

宏觀經濟與行業發展

二零零一年，中國政府繼續實施積極的財政政策和穩健的貨幣政策，國民經濟繼續保持良好發展勢頭，國內生產總值同比增長7.3%，發電量同比增長8.5%。「十五」計劃開始啟動，「積極發展水電、坑口大機組火電、壓縮小火電、適度發展核電、鼓勵熱電聯產和綜合利用發電、積極發展新能源和再生能源發電」的電力發展戰略和以西電東送為重要內容的西部大開發戰略穩步實施。

發電設備行業呈現如下特點：一是市場活躍，新招標和新開工电站建設項目顯著增加，全年300MW及以上大型機組招標項目達到16個，10,900MW，但競爭激烈；二是生產形勢好轉，生產能力得到進一步發揮，雖然全行業發電設備產量與上一年度基本持平，但在製品增加；三是市場趨向大容量機組、環保機組、高參數機組，高新技術產品受到歡迎。

訂貨情況

受惠於中國「十五」計劃第一年、西部大開發戰略的實施，以及本集團近幾年加大市場開發力度，二零零一年訂單大幅度增長，新接市場訂單達到人民幣68.5億元，較上年同期增長92.23%。新訂單主要包括：

- 蘇丹吉利2X206B聯合循環电站工程項目；

MACRO-ECONOMIC SITUATION AND INDUSTRY DEVELOPMENT

In the year of 2001, the Chinese government continued to implement active financial policies and stable monetary policy. The national economy continued to have a positive development. The gross domestic product grew by 7.3% compared with last year and the generated electricity capacity increased 8.5% over last year. The Tenth Five-year Plan has started up. The power development strategy of "actively developing hydropower and large pit-mouth thermal power units, restricting small thermal power units, moderately developing nuclear power, encouraging co-generation units and comprehensive utilization of electricity and actively developing new energy and renewable energy generation" and big west development strategy with transmitting electricity from west to east as key item have been stably carried out.

During the period under review, the power equipment industry had following features. First, the market was active, the new tendering and new opening power plant construction projects remarkably increased. In 2001 the 300MW and above unit tendering projects amounted to 16 with total capacity of 10,900 MW. However, the competition was fierce. Second, the production situation improved and production capability was further given full play. Although the overall output of the industry was basically same with that of last year, the product-in-progress increased. Third, the market's preference of large units, environmental friendly units, high parameters units and high and new technology products were welcomed.

NEW CONTRACTS

Benefiting from the start-up of the Tenth Five-year Plan, the implementation of big west development and the enhancement of marketing, the new contracts of the Company increased by a big margin. The newly signed contracts secured by the Company totalled Rmb6.85 billion, an increase of 92.23% over last year. Major new contracts included:

- engineering project for the Sudan El Gaili Combined-cycle Power Station (2X206B);

- 陝西韓城電廠2X600MW鍋爐島及汽機島工程項目；
- 甘肅平涼電廠2X300MW火電機組之鍋爐、汽輪機及汽輪發電機；
- 山西古交電廠2X300MW電站鍋爐；
- 湖南株州電廠2X300MW火電機組汽輪機和汽輪發電機；
- 湖南鯉魚江電廠2X300MW火電機組汽輪機和汽輪發電機；
- 河南新安電廠等11台100MW等級循環流化床鍋爐供貨合同；
- 青海公伯峽水電站5X300MW混流式水輪機；
- 貴州洪家渡水電站3X200MW水輪發電機；
- 廣西惡灘水電站4X150MW軸流式水電機組；
- 福建周寧水電站2X125MW水輪發電機；
- 河南回龍水電站2X60MW抽水蓄能水電機組。
- engineering project for the boiler island and turbine generator island of the Shanxi Hancheng Power Plant (2X600MW);
- equipment supply contract for boiler, turbine and turbine generator of the Gansu Pingliang Thermal Power Plant (2X300MW);
- equipment supply contract for boiler of the Shanxi Gujiao Power Plant (2X300MW);
- equipment supply contract for turbine and turbine generator of the Hunan Zhuzhou Thermal Power Plant (2X300MW);
- equipment supply contract for turbine and turbine generator of the Hunan Liyujiang Thermal Power Plant (2X300MW);
- equipment supply contracts for 11 sets of 100MW class circulated fluidised bed boiler (CFB) of Henan Xinan Power Plant and others;
- equipment supply contract for Francis hydropower generator of the Qinghai Gongboxia Hydropower Station (5X300MW);
- equipment supply contract for hydropower generator of the Guizhou Hongjiadu Hydropower Station (3X200MW);
- equipment supply contract for Kanplan hydropower units of the Guangxi Etan Hydropower Station (4X150MW);
- equipment supply contract for hydropower generator of the Fujian Zhouning Hydropower Station (2X125MW);
- equipment supply contract for pumped storage units of the Henan Huilong Hydropower Station (2X60MW).



