During the year, the Group produced 1,068,700 tonnes of coking coal, 1,595,600 tonnes of pig iron, 1,718,400 tonnes of steel and 1,524,800 tonnes of steel products, representing an increase of 2.39%, 4.53%, 6.22% and 8.88% respectively as compared with 2000. In accordance with the customers' demand in specialised products, the Group increased the production of products with better quality and higher profit margin. During the year, the production volume of high quality steel represented more than 70% of the total production volume.



### 經營業績 (續)

#### 3、動態控制成本，努力降本增效

本集團進一步完善成本指標的分解核算考核體系，加強成本的預測、分析，實行動態控制成本。從源頭抓起，對原輔材料、設備、備品備件實行招標採購及全過程的效能監控，確保採購成本的降低，同時實行均衡供貨，合理庫存，降低資金的佔用率。狠抓各生產工序的降本工作，針對關鍵工序和重點環節進行科技攻關，主要技術經濟指標較二零零零年有明顯的改善，其中有27項超過歷史水平，與上年比較，噸鋼綜合能耗下降27公斤標煤、高爐綜合焦比下降19公斤/噸、鋼鐵料投入消耗下降2公斤/噸、高爐利用係數上升0.162噸/米<sup>3</sup>·天(與上年同比提高9.13%)。



### Operating results (continued)

#### 3. Dynamic cost control to reduce cost and enhance effectiveness

The Group further refined the system of analysing production cost targets; strengthened cost forecast and analysis; and implemented dynamic control over production costs. The Group controlled the costs from the beginning of the purchasing cycle by applying the tendering system for purchases of raw and ancillary materials, equipment and other spare parts; and effective monitoring controls throughout the whole process to ensure the reduction of purchasing costs. In addition, the Group implemented the balanced supply of goods and appropriate level of inventories to reduce the amount of working capital employed. The Group focused on costs control in every stage of production and tackled the technical bottlenecks in key production processes and major segments. During the year, there was obvious improvement in major technical and economic targets as compared with 2000, of which 27 items surpassed historical high records. As compared with previous year, the aggregate energy consumption rate of steel was reduced by 27kg per tonne of standard coal; the ratio of blast-furnace composite coking was reduced by 19kg per tonne; the consumption rate for steel and iron materials was reduced by 2kg per tonne; the utilisation rate of high-furnace was increased by 0.162 tonne for each cubic metre per day (representing an increase of 9.13% as compared with previous year).





## 經營業績 (續)

### 4、加強質量監控，提高產品質量

認真貫徹執行《產品質量法》。全年納入質量控制的質量指標計劃完成率達100%，其中有23項質量指標達到或超過本集團的歷史水平。主要產品質量穩中有升，焦炭、生鐵、鋼、鋼材的合格率分別為100%、99.99%、99.77%、99.36%，分別比計劃提高0.50%、0.29%、0.17%、持平。在保持產品已有質量信譽和名牌稱號的基礎上，船用鋼板又獲得全國用戶滿意產品稱號，焊接氣瓶用鋼板榮獲國家冶金產品實物質量金杯獎。

### 5、調整產品結構，開發優利產品

本集團以微合金化為手段，以系列化為途徑，以高附加值為目標，全年成功開發了新產品10個，完成全年新產品開發任務的200%。還試製了技術難度大、效益好的特殊產品13.28萬噸，完成全年試製總量目標的189.71%，與上年同比增加3.28萬噸。

## Operating results (continued)

### 4. Strengthening quality control and enhancing product quality

The Group strictly implemented the “Law of Product Quality”. All quality targets in the quality control plan for the year were achieved, of which 23 items achieved or surpassed historical records. The quality of major products was stabilised and improved. The pass rates of coking coal, pig iron, steel and steel products were 100%, 99.99%, 99.77% and 99.36% respectively, representing an increase of 0.50%, 0.29%, 0.17% and 0% respectively as compared with 2000. On the basis of maintaining the reputation and brand name of existing product quality, steel plates for shipbuilding was awarded the “Most Satisfactory Products for Customers Nationwide” again and steel plates for welding gas bottle was awarded “Golden Cup Award For Metallurgical Product Tangible Quality”.

