

集團重組及該收購於二零零三年七月完成，因此，由二零零三年三月十三日（即註冊成立日）至二零零三年十二月三十一日止的綜合財務資料並不能反映組成本集團各附屬公司的全年業績。為對本集團截至二零零四年十二月三十一日止年度的表現進行恰當評估，本節將其與截至二零零三年十二月三十一日止年度的備考合併財務資料作出比較，假設本公司於二零零三年一月一日或所有構成本集團之一部份的各公司各自的註冊成立日或成立日或各自的收購日（以較後發生者為準）以來經已完成集團重組及該收購並已持有該等公司。備考合併財務資料乃摘錄自本公司二零零三年年報。請參閱二零零三年年報有關備考合併財務資料的編製基準。

## 業務回顧

截至二零零四年十二月三十一日止年度的綜合營業額及綜合毛利分別為1,438,400,000港元及374,900,000港元，較去年的備考合併營業額1,070,200,000港元及備考合併毛利258,400,000港元分別增長34.4%及45.1%。綜合毛利率為26.1%，而去年則為24.1%，主要由於水泥售價上升所致。

本集團於本年度的綜合經營盈利及股東應佔盈利分別為142,800,000港元及88,700,000港元，較去年的備考合併經營盈利92,700,000港元及備考合併淨利潤49,300,000港元分別上升54.0%及79.9%，乃由於銷售量增加及毛利率上升所致。

截至二零零四年十二月三十一日止年度，經營業務所產生的綜合現金淨額為160,600,000港元，較去年備考合併經營業務所得現金淨額80,600,000港元增加99.3%。

### 水泥業務

隨着位於廣西華潤水泥的一條日產2,500噸熟料的新型乾法旋窯生產線於二零零三年十月投入商業運作，位於湛江日產600噸的水泥粉磨站於二零零三年五月投入商業運作，以及位於廣西華潤水泥的年產600,000噸的新粉磨站於二零零四年

*The Group Reorganisation and the Acquisitions was completed in July 2003 and, therefore, the consolidated financial information for the period from 13 March 2003 (date of incorporation) to 31 December 2003 does not reflect the full year results of all the subsidiaries comprising the Group. For the purpose of a proper appraisal of the performance of the Group for the year ended 31 December 2004, comparisons are made in this section against the pro forma combined financial information for the year ended 31 December 2003 as if the Group Reorganisation and the Acquisitions had been completed and all the relevant companies forming part of the Group had been held by the Company since 1 January 2003, or the respective dates of incorporation or establishment, or the respective dates of acquisition, whichever is later. The pro forma combined financial information was extracted from our Annual Report 2003. Please refer to the Annual Report 2003 for the basis of preparation of the pro forma combined financial information.*

## REVIEW OF OPERATIONS

The consolidated turnover and consolidated gross profit for the year ended 31 December 2004 amounted to HK\$1,438.4 million and HK\$374.9 million, representing increases of 34.4% and of 45.1% over the pro forma combined turnover of HK\$1,070.2 million and pro forma combined gross profit of HK\$258.4 million respectively for the last year. The consolidated gross margin was 26.1%, as compared to 24.1% for the last year, attributable primarily to the increase in selling price of cement.

The consolidated profit from operations and profit attributable to shareholders for the year of the Group were HK\$142.8 million and HK\$88.7 million, representing increases of 54.0% and 79.9% from the pro forma combined profit from operations of HK\$92.7 million and pro forma combined net profit of HK\$49.3 million of last year respectively. These increases were due to increased sales volume and increase in gross margin.

For the year ended 31 December 2004, the consolidated net cash generated from operating activities amounted to HK\$160.6 million, representing an increase of 99.3% from the pro forma combined net cash generated from operating activities of HK\$80.6 million of last year.

### Cement Business

With the establishment of the new 2,500 tonnes per day dry process rotary kiln clinker production line at Guangxi CR Cement which was put into commercial operations in October 2003, the new 600 tonnes per day cement grinding factory at Zhanjiang which commenced commercial operations in May 2003 and the completion of construction of the new

六月竣工，本集團的水泥年總產能於二零零四年全年約為3,300,000噸。本集團的生產線大致上全產能生產，二零零四年的水泥總銷售量為3,560,000噸，較去年增加23.6%。

二零零四年上半年，本集團的水泥售價平均增加8.0%，其後一直保持穩定，直至二零零四年年底。本年度的水泥業務綜合營業額為724,500,000港元，較去年的備考合併營業額586,200,000港元增加23.6%。本年度的綜合經營盈利為129,700,000港元，較去年的備考合併經營盈利66,700,000港元上升約94.5%。

