

## 管理層討論及分析

### (一) 業績分析

於本期間內，本集團的主要產品仍然是全塑市話電纜、程控交換機電纜、電視電纜、電纜套管、光纖、光纜和移動通訊電纜等。

於本期間，本集團共實現營業額為人民幣204,456,000元，較去年同期的人民幣161,670,000元上升26.47%。本集團股東應佔虧損為人民幣60,634,000元，而去年同期為虧損人民幣67,719,000元。

造成本期間出現股東應佔虧損的主要原因是：

- 1、 原材料銅的價格上漲，平均採購價與去年同期比較上漲達7.17%，導致生產成本的上升，從而影響本集團的經營溢利；及

## MANAGEMENT DISCUSSION AND ANALYSIS

### (1) Analysis of the Results

During the Period, the principal products of the Group were plastic telephone cables, program-controlled telephone exchange system cables, television cables, cable joining sleeves, optical fibres, optical fibre cables and mobile telecommunication cables, etc.

During the Period, the Group recorded a total turnover of RMB204,456,000, representing a 26.47% increase from RMB161,670,000 as compared with the corresponding period last year. Loss attributable to shareholders of the Group amounted to RMB60,634,000 whereas the loss for the corresponding period last year was RMB67,719,000.

Loss attributable to shareholders during the Period mainly due to:

1. the rise in the price of copper, a raw material. The average procurement costs increased by 7.17% as compared with the corresponding period last year, resulting in a rise in the production costs and consequently the operating profit of the Group was affected; and

2、 國內光纖光纜價格的競爭使光纖光纜行業環境十分嚴峻，光纖和光纜的平均銷售價格比去年同期分別下降了34.7%和47.9%。

於本期間內，本集團共銷售全塑市話電纜888,500對公里，較去年同期上升57.54%；程控交換機電纜銷售71,200對公里，較去年同期上升73.66%；電視電纜銷售3,076公里，較去年同期下降9.13%；電纜套管實現銷售622,800套，較去年同期減少4.18%。

由於線纜行業的激烈競爭使本集團產品價格也較去年同期有不同幅度的下降，其中，全塑市話電纜和程控交換機電纜平均價格分別下降了8.2%和10.5%，這對本公司效益的實現產生了較大影響。

於本期間，本集團專業生產光纖光纜的附屬公司成都中住光纖有限公司（「中住公司」）及聯營公司成都康寧光纜有限公司（「成都康寧公司」，前身為成都中康光纜有限公司）經營業績仍然不理想。激烈的市場競爭，光纖光纜價格大幅下降，給這兩家公司的生產經營造成了極大的困難，因此影響到中住公司和成都康寧公司的經營業績。而這兩家公司的業績對本集團的整體業績的影響很大。

2. the optical fibres and optical fibre cables industry faced severe difficulties as a result of the competition in the prices of optical fibre and optical fibre cables produced in the PRC. The average selling prices of optical fibres and optical fibre cables decreased by 34.7% and 47.9% respectively as compared with the corresponding period last year.

During the Period, the Group sold 888,500 pair kilometers, 71,200 pair kilometers, 3,076 kilometers and 622,800 sets of plastic telephone cables, program-controlled telephone exchange system cables, television cables and cable joining sleeves, representing an increase of 57.54%, 73.66%, a decrease of 9.13% and 4.18% respectively as compared with the corresponding period last year.

The keen competition within the cables industry led to various degrees of decreases in the selling prices of the Group's products. The average selling prices of plastic telephone cables and program-controlled telephone exchange system cables decreased by 8.2% and 10.5% respectively, which had a great impact on the Company's performance.

During the Period, the operating results of the Group's subsidiary Chengdu SEI Optical Fibre Co., Ltd. ("SEI"), which specialises in the production of optical fibres and optical fibre cables, and an associated company Chengdu CCS Optical Fibre Cable Co., Ltd. ("CCS"), remained unsatisfactory. Intense market competition and substantial decline in the prices of optical fibres and optical fibre cables have caused tremendous difficulties for the production and operation of the two companies, therefore affecting their operating results. The performance of these two companies have a significant impact on the Group's overall performance.