### 5. Adjusting product mix and developing products with high quality and profit margin

The Group continued to adopt “micro-alloyed”, “product series” and “high value-added” as its products development principles. During the year, the Group successfully developed 10 new products and achieved 200% of the new product development target. The Group carried out trial production of 132,800 tonnes specialised products with higher returns but required sophisticated technology. During the year, the Group also achieved 189.71% of the total target volume for trial production of new products, representing an increase of 32,800 tonnes as compared with the previous year.

## 經營業績 (續)

### 6、 推進科技進步，加強技改技措工作

二零零一年，本集團加大技術改造工作力度，共安排了以調整產品結構、提升生產能力、優化爐料結構、提高產品質量、節能降耗、改善環境及污染治理為目的的技術改造項目11個，其中：球團工程、景星白雲石礦工程、1#方坯鑄機增產、高爐噴煤、焦爐煤氣脫硫脫氰、中板廠9-11軋矯直機區域改造於本年度內完成建設，並投入生產使用；在建項目尚有3#、4#高爐淨循環水、2#總降壓站電源改造、1#鑄機增產(90萬噸)改造和做好高速線材廠成品庫接長及球團礦磨潤系統擬建工程的前期準備工作。另外，還進行了技措和設備更新項目47個，其中已建成投產33個。

## 業務展望

二零零二年，國家繼續堅持擴大內需的方針，以保持國民經濟穩定增長的勢頭，並將加快西部地區經濟發展步伐，這些都會促進鋼材產品需求的增長，本集團將從西南等地區的基礎設施快速建設之中獲得較多商機。但是，中國加入WTO後，鋼材進出口受國際市場影響日益增大，而同時，國內鋼材生產總量還有不斷增長的趨勢，競爭將更為劇烈，為此，本集團擬從五個方面去積極應對：

## Operating results (continued)

### 6. Speeding up development of new technology and strengthening of technological renovation and policies

In 2001, the Group strengthened technological renovation works. The Group arranged 11 technological renovation projects with the aim of adjusting product mix, increasing production capacity, improving the mix of furnace materials, enhancing product quality, reducing energy and material consumption, improving the environment and solving the pollution problem. The spherical project, Jinxing dolomite mining project, expansion project for increasing production volume of 1# steel plate slab casting machines, blast furnace coal blower, coking coal gas desulphurisation and decyanidisation, middle plate plant 9-11 roller straight machine regional renovation project were completed and commenced operation during the year. Constructions in progress included 3#, 4# blast furnace purified recycled water, 2# electrical transformer renovation, 1# moulding machine production capacity (900,000 tonnes) expansion renovation, and the preparatory works for high-speed wire rods plant finished goods warehouse extension project and spherical minerals polishing system expansion project. In addition, the Group also carried out 47 technological renovation and equipment upgrading projects, of which 33 projects were completed and commenced operation.

## Business Prospect

In 2002, the State will continue to implement the policy of increasing domestic demand, maintaining the trend of stable national economic growth. Furthermore, the State will expedite the economic development of the western region. These will lead to the growth in demand for steel products. The Group will benefit from the opportunities arising from the speedy construction of infrastructure of the Northwestern region. However, after the PRC's accession to the WTO, a more severe market competition is anticipated due to the increasing impacts from the international import and export market, as well as the continuous growth in the total supply of the domestic steel market. In response to the situation, the Group will adopt the five measures as follows:

## 業務展望 (續)

### 1、 大力抓好市場營銷

充分發揮地域優勢，把握好西部大開發的機遇，佔領西南市場；增加用戶需要的優良品種鋼材的生產和銷售；進一步加強市場調查，努力開發具有市場潛力和優厚利潤的新產品；不斷完善銷售網絡；提高工作效率和服務質量，力爭產銷率達到100%。

### 2、 有效發揮生產能力

堅持以煉鐵為中心組織本集團生產，煉鐵以抓好噴煤工藝技術攻關，有效降低焦比，提高高爐利用係數為重點；煉鋼以增加優質鋼產量為重點；軋鋼以保證合同兌現，滿足用戶需要為重點。

### 3、 進一步降耗降成本

瞄準全年降本的總目標，推行和完善降本的指標分解、核算分析、考核激勵三大體系，狠抓降本的四個重點環節，即採購環節，增產環節、降耗降費環節、各類技改、科技、技措項目達標環節，實現系統降本。

## Business Prospect (continued)

### 1. Strive to manage market position

The Group will take all measures to utilise the regional competitive advantages and seize the opportunities of developing the Western regions in order to penetrate into the market in the Southwest region. The Group will increase the production and sale of steel with high quality and profit margin in accordance with customers' demand. The Group will further strengthen market research and strive to develop new products with good market potential and high profit margin. The Group will continue to improve the sales network, enhance efficiency and service quality and endeavour to achieve a sales/production ratio of 100%.