本集團位於東莞年產能達500,000噸水泥或礦渣微粉的新生產線的建造工程正順利進行，並預期可於二零零五年五月投入運作。



在建設中位於東莞的年產500,000噸水泥或礦渣微粉的新生產線  
Our new 500,000 tonnes per annum cement or slag powder production line in Dongguan under construction

誠如招股說明書所述，本公司與本公司控股公司華潤集團訂立認購權契據。據此，本公司有權向華潤集團於指定期間內按指定價格收購其持有平南合營公司全部73.5%或部份權益。此合營公司日產5,000噸熟料的水泥生產線已於二零零四年十月建成。二零零四年十一月二十九日，本公司行使認購權契據項下的權利並根據股東大會通過的決議案，本公司於二零零五年一月十三日完成平南合營公司的收購。

grinding plant in Guangxi CR Cement with an annual production capacity of 600,000 tonnes in June 2004, total annual cement production capacity of the Group was approximately 3.3 million tonnes throughout 2004. Our production lines were almost operating at full capacity production with the result that total volume of cement sold in 2004 was approximately 3.56 million tonnes, representing an increase of 23.6% over that of last year.

In the first half of year 2004, our cement selling prices had increased by an average of 8.0% and thereafter remained stable until the end of 2004. The consolidated turnover of cement business for the year was HK\$724.5 million, representing an increase of 23.6% as compared with the pro forma combined turnover of HK\$586.2 million last year. The consolidated profit from operations for the year amounted to HK\$129.7 million, which is approximately 94.5% more than the pro forma combined profit from operations of HK\$66.7 million for the last year.

The construction of the Group's new production line with annual production capacity of 500,000 tonnes of cement or slag powder in Dongguan is progressing well and we expect it will be put into operations in May 2005.

As stated in the Prospectus, the Company entered into an option deed with the Company's holding company, CR Holdings, in terms of which the Company has the right to acquire all or any part of the 73.5% interest in the Pingnan Joint Venture held by CR Holdings at the specified price within a specified period. The construction of the cement manufacturing plant for a 5,000 tonnes per day clinker production line by this joint venture was completed in October 2004. On 29 November 2004, the Company exercised the rights under the option deed and following the passing of a resolution by shareholders approving the transaction, the Company completed the acquisition of the Pingnan Joint Venture on 13 January 2005.



平南合營公司日產5,000噸熟料生產線  
5,000 tonnes per day clinker production line at Pingnan Joint Venture

繼於二零零五年一月收購平南合營公司後，本集團計劃於平南合營公司的生產基地內興建另外一條日產5,000噸的新型乾法熟料生產線。此條熟料生產線的工程建設預期可於二零零五年第二季度開始，並於二零零六年首季竣工。

誠如二零零三年年報及二零零四年中期報告所述，本集團計劃於二零零六年前於廣西貴港市分兩個階段興建兩條日產5,000噸熟料的新型乾法生產線。至二零零五年一月，該項目的用地、環境評估等手續均得到政府批准。首條生產線經已開始全速興建，並預期在二零零六年初建成投產。

待上述所有新增產能項目建設完成後，本集團水泥年產能力將達9,500,000噸。

### 混凝土業務

香港建築行業於二零零四年持續低迷。預拌混凝土的整體需求持續下滑，而不少發展商因鋼材價格上升而押後項目建築工程時間，令預製混凝土產品的交貨期也受到影響。雖然本集團仍能將其於香港的預拌混凝土市場佔有率維持於約11%，以及混凝土的市場售價已上升至約每立方米450港元，但本集團的香港混凝土（含砂漿等其他混凝土產品）總銷售量為596,000立方米，較二零零三年的795,000立方米下跌25.0%。二零零四年，本集團在中國內地從事混凝土業務的附屬公司生產及銷售約1,003,000立方米預拌混凝土，而二零零三年所生產及銷售的預拌混凝土則為368,000立方米。年內，本集團在中國內地市場的混凝土價格大致穩定。

Following the acquisition of the Pingnan Joint Venture in January 2005, the Group has planned to build another 5,000 tonnes per day NSP clinker production line at the production site of the Pingnan Joint Venture. The construction of this clinker production line is expected to commence in the second quarter of 2005 and it is anticipated that the new production line will be completed in the first quarter of 2006.

As mentioned in our Annual Report 2003 and Interim Report 2004, we planned to build two 5,000 tonnes per day NSP lines in two stages in Guigang, Guangxi by 2006. By January 2005, the Government has approved the allocation of land and the environmental assessment procedures for our Guigang project. Construction of the first production line has been commenced at full speed and it is expected to be completed and put into operations in early 2006.