## (二) 主要業務回顧

於本期間，通信設備製造商面臨的形勢仍然十分嚴峻，公司經營層在本公司董事會的帶領下，面對市場變化造成的嚴峻經營環境，以「加大改革力度，抓實內部管理，強化市場營銷，力爭扭虧增盈」為主要工作目標，帶領全體員工堅定信心，團結努力，使本公司在不利的市場環境中，依然保持著一定的發展。本集團於本期間主要業務活動摘錄如下：

1. 為了切實轉換企業運行機制，提高企業的核心競爭力，以適應市場經濟，於本期間內，根據國家相關部委的文件精神，本公司成立了主輔分離領導小組和辦公室，大力推進公司內部改革，靈活運用公司的資產和資源，加大了對輔助生產單位和後勤服務部門的分離力度。
2. 強化市場營銷，加大了市場的開拓力度，積極做好產品的銷售工作，保持穩定增長的市場份額，使本期間的產品銷售比去年同期有較大的增長，貨款回收也比去年同期增長了26%。
3. 為提高技術創新和新產品開發的能力，使新產品能盡快完成研發，投入生產並產生效益，以加快線纜產品結構的調整，本公司開發的超五類纜已進入批量生產階段，愛立信阻燃尼龍電纜順利通過UL認證及愛立信總部的測試，已開始大量供貨。

## (2) Review of Principal Operations

Communication equipment manufacturers still faced severe difficulties during the Period. In view of the difficult business environment as a result of the changes in the market, the Company's management, led by the Board of Directors, set the objectives of "strengthening reform, controlling internal management, stepping up marketing and reversing loss to profit" so that the Company maintained a certain growth in the unfavourable market environment and led the staff in a determined, confident and unified manner. The principal business activities of the Group during the Period are summarised as follows:

1. In order to adopt a new corporate operation mechanism and increase the core competitiveness of the enterprise in line with the market economy, a steering group and office was set up during the Period. It was based on the spirit of the documents of relevant state ministries and commissions for promoting internal reform, capitalising on assets and resources of the Company in a flexible way and stepping up separation of ancillary production unit and the support department.
2. As a result of active marketing of products, market development, pro-active product sales and the maintenance of a stable increase in the market share, product sales increased substantially during the Period as compared with the corresponding period last year and the trade receivable recovered increased by 26% as compared with the corresponding period last year.
3. In order to enhance technology innovation and new product development capabilities such that research and development of new products can be completed as soon as possible and new products are put into production to generate profit to increase the restructuring of wires and cable products, the super category 5 cables developed by the Company have been put into mass production. The Ericsson fire resistant nylon cable has been awarded UL certification and has passed the test smoothly at Ericsson headquarters, and is now in large supply.

4. 對本集團的附屬及聯營企業加強了管理和預算審核，雖然今年市場情況比去年更嚴峻，但是附屬及聯營企業克服重重困難，獲得了大幅度的減虧，成都康寧公司在本期間內，平均銷售價格比去年下降47.9%，利潤總額比去年減虧近15%；中住公司在加強管理和成本控制的同時，提高了產品的合格率，使利潤總額比去年同期減虧了17%。

4. The Group stepped up the management and budget examination of its subsidiaries and associated companies. Although the market condition this year was more difficult than last year, the subsidiaries and associated companies were able to overcome difficulties by reducing losses substantially. For CCS, the average selling prices fell by 47.9% as compared with last year and total loss decreased by almost 15% as compared with last year. While SEI strengthened its management and cost control, the pass rate of its products increased so that loss decreased by 17% as compared with the corresponding period last year.