其中蘇丹吉利2X206B聯合循環電站項目是本集團在非洲獲得的第一個工程總承包項目，對本集團進一步拓展國際市場具有重要意義。河南回龍水電站2X60MW抽水蓄能水電機組是本集團開發承接的第一個大型抽水蓄能機組項目，為本集團進一步開發更大容量的該類型機組奠定了基礎。100MW等級循環流化床鍋爐增加11台新訂單。該等級循環流化床鍋爐是本集團近年來通過引進技術和自主開發推出的新型環保產品，深受市場歡迎。大型水電設備也取得較好成績，年內新簽訂單人民幣5.2億元。工程服務扭轉了近幾年新項目少的狀況，年內新接訂單人民幣27.59億元，較上年同期增長103.5%。

科研與新產品開發

年內，本集團根據發電設備向大容量、高參數、低能耗、低污染的發展趨勢，確定了14個方面的產品作為發展方向，投入人民幣3,255萬元科研費用，在一些方向性產品研發方面取得了重要進展，提高了技術水平，增強了市場競爭能力：

- 一大型亞臨界火電機組方面，新一代300MW亞臨界汽輪機已製造成功。新一代600MW亞臨界汽輪機已通過了由中國電機工程學會和中國機械工業聯合會組織的專家評審，其設計指標達到國際先進水平；
- 大型空冷機組方面，設計完成了300MW、600MW空冷汽輪機，並於近期獲得了國內首台600MW等級空冷機組供貨合同；

Among these new contracts, the Sudan El Gaili Combined-cycle Power Station (2X206B) was the first general contraction project in Africa that the Group has ever obtained, which had significant meaning for the international marketing of the Group. The pumped storage units for the Henan Huilong hydropower Station (2X60MW) was the first large pumped storage unit project that the Group has ever developed and undertaken, which laid a foundation for further developing the same type unit with higher capacity. The Group secured new orders of 11 sets 100MW class CFB in 2001. The 100MW class CFB is the new environmental friendly product presented by the Group through technology transfer and self-reliant development and is warmly welcomed by the market. The large hydropower equipment also reported progress in 2001 with the newly signed contracts of Rmb520 million. And the engineering service projects recovered from the slow-down situation with the newly signed contracts of Rmb2759 million, an increase of 103.5% over last year.

R & D AND NEW PRODUCT DEVELOPMENT

In the year of 2001, the Group identified 14 kinds of products as its development direction in view of the market trend of large capacity, high parameters, low energy consumption and less pollution equipment. The total research and development expenses amounted to Rmb32.55 million. The Company made an important progress in the development of certain direction products and improved technology level and market competitiveness.

- Regarding large sub-critical thermal power units, the new generation of 300MW sub-critical turbine has been successfully developed. The new generation of 600MW sub-critical turbine has passed the evaluation and review of the experts organized by the China Electrical Machinery Engineering Association and China Machinery Industry Union, whose design index reached the international advanced level.
- Regarding air cooling units, the Company completed the design of 300MW and 600MW air cooling units and secured the equipment supply contract of the first 600MW class air cooling unit in China.

- 600MW超臨界機組方面，通過與國內科研院所、所合作，完成了技術方案設計。並與外國公司達成了技術合作和技術引進的協定。
- 清潔煤燃燒技術方面，100MW等級循環流化床鍋爐已成功推向市場，200MW等級迴圈流化床鍋爐已完成關鍵技術研究，目前正著手300MW等級循環流化床鍋爐的技術開發和技術引進工作：
- 大型水電方面，「三峽水輪發電機組研製」課題已通過國家驗收，其研究成果達到了國際先進水平，為三峽機組國產化以及承接其他大型水電機組打下了基礎；三峽機組的部分重要部件已製造完成並發往工地。
- 抽水蓄能機組方面，河南回龍2X60MW抽水蓄能機組的研製工作正在按計劃進行。
- Regarding 600MW super-critical units, the Company completed certain R&D subjects cooperating with some research institutes in China and finished technical design and entered into agreement on technical cooperation and introduction with foreign companies.
- Regarding clean coal combustion technology, the Company has successfully promoted 100MW class CFB to the market and completed the key technical research on 200MW class CFB. The Company now is going to begin the technology development and transfer for 300MW class CFB.
- Regarding large hydropower units, the subject of "Three Gorges units research and manufacturing" has been reviewed and accepted by the State, whose results are in line with the international advanced level, which laid a foundation for the localization of the Three Gorges units and undertaking of other large hydropower units. Some important components for the Three Gorges Power Station have been manufactured and delivered to the site.
- Regarding pumped storage units, the research and manufacturing of the pumped storage units for the Henan Huilong Power Plant (2X60MW) is now proceeding as planned.