After the completion of the additions to our production capacity as described above, our Group's cement annual production capacity will reach 9.5 million tonnes.

### Concrete Business

The Hong Kong construction industry continued to be sluggish during 2004. Overall demand for ready mixed concrete decreased further when many developers postponed their project construction schedules in response to sharply higher steel prices, which has also adversely affected the delivery schedules of precast concrete products. Although we managed to maintain a proportionate market share of approximately 11% in the ready mixed concrete market of Hong Kong and concrete market selling price has risen to approximately HK\$450 per m<sup>3</sup>, our total concrete sales (including mortars and other concrete products) in Hong Kong was 596,000 m<sup>3</sup>, representing a decrease of 25.0% from 795,000 m<sup>3</sup> of 2003. In 2004, the Group's subsidiaries engaged in concrete business in the Chinese Mainland produced and sold approximately 1,003,000 m<sup>3</sup> of ready mixed concrete, as compared with 368,000 m<sup>3</sup> in 2003. Concrete prices in our markets in the Chinese Mainland had been steady throughout the year.

本年度混凝土業務(含預製件業務)的綜合營業額及經營盈利分別約為713,900,000港元及30,600,000港元,較去年的備考合併營業額484,000,000港元及經營溢利34,100,000港元分別增加47.5%及減少10.3%。雖然我們中國內地業務有所增長,但未能完全抵銷香港業務的銷售量下降而導致此情況。

二零零四年內,中威預製於香港銷售合共約205,000噸預製混凝土產品,為香港最大的預製混凝土產品供應商,市場佔有率約35%。中威預製於年內賺取的總營業額及淨虧損分別為214,000,000港元及1,100,000港元。中威預製的表現主要由於因未能預期的鋼材及燃油價格顯著上揚而導致生產及運輸成本大幅增加所致。

為滿足中國內地對預拌混凝土的龐大市場需求,年產能達200,000立方米的新混凝土生產線已於東莞混凝土攪拌站內設立,並於二零零四年四月投入運作後,本集團位於東莞的混凝土總年產能增加至500,000立方米。

二零零四年十月一日,本集團收購擁有總年產能約達500,000立方米的兩條混凝土生產線的佛山順安混凝土有限公司全部股權,將業務覆蓋範圍擴大至佛山地區。

二零零四年十月十八日,本集團在廣西南寧建成總年產能約達600,000立方米的兩條混凝土生產線,並已投入運作,該攪拌站乃本集團於廣西設立的首家混凝土攪拌站,標誌著本集團混凝土業務進入了廣西地區。

The consolidated turnover and profit from operations of our concrete business, including our precast concrete business, for the year amounted to HK\$713.9 million and HK\$30.6 million, representing increase of 47.5% and decrease of 10.3% over the pro forma combined turnover of HK\$484.0 million and profit from operations of HK\$34.1 million respectively for the last year. This was mainly due to lower sales volume in Hong Kong which was not fully offset by the growth achieved in the Chinese Mainland.

During 2004, Redland Precast sold a total of about 205,000 tonnes of precast concrete products in Hong Kong and was the largest precast concrete product supplier with a market share of approximately 35%. Redland Precast has generated a total turnover of HK\$214.0 million and net loss of HK\$1.1 million during the year. The performance of Redland Precast was adversely affected by the significant production and transportation cost increases caused by the rise in the price of steel and oil.

In order to meet strong market demand for ready mixed concrete in the Chinese Mainland, a new concrete production line with annual production capacity of 200,000 m<sup>3</sup> was established in our Dongguan concrete batching plant which was put into operations in April 2004. Total annual concrete production capacity of the Group in Dongguan then increased to 500,000 m<sup>3</sup>.

On 1 October 2004, the Group acquired 100% equity interest in Foshan Shunan Concrete Limited which owns and operates two concrete production lines with total annual production capacity of approximately 500,000 m<sup>3</sup> for extension of our business coverage into the Foshan area.

On 18 October 2004, the Group completed the installation and has put into operation two concrete batching plants with total annual production capacity of approximately 600,000 m<sup>3</sup> in Nanning, Guangxi, which is the Group's first concrete batching plant in Guangxi and represented the Group's strategic entry into the concrete business of Guangxi.



