

Chairman's Statement 主席報告書



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During the year 2006, the Group further strengthened its cement manufacturing capability, with the completion of phase one development of its Yingde plant and enhanced utilization of its Fuzhou facilities.

Although the Group incurred a loss during the year under review, due to substantial start up costs and depreciation charges of Yingde plant during its initial operation, it has laid down a solid operation platform to sustain the Group's continuous expansion and development.

Revenue for the year was HK\$980.4 million, increased by 135% from that of 2005, due to enlarged sales volume resulting from higher capacity and utilization of facilities. With the stabilization of cement price and improvement in efficiency of the Group's various facilities in China, the Group experienced a significant enhancement in performance during the second half of the year.

The cement distribution market in Hong Kong is mature and has been very stable. The Group's cement and ready-mixed concrete operations in Hong Kong continued to generate satisfactory operating results, capitalizing on its strong customer base.

隨著本集團英德廠第一期發展工程完成，加上福州廠之使用率亦有所提升，本集團於二零零六年成功進一步加強本身之水泥製造能力。

儘管於回顧年度英德廠於初步營運時產生龐大之開業成本及折舊開支，導致本集團因而錄得虧損，惟本集團本身經已奠定穩固之營運平台，以支持集團持續擴充和發展業務。

由於本集團擴大產能，加上提高廠房使用率，故此水泥銷量得以明顯增加，本年度收益達980,400,000港元，較二零零五年飆升135%。由於水泥價格穩定，和本集團位於中國之各項設施營運效率亦有所改善，令本集團於本年度下半年之表現大為改善。

香港擁有成熟及相當穩定之水泥分銷市場。憑藉本集團本身之較強客戶基礎，集團於香港之水泥及預拌混凝土業務繼續取得符合要求的成績。

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Performance of the Group's two slag-powder ventures differed due to the varying characteristics of their respective geographical markets. Our 60%-owned slag-powder grinding plant in Anhui experienced a decline in profit, due to its reliance on external supply of higher-cost slag and competitive pricing. While our slag-powder joint venture in Guangxi reported an outstanding performance, supported by higher cost-effectiveness.

After more than a year-and-a-half's operation, the Group's Fuzhou plant began to run in and achieved higher cost-efficiency. We are delighted to see the plant commencing generating profit during the year.

Commencement of commercial production of the Group's Yingde plant in Guangdong during the year, it has significantly elevated the Group's overall output capacity. Completion of phase one of the Yingde plant has lifted the Group's cement and clinker capacity by 4.5 million metric tonnes per annum.

Despite the heavy initial financial charges and start up costs, operating performance of the Yingde facility was in line with the Group's expectation. Since the phase one of Yingde only began its commercial production in the second half of the year, its contribution has yet to be reflected in the Group's results.

After book close, the Group disposed of 10,294,943 shares in Fubon Financial Holdings Company Limited and 14,000,000 shares in Far EasTone Telecommunications Company Limited, realizing a gain of approximately HK\$1.5 million. The amount will be booked in the 2007 consolidated income statement.

本集團兩間礦渣粉合營公司之表現有所相差，原因為各自所處地區之市場特性不同。本集團位於安徽省且擁有60%權益之礦渣粉研磨廠溢利下降，全因該廠房依賴成本較高之外來礦渣供應，加上價格競爭激烈所致。相反，由於本集團位於廣西之礦渣粉合營公司之成本效益相對較高，該公司之表現相當突出。

本集團之福州廠投產超過一年半後，其運作現已漸上軌道，終可取得較高之成本效益。本集團喜見該廠於年內開始帶來溢利。

年內，本集團位於廣東之英德廠開始投入商業生產，大大提升了集團之整體產能。英德廠第一期發展工程順利完成，令本集團之水泥及熟料之年產能增加了4,500,000公噸。

雖然英德廠之初期財務開支及開業成本高昂，但其營運表現仍符合本集團預期。由於英德廠第一期於本年度下半年方始投入商業生產，有關貢獻並未能反映於本集團之業績內。

於結算日後，本集團出售10,294,943股富邦金融控股股份有限公司之股份及14,000,000股遠傳電信股份有限公司之股份，並因而取得約1,500,000港元之利益。該筆款項將會計入二零零七年之綜合收益表內。