尤其值得一提的是，秦山核電650MW汽輪機和汽輪發電機年內獲國家「九五」重大技術裝備成果獎；1000MW嶺南核電MSR被授予國家級優秀新產品。

During the period under review the 650MW turbine and turbine generator for the Qinshan Nuclear Power Plant secured the State Ninth Five-year Plan Important Technical Equipment Award. And MSR for the 1000MW Lingao Nuclear Power Station were granted the State Excellent New Product Award.



生產與服務

二零零一年，本集團生產形勢進一步好轉，雖然部分產品產量有所下降，但投入了大量的在製品，為二零零二年產品產量的增長打下了基礎。全年完成電站鍋爐26台共計2,395MW，較上年同期減少9.62%；電站汽輪機13台共計1,830MW，較上年同期增加16.78%；汽輪發電機15台共計1,895MW，較上年同期減少28.49%；水輪發電機組8台套共計332MW，較上年同期減少47.34%。主要完工產品包括：單機容量為600MW的河北盤山電廠4號機組電站汽輪機；單機容量為600MW的內蒙古托克托電廠1號機組電站鍋爐；單機容量為300MW的深圳西部電廠5號機組電站鍋爐、電站汽輪機和汽輪發電機；單機容量為300MW的湖南株洲電廠1號機組和甘肅平涼電廠3號機組汽輪發電機；單機容量為200MW的內蒙古呼和浩特電廠2號機組電站鍋爐、電站汽輪機和汽輪發電機；單機容量為200MW的廣東茂名電廠1號機組汽輪發電機；單機容量為200MW的遼寧阜新電廠2號機組電站汽輪機；單機容量為200MW的遼寧撫順電廠機組電站鍋爐；單機容量為120MW的江西柘林電站1號、2號水輪發電機組等。

電站工程服務方面：巴基斯坦烏奇項目已全面完工，移交用戶運營；伊朗蘇里曼、卡爾河、卡倫III三個水電站項目水輪機主體設備供貨已基本完成；托克托電廠2X600MW鍋爐島項目，設備採購已接近尾聲，預計第一台於2003年上半年發電；蘇丹吉利2X206B聯合循環電站項目已開始啟動，初步設計已經完成，主要設備供貨與安裝正按計劃進行；韓城2X600MW鍋爐島及汽機島工程項目，初步設計已經完成，正在進行設備訂貨；伊拉克300MW火電機組項目，已完成20%的設備訂貨。

PRODUCTION AND SERVICES

In 2001, the production situation of the Group continued to improve. Although the output of certain products declined, the Group accumulated a great amount of product-in-progress, which laid a foundation for the output growth in 2002. During the period under review, the Group's output was 26 units of utility boilers with total capacity of 2395MW, a decrease of 9.62% over 2001; 13 units of power plant turbines with total capacity of 1830MW, an increase of 16.78% over 2001; 15 units of turbine generators with total capacity of 1895MW, a decrease of 28.49% over 2001 and 8 units/sets of hydropower turbo-generators with total capacity of 332MW, a decrease of 47.34% over 2001. The main products were as follows: power plant turbine for the No. 4 unit of Hebei Panshan Power Plant with the single unit capacity of 600MW; utility boiler for the No. 1 unit of the Inner Mongolia Tuoketuo Power Plant with the single unit capacity of 600MW; utility boiler, power plant turbine and turbine generator for the No. 5 unit of Shenzhen West Power Plant with single unit capacity of 300MW; turbine generator for No. 1 unit of Hunan Zhuzhou Power Plant and No. 3 unit for Gansu Pingliang Power Plant with the single unit capacity of 300MW; utility boiler and power plant turbine and turbine generator for the No. 2 unit of the Inner Mongolia Huhehaote Power Plant with the single unit capacity of 200MW; turbine generator for the No.1 unit of Guangdong Maoming Power Plant with the single unit capacity of 200MW; power plant turbine for the No. 2 unit of Liaoning Fuxin Power Plant with the single unit capacity of 200MW; utility boiler for Liaoning Fushun Power Plant with the single unit capacity of 200MW and No. 1 and No. 2 hydropower units for Jiangxi Zhelin Power Station with the single unit capacity of 120MW.