廣西南寧混凝土攪拌站  
Concrete batching plant at Nanning, Guangxi

誠如二零零四年中期報告所述，本集團先前曾設有兩條生產線位於深圳的混凝土攪拌站廠房的土地因政府的公路項目拆遷，而於二零零四年四月關閉。其中一條生產線已遷至本集團位於鄰近地區的其他攪拌站，並於二零零四年七月繼續生產。本集團最近於深圳租用另一幅土地用作興建新攪拌站，並預期於二零零五年三月重新設立第二條年產200,000立方米生產線及新增一條年產300,000立方米混凝土生產線。屆時，深圳的混凝土年產能力總額將增加至1,600,000立方米。

二零零四年十二月三十一日，本集團於香港及中國內地的混凝土總年產能分別約達1,500,000立方米及2,700,000立方米。

As mentioned in our interim report for 2004, our concrete batching plant in Shenzhen which was formerly equipped with two production lines was closed in April 2004 due to the resumption of land on which our plants were located by the government for use in a highway project. One of the production lines was relocated to the Group's other batching plant in the neighbourhood for resumption of production in July 2004. We have recently leased another piece of land in Shenzhen for the building of a new batching plant and expect to re-erect the second 200,000 m<sup>3</sup> per year production line and install a new 300,000 m<sup>3</sup> per year concrete production line in March 2005. By then, our total annual concrete production capacity in Shenzhen will be increased to 1.6 million m<sup>3</sup>.

As at 31 December 2004, the Group's total annual concrete production capacity in Hong Kong and in the Chinese Mainland was approximately 1.5 million m<sup>3</sup> and 2.7 million m<sup>3</sup> respectively.



本公司混凝土攪拌車隊之一  
One of our fleets of mixer trucks

### 流動資金及財政資源

於二零零四年十二月三十一日，本集團的現金及銀行結餘總額為257,200,000港元（二零零三年十二月三十一日：332,900,000港元），其中包括133,800,000港元及人民幣131,300,000元（二零零三年十二月三十一日：264,500,000港元及人民幣73,500,000元）。

二零零四年十月二十五日，本公司與四家銀行訂立融資協議。根據此融資協議動用的貸款須於融資協議訂立日期起計第三年底開始每半年分五期攤還。根據融資協議，本公司的控股公司華潤集團須持有本公司不少於51%具投票權的股本。於二零零四年十二月三十一日，已提款金額為100,000,000港元。

### Liquidity and Financial Resources

As at 31 December 2004, the Group's cash and bank balances totaling HK\$257.2 million (31/12/2003: HK\$332.9 million) included amounts held as follows: HK\$133.8 million and RMB131.3 million (31/12/2003: HK\$264.5 million and RMB73.5 million).

On 25 October 2004, the Company signed the Facility Agreement with four banks. Loans drawn under this Facility Agreement are repayable by five equal bi-annual instalments commencing from the end of the third year from the date of the Facility Agreement. Under the terms of the Facility Agreement, CR Holdings, the Company's holding Company is required to hold not less than 51% of the voting share capital in the Company. As at 31 December 2004, total amount of HK\$100.0 million has been drawn down.

於二零零四年十二月三十一日，本集團的銀行貸款總額為691,600,000港元（二零零三年十二月三十一日：662,400,000港元），包括2,200,000美元、379,500,000港元及人民幣314,000,000元的貸款（二零零三年十二月三十一日：5,100,000美元、299,000,000港元及人民幣345,000,000元）。在該等銀行貸款中，合共168,100,000港元（二零零三年十二月三十一日：304,900,000港元）乃按固定息率計算利息；合共282,700,000港元（二零零三年十二月三十一日：392,400,000港元）乃以本集團的固定資產作抵押；合共45,200,000港元（二零零三年十二月三十一日：77,300,000港元）則無抵押，而由附屬公司的少數股東以不收費形式提供擔保。二零零四年十二月三十一日的借貸比率為68.3%（二零零三年十二月三十一日：71.5%）。

本集團的業務交易主要以港元、人民幣及美元進行，由於這些貨幣的聯繫關係，本公司須承擔之外匯風險乃微不足道。本集團政策為不從事任何投機活動。於二零零四年十二月三十一日，本集團並無進行任何對沖交易。

#### 資產抵押

於二零零四年十二月三十一日，本公司的附屬公司賬面值合共532,300,000港元（二零零三年十二月三十一日：497,100,000港元）的若干固定資產已抵押予銀行，以獲取該等附屬公司所使用的銀行融資額度。

#### 僱員

於二零零四年十二月三十一日，本集團共聘用了3,070名（二零零三年十二月三十一日：2,361名）全職僱員，其中263名（二零零三年十二月三十一日：288名）在香港工作，其餘2,807名（二零零三年十二月三十一日：2,073名）在中國內地工作。本集團184名（二零零三年十二月三十一日：130名）高中級管理人員的平均年齡為38歲（二零零三年十二月三十一日：39歲）。本集團主要根據僱員個別表現與經驗，並考慮業內慣常做法給予薪酬待遇。本公司已設立認股權計劃，本集團僱員據此可能獲授認股權以購入本公司股份。本公司於年內所授出的認股權詳情載於董事會報告中的認股權計劃一節及財務報表附註28。