### (三) 財務分析

### (3) Financial Analysis

截至二零零三年六月三十日止，本集團資產總值為人民幣1,085,209,000元，較去年年末的人民幣1,121,938,000元下降3.27%。其中非流動資產總值為人民幣525,028,000元，佔總資產值的48.38%，較去年年末的人民幣552,072,000元下降4.90%。流動資產總值為人民幣560,181,000元，佔總資產的51.62%，較去年年末的人民幣569,866,000元下降1.70%。

As at 30 June 2003, the Group's total assets amounted to RMB1,085,209,000, representing a decrease of 3.27% from RMB1,121,938,000 as compared with the end of last year. Non-current assets amounted to RMB525,028,000, accounting for 48.38% of the total assets and representing a decrease of 4.90% from RMB552,072,000 as compared with the end of last year. Current assets amounted to RMB560,181,000, accounting for 51.62% of the total assets and representing a decrease of 1.70% from RMB569,866,000 as compared with the end of last year.

本集團於本期間之經營業務淨現金流出為人民幣29,139,000元，去年同期為淨現金流出人民幣56,957,000元。

The net cash outflow from operating activities of the Group during the period amounted to RMB29,139,000. The net cash outflow for the corresponding period last year was RMB56,957,000.

截至二零零三年六月三十日止，本集團銀行結餘及現金(包括抵押銀行存款)為人民幣175,142,000元，較去年年末的人民幣223,613,000元下降21.68%。

As at 30 June 2003, the Group's bank balances and cash (including pledged bank deposits) amounted to RMB175,142,000, representing a decrease of 21.68% from RMB223,613,000 as compared with the end of last year.

截至二零零三年六月三十日止，本集團負債總額(不包括少數股東權益)為人民幣350,371,000元(二零零二年十二月三十一日止：321,501,000元)，負債對資產比率為32.29%，較去年年末的28.66%增加3.63%，其中一年內到期銀行貸款為人民幣168,820,000元，較去年年末的人民幣169,230,000元減少0.24%，無太大變化。

As at 30 June 2003, the Group's total liabilities (excluding minority interests) amounted to RMB350,371,000 (as at 31 December 2002: RMB321,501,000). The liability to asset ratio was 32.29%, representing an increase of 3.63% as compared with 28.66% of the end of last year. Short term bank loans due within one year amounted to RMB168,820,000, representing a decrease of 0.24% from RMB169,230,000 as compared with the end of last year, which represented no significant change.

於本期間內，本集團未有安排其他集資活動。

於本期間內，本集團的分銷費用、行政及其他費用和財務費用分別為人民幣17,178,000元、人民幣47,323,000元、人民幣5,481,000元，較去年同期的人民幣12,115,000元、人民幣43,525,000元、人民幣6,595,000元，分別上升41.79%、8.73%及下降16.89%。

於本期間內，本集團的平均毛利率為12.15%，較去年同期的3.74%上升8.41%。

於本期間內，本集團的應收貿易賬款和存貨分別為人民幣211,330,000元、人民幣163,223,000元，較去年年末的人民幣202,823,000元、人民幣134,276,000元分別上升4.19%和21.56%。

## 1. 資金流動性分析

截至二零零三年六月三十日止，本集團資金流動比率為167.48%，速動比率為118.68%。綜合考慮本行業的特點及當前市場情況，上述資料表明，本集團資金流動性表現尚屬中等水平，具有較好的變現和償債能力，但還有較大的改善空間，應作為本公司今後工作重點加以研究解決。

## 2. 財政資源分析

截至二零零三年六月三十日止，本集團共獲銀行短期貸款為人民幣168,820,000元，該短期貸款為分期貸款，陸續分期償還。而本集團銀行存款及現金也相對充足，達人民幣175,142,000元，因此，本集團並無短期償債風險。

During the Period, the Group did not arrange for other fundraising activities.

During the Period, distribution costs, administrative and other expenses and financial costs amounted to RMB17,178,000, RMB47,323,000 and RMB5,481,000 respectively, representing an increase of 41.79% and 8.73% and a decrease of 16.89% respectively as compared with RMB12,115,000, RMB43,525,000 and RMB6,595,000 of the corresponding period last year.

During the Period, the average gross margin of the Group was 12.15%, representing an increase of 8.41% from 3.74% of the corresponding period last year.