As for engineering services, the Uch Project in Pakistan has been all completed and transferred to the customer for operation. The 98% of main equipment supply for the Iran MES, KRH and K3 Hydropower Stations has been basically completed. The equipment procurement for the Tuoketuo Power Plant Boiler Island Project (2x600mw) is going to complete soon, the first unit is expected to generate electricity in the first half of 2003. The preliminary design for the Sudan El Gaili Combined-cycle Power Station (2X206B) has been finished and the main equipment supply and installation are proceeding as scheduled. The preliminary design for Hancheng Boiler Island and Turbine Island Engineering Project (2x600mw) has been completed and main equipment supply is now underway. The 20% of equipment ordering for the Iraq 300MW thermal power unit has been completed.

溢利

本年度本集團除稅及少數股東收益後溢利為人民幣2,177萬元，較上年同期下降44.31%，每股溢利則由人民幣0.033元相應減少至人民幣0.018元。主要原因為年內本集團加大市場開發力度使營業費用較上一年度增加人民幣2,036萬元，以及年內本集團因應環保、新工藝和新產品開發的需要，對部分設備進行了重新估值，計提人民幣2,518萬元的減值準備以及折舊較上一年度增加人民幣1,769萬元所致。營業額較上一年度減少5.55%也是溢利減少的原因之一。

股息

董事會建議派發2001年度股息為每股人民幣0.005元，二零零零年度則為人民幣0.0375元。

營業額

年內，本集團營業額為人民幣286,070萬元，較上一年度下降5.55%。其中水電主機設備營業額為人民幣20,779萬元，較上一年度下降43.53%；火電主機設備營業額為人民幣135,860萬元，與上年基本持平；電站工程服務營業額為人民幣77,150萬元，較上一年度下降1.99%；電站輔機及配套產品營業額為人民幣9,809萬元，較上一年度增長5.46%；交直流及其它產品與服務營業額為人民幣42,472萬元，較上一年度增長2.98%；

營業額的地區分佈

年內，本集團出口收入佔主營業務收入的22.21%。其中亞洲佔13.83%，其他為非洲及美洲地區佔8.38%。

CONSOLIDATED PROFIT AFTER TAX

For the year ended 31st December, 2001, the Group recorded consolidated profit after minority interest and tax of Rmb21.77 million, a decrease of 44.31% over last year. The earnings per share decreased from Rmb0.033 to Rmb0.018. The main reason was that the Group enhanced its marketing in the year of 2001, which made operation expenses increase Rmb20.36 million over last year. And in order to be adapt to the need of environmental protection, new processes and new product development, the Group re-evaluated certain facilities in 2001 and recognized Rmb25.18 million of impairment loss in respect of property, plant and equipment. Also the depreciation increased Rmb17.69 million over last year. The turnover of the Group in 2001 decreased 5.55% over last year, which was also one of the reasons for decline in profit.

DIVIDEND

The Board of Directors recommended a final dividend of Rmb0.005 per share for the year ended 31st December, 2001, as compared to that of Rmb0.0375 of 2000.

TURNOVER

For the year ended 31st December, 2001, the Group recorded turnover of Rmb2860.7 million, representing a decrease of 5.55% over last year. During the year under review, the turnover of hydropower main units was Rmb207.79 million, a decrease of 43.53% over last year. The turnover of thermal power main units was Rmb1358.6 million, around the same level with that of last year. The turnover of power plant engineering services project was Rmb771.5 million, a decrease of 1.99% over last year. The turnover of power plant accessories and parts was Rmb98.09 million, an increase of 5.46% over last year and the turnover of AC/DC motors and other products was Rmb424.72 million, an increase of 2.98% compared to 2000.

GEOGRAPHICAL DISTRIBUTION OF TURNOVER

During the year of 2001, the export sales of the Group accounted for 22.21% of the turnover of main business activities. Among which 13.83% was in Asia and 8.38% was in Africa and American region.