As at 31 December 2004, total bank loans of the Group, which amounted to HK\$691.6 million (31/12/2003: HK\$662.4 million), comprised loans of US\$2.2 million, HK\$379.5 million and RMB314.0 million (31/12/2003: US\$5.1 million, HK\$299.0 million and RMB345.0 million). Bank loans totaling HK\$168.1 million (31/12/2003: HK\$304.9 million) carried interests at fixed rates. Of these bank loans, a total amount of HK\$282.7 million (31/12/2003: HK\$392.4 million) was secured by fixed assets of the Group and a total amount of HK\$45.2 million (31/12/2003: HK\$77.3 million) was unsecured but covered by guarantees provided by minority shareholders of subsidiaries on a no fee basis. The gearing ratio as at 31 December 2004 was 68.3% (31/12/2003: 71.5%).

The Group's business transactions were mainly carried out in Hong Kong dollars, Renminbi and United States dollars and given the linkage between these currencies, its exposure to exchange risk is insignificant. It is the policy that the Group will not engage in any speculative activities. As at 31 December 2004, the Group did not engage in any hedging transactions.

#### Charges on Assets

As at 31 December 2004, certain fixed assets of subsidiaries of the Company with an aggregate carrying value of HK\$532.3 million (31/12/2003: HK\$497.1 million) were pledged with banks for banking facilities used by these subsidiaries.

#### Employees

As at 31 December 2004, the Group employed a total of 3,070 (31/12/2003: 2,361) full time employees of which 263 (31/12/2003: 288) are based in Hong Kong and the remaining 2,807 (31/12/2003: 2,073) are based in the Chinese Mainland. The average age of the 184 (31/12/2003: 130) senior and middle managerial staff of the Group is about 38 (31/12/2003: 39) years. The Group offers its employees remuneration packages mainly on the basis of individual performance and experience and also having regard to industrial practice. The Company has established a share option scheme whereby employees of the Group may be granted options to acquire shares in the Company. Details of options granted during the year are shown in the section on the Share Option Scheme contained in the Report of the Directors and note 28 to the financial statements.

## 資本開支

誠如二零零三年年報所載，本集團尚需投資的擴張計劃款項約為133,800,000港元。於二零零四年十二月三十一日的計劃進度及其他計劃的資本開支如下：

## CAPITAL EXPENDITURE

The residual balance of the Group's expansion plans to be invested as stated in the Annual Report for 2003 was approximately HK\$133.8 million. The status of these plans and other planned capital expenditure at 31 December 2004 are as follows:

		於二零零三年 十二月三十一日 尚需投資的結餘 百萬港元 Balance to be invested at 31/12/2003 HK\$ million	於年度內授權 百萬港元 Authorised during the Year HK\$ million	於年度內投資 百萬港元 Invested during the Year HK\$ million	於二零零四年 十二月三十一日 尚需投資的結餘 百萬港元 Balance to be invested at 31/12/2004 HK\$ million
拓展計劃	Expansion plan				
於廣西興建乾法水泥 生產線、碼頭及 進行改善工程	Construction of a dry process cement production line, a pier and improvement works at our site in Guangxi	80.1	–	43.2	36.9
擴充東莞廠房的水泥 產能	Expansion of cement production capacity at our site in Dongguan	50.0	47.7	41.4	56.3
添置東莞混凝土業務 所使用的固定資產	Additional fixed assets used by our Dongguan concrete operations	3.7	–	3.7	–
於廣西貴港市興建 乾法加工水泥生產線	Construction of a dry process cement production line at Guigang, Guangxi	–	656.6	84.6	572.0
收購平南合營公司	Acquisition of the Pingnan Joint Venture	–	151.7	–	151.7
		<u>133.8</u>	<u>856.0</u>	<u>172.9</u>	<u>816.9</u>
其他已訂約但未撥備的 資本開支	Other capital expenditure contracted for but not provided for				19.7
					<u>836.6</u>

除了上述的項目外，本集團於二零零四年十二月三十一日並無其他已計劃的重大資本開支。此等已計劃及擬動用資本開支及日後任何其他拓展將由內部資金、借貸、引入策略投資者或發行新股償付。

Apart from the foregoing, the Group has no other significant planned capital expenditure as at 31 December 2004. These planned and intended capital expenditures and any other future expansion will be financed by internally generated funds, borrowings, introduction of strategic investors or new equity.