During the Period, the trade receivables and inventories of the Group amounted to RMB211,330,000 and RMB163,223,000, representing an increase of 4.19% and 21.56% respectively from RMB202,823,000 and RMB134,276,000 as compared with the end of last year.

## 1. Analysis of liquidity

As at 30 June 2003, the Group's liquidity ratio and quick ratio were 167.48% and 118.68%. Taking into account the overall characteristics of the industry and the existing market conditions, the above information indicated that the liquidity of the Group was at the average level and the Group had a relatively good liquidity and debt repayment ability. However, there was still room for further improvement and the Group should focus on this in the future for further study for a solution.

## 2. Analysis of financial resources

As at 30 June 2003, the Group's short-term bank loan amounted to RMB168,820,000. This loan is repayable by instalments and the Group has repaid those instalments due for repayment. At the same time, the Group has adequate bank and cash balances of RMB175,142,000. Accordingly, the Group is not exposed to risks in short term repayment.

截至二零零三年六月三十日止，本集團為購置法國加速器的長期借款餘額約為人民幣17,030,000元（折合歐元1,799,000元），其中銀行買方信貸約為人民幣6,810,000元（折合歐元720,000元），年利率為7.35%，法國政府擔保銀行貸款約人民幣10,220,000元（折合歐元1,079,000元），年利率為0.5%。該項歐元借款由於受美元在國際外匯市場匯率波動的影響，存在一定的匯兌風險。該兩項長期借款均為分期付款，其期限最長達36年。由於本集團長期借款餘額較小，因此對本集團的營運無影響。

### 3. 本集團資本結構情況

本集團的資金來源是銀行貸款和募集資金。為保證資金的合理使用，本集團有嚴格及較完善的財務管理制度。在本期內，未發生債務到期償還及責任到期履行方面的問題。

本集團今後還要加強對資金的調度和管理，在確保生產經營正常運作的情況下，最大限度的發揮資金的作用。

#### (四) 業務展望

二零零三年，本公司生產經營仍然面臨巨大的壓力，線纜行業尤其是光纖光纜的市場競爭更加激烈，為全面完成生產經營及目標，面對諸多壓力，我們對本集團下半年的工作仍然充滿信心，著重抓好以下幾個方面的工作，力爭使本公司經營業績得到改善。

As at 30 June 2003, the balance of a long-term loan for the purchase of accelerators from France amounted to RMB17,030,000 (equivalent to Euro 1,799,000) of which the banking credit facility amounted to RMB6,810,000 (equivalent to Euro 720,000) at a rate of 7.35% per annum, and the French government secured bank loan amounted to RMB10,220,000 (equivalent to Euro 1,079,000) at a rate of 0.5% per annum. Given the fluctuations in the exchange rate of US dollars on the international foreign exchange market, there are certain exchange risks involved in the Euro loans. The two long term loans are payable by instalments with a maximum repayment term of 36 years. As the balance of long term loans was not substantial, it does not have any impact on the operation of the Group.

### 3. Capital structure of the Group

The Group's capital resources are derived from bank loans and proceeds from share issue. To ensure proper utilisation of capital funds, the Group has established a stringent and sound financial management system. During the Period, no problem was noted for payment of due debts and performance of due obligations.

In the future, the Group will strengthen the control and management of funds so that the funds can be fully utilised whilst ensuring that production and operation are in normal operations.