### 2. Effectively utilise the production capacity

The Group will base on the foundation of iron-smelting to organise the Group's production. The Group will place emphasis on the development of new techniques and technology for coal blower to reduce the coking rate and enhance the utilisation rate of blast furnace. The Group will also place emphasis on steel smelting and steel rolling to enhance steel plate quality and increase production volume to ensure the requirements of customers are satisfied.

### 3. Further reduction on costs and material consumption

The Group will focus on the overall target of reducing cost for the year. The Group will implement and improve the three major components of target setting, recording and analysis, and evaluation and rewarding. The Group will strive to reduce costs by focusing in four key areas, i.e. the processes of purchasing; increasing production volume; reducing material consumption and expenditures; and achieving targets in various technical renovation, technological research, technology development policies, so that overall costs are reduced.

## 業務展望 (續)

### 4、 穩定提高產品質量

依托科技進步，大力開展質量攻關工作，以優質的產品不斷提高市場信譽和增強市場競爭力，在保持已有的冶金產品實物質量金杯獎及名優產品獎項的基礎上，新創重慶市名牌產品1個(熱軋盤圓)，爭創重慶市質量管理獎企業榮譽稱號。

### 5、 推進技術改造工作

充分發揮已建成投產工程項目的效能，加快在建工程步伐，二零零二年擬建項目如下：

#### 技改項目

Technological project

2#總降壓電站電源改造  
2# electrical transformer

高屈廠中轉庫房  
High-speed wire rods plant warehouse

1#鑄機加流改造  
1# moulding machine production capacity expansion

焦化廠廢水處理工程  
Coking plant waste water treatment

棒材生產屈工程  
Steel rods production line project

3#、4#高爐淨循環水  
3#、4# blast furnace purified recycled water projects

## Business Prospect (continued)

### 4. Steady enhancement of product quality

The Group will rely on development in technology to tackle the works on enhancing product quality so as to continuously enhance the market reputation and strengthen its competitiveness in the market. Based on the foundation of the Golden Cup Award For Metallurgical Product Tangible Quality and awards of products with good reputation, the Group will build a new brand product (Hot Cutting Spheric Plate) in Chongqing and endeavour to obtain the award for enterprise with good quality management in Chongqing.

### 5. Speed up the works in technological renovation

The Group will fully utilise the capacity of the newly constructed plant which have been completed and commenced production, and to speed up the completion of construction in progress. The proposed projects in 2002 are as follows:

#### 建成後的作用

Benefits after completion

增加供氧量，充分發揮煉鋼潛力，增加鋼產量

Increase the supply of oxygen and fully utilise steel refining potential and increase the production capacity of steel

解決高速屈材下屈的臨時存放問題，適應市場對高速屈材日益增長的需求

Resolve storage problem of high-speed wire rods in order to cater for the increasing market demand for wire rods

增加方坯產量，適應市場對本公司型材產品的需求

Increase the production capacity of billets in order to cater for the market demand for steel section products

控制有害物質排放總量，進一步改善本公司及周邊地區環境

Control release of toxic materials and further improve the environment

滿足西部大開發對棒材產品的需求，進一步拓展市場空間

Satisfy the demand for steel rods in the development of the western region and to further expand the market share

消除現有沉淀池的安全隱患，降低能耗

To step up the safety measures of the existing depository pool and to reduce energy consumption

## 致謝

本人謹代表董事會向關心、支持本集團發展的全體員工及各界人士致以衷心的感謝。

承董事會命  
唐民偉  
董事長

中國重慶  
二零零二年四月九日

## Gratitude

On behalf of the Board of Directors, I hereby would like to express my gratitude to our staff and various parties for their concern and support for the development of the Group.

Tang Min Wei  
*Chairman*

Chongqing, PRC  
9th April 2002