#### (4) Business Prospects

In 2003, the Company's production and operations will still be under tremendous pressure as competition in the cable industry, in particular the market for optical fibres and optical fibre cables will become more intense. In order to complete production and operation and achieve targets thoroughly, we are still confident in the work of the Group in the second half of the year despite the tremendous pressure. We will focus on the following areas and will do our best to improve the Company's overall performance:

1. 轉變觀念，統一思想認識，加快企業改革，強化內部管理，按國家有關主輔分離，做強主業的文件精神，在公司內進行全面的結構優化和重組整合，結合本公司的資產現狀，做好主輔分離、輔業改制的準備工作；通過重組和輔業剝離改制、培育優質資產與併購重組相結合，輔之資本運作措施，以此推動企業改革發展。
  2. 全面推進營銷體系的信息化，拓寬市場營銷思路，加強市場調研，掌握市場需求及變化趨勢、發展動向，主動把握市場脈搏，積極應對市場競爭的挑戰。加大對目標市場的投入力度，增進與客戶的溝通和聯繫；建立多種分銷渠道和多種營銷網絡，積極運用現代多種營銷方式，拓寬銷售渠道，加強對產品的銷售服務；加強營銷隊伍建設，完善營銷激勵機制，充分調動營銷人員的工作積極性。
  3. 依靠科技進步提高企業的競爭力，不斷尋求新的項目和利潤增長點，積極穩妥地進入新領域，加強市場調研，捕捉市場信息，掌握市場需要，不斷開發市場上需要的新產品，在公司現有產品的基礎上，開發寬帶市話電纜、室內光纜和新型阻燃電纜。為謀求本公司長遠發展戰略，將拓展線纜外的新項目投資領域，培育新的利潤增長點。
1. Change our concepts, think in a unified manner, accelerate corporate reform, strengthen internal management and carry out overall optimisation of the structure, reorganisation and integration within the Company based on the spirit of the state's documents on the separation of principal and sideline business. Strengthen the principal business, make preparations for the separation of principal and sideline businesses and for the change of the system for sideline business in the light of the current status of the assets of the Company. Promote the development of corporate reform through reorganisation and separation of sideline business, growth of quality assets, acquisitions and mergers, supplemented by capitalisation measures.
  2. Launch an information network for the marketing system to the fullest extent, expand marketing strategies and strengthen market research to understand the needs, changing trends and development direction of the market. Take a pro-active role in recognising market trends and respond positively to the challenges arise from market competition. Step up investment in target markets, promote communication and connection with clients, establish various distribution channels and marketing networks, employ various modernised marketing methods, expand sales channels, enhance sales services for products, step up the formation of the marketing team, improve the marketing incentive mechanism and fully mobilise the work initiative of the marketing staff.
  3. Increase the corporate competitiveness with scientific advancement, identify new projects and new profit centres constantly, move into new areas in a positive and steady manner, strengthen market research, capture market information, understand the needs of the market and develop new products continuously as required by the market. On the basis of the Company's existing products, develop broadband telephone cable, indoor optical fibre cables and new models of fire-resistant cable. For the long-term development strategies of the Company, open up investment areas for new projects other than lines and cables and develop new profit centres.

4. 繼續實施全面預算管理工作，提高內部管理水平，建立約束各預算單位行為的分級預算體系，通過嚴格控制預算執行過程，考核預算執行結果，及時糾正調整偏差，將本公司的經營目標滲透到公司生產的各個環節，對責任人和責任單位嚴格考核。
  5. 繼續加強對聯營合資企業的管理，大力扶持和積極發展盈利企業和產品，加強預算審核和預算管理，對虧損企業要通過嚴格的成本控制盡量減少虧損，改進和完善對聯營合資企業的經營承包和獎懲制度。培育新的經濟增長點；充分利用上市公司平台，進行資本運作，置換不良資產，壯大公司實力。
4. Carry on the overall budget management, raise internal management standard, establish a multi-level budget system governing the budgeting of different units, correct and adjust deviations of the budget implementation promptly through stringently controlled budget implementation procedures and appraisal of the outcome of such budget implementation. Integrate the business objectives across each production section of the Company and stringently conduct appraisals of responsible staff and units.
  5. Carry on the strengthening of the management of joint ventures, assist with all efforts and develop in a positive manner profitable enterprises and products, strengthen budget examination and management, minimise loss incurred by enterprises through stringent cost controls, and improve and perfect the contracting and reward and penal system of joint ventures. Develop new profit centres, make full use of the platform of a listed company for carrying out capitalisation, replacing poor assets and improve the strengths of the Company.