成本

年內,本集團加強成本控制,使總成本降至人民幣225,084萬元,較上一年度下降10.16%,大於同期主營業務收入的下降幅度(5.55%)。其主要變動因素為:原材料費用支出較上一年度減少人民幣29,688萬元,主要是因為產品產量下降以及加強採購管理,及採用新工藝,提高了原材料利用效率。

毛利及毛利率

年內本集團營業毛利為人民幣60,986萬元,較上一年度增長16.47%,毛利率為21.32%,較上年增長4.03個百分點。

其中:火電主機設備毛利為人民幣32,365萬元,較上一年度增長10.37%;水電主機設備毛利為人民幣6,863萬元,較上一年度下降1.59%;電站工程服務毛利為人民幣8,780萬元,較上一年度增長11.24%;電站輔機及配套產品毛利為人民幣3,350萬元,較上一年度增長84.32%;交直流及其它產品與服務毛利為人民幣9,628萬元,較上一年度增長51.52%。

期間費用

年內,本集團期間費用為人民幣66,649萬元,較上一年度增長14.40%。主要因為:本集團加大市場開發力度,營業費用較上一年度增加人民幣2,036萬元,增長44.52%;為適應產品升級換代及環保、新工藝、新產品開發的需要,對部分加工設備之價值進行了重新估值,計提了人民幣2,518萬元的減值準備;水電費漲價及增加員工工資等原因使管理費用較上一年度增加人民幣5,651萬元,增長14.03%。

COST

In 2001, due to the strengthening of cost control, the Group's costs of sales were reduced to Rmb2250.84 million, a decrease of 10.16% compared to last year, which was higher than the decrease of turnover (5.55%). The major reason was the expenditure on raw materials decreased by Rmb296.88 million, which was mainly because of declining output, enhancing procurement management, utilizing new processes and improving raw materials utilization efficiency.

GROSS PROFIT AND PROFIT MARGIN

In 2001, the gross profits of the Group were Rmb609.86 million, an increase of 16.47% over last year. The profit margin was 21.32%, an increase of 4.03% compared to last year.

Among which the profits for thermal power main units were Rmb323.65 million, an increase of 10.37% over last year. The profits for hydropower main units were Rmb68.63 million, a decrease of 1.59% over last year. The profits for power plant engineering services were Rmb87.8 million, an increase of 11.24% over last year. And the profits for power plant accessories and parts and AC/DC motors and other products were Rmb33.5 million and Rmb96.28 million, an increase of 84.32% and 51.52% over last year respectively.

EXPENSES DURING THE YEAR

The Group's expenses during the year amounted to Rmb666.49 million, an increase of 14.4% over last year, which was mainly because that the Group strengthened its marketing in 2001. As a result, the distribution costs increased Rmb20.36 million, an increase of 44.52% over last year. In order to be adapt to product upgrading, environmental protection, new processes and new product development, the Group re-evaluated certain manufacturing facilities in the year of 2001 and recognized Rmb25.18 million of impairment loss in respect of property, plant and equipment. Moreover, the increase of staff salaries and water and electricity made administration expenses increased by Rmb56.51 million, an increase of 14.03% over last year.

利息支出

本集團利息支出為人民幣12,913萬元，與上一年度基本持平。

所得稅率

年內本集團仍執行15%的所得稅率。

資本來源及借款情況

本集團之借款一般根據具體項目而安排，除特殊情況，貸款一般由旗下各子公司分別進行，但屬於資本投資性借款須先由總公司批准。本集團之營運及發展所需資金主要有三個來源：股東資金、客戶合同款及借款。於二零零一年十二月三十一日，本集團借款總額為人民幣388,486萬元。本集團借款均為按國家規定之利率向各商業銀行及國家政策性銀行借款。本集團的借款水平會隨訂單的增減及資本項目的投資情況而變化，但基本保持在一個相對穩定的水平。

於二零零一年十二月三十一日，本集團須於一年內償還之借款為人民幣218,278萬元，較年初增加人民幣11,862萬元，增長5.75%，主要是因為訂單增加，前期投入加大所致；須於一年後償還之借款為170,208萬元，較年初增加人民幣53,611萬元，增長45.98%，主要是因為國外新工程項目開始啟動，使借款增加，及三峽改造項目借款增加所致。

存款及現金流量

於二零零一年十二月三十一日，本集團銀行存款及現金為人民幣132,761萬元，較年初增加人民幣29,859萬元。其中人民幣82,199萬元，外幣折合人民幣50,562萬元。年內，本集團現金流入淨額為人民幣39,583萬元。

FINANCE COSTS

During the period under review, the Group's finance costs amounted to Rmb129.13 million, basically the same level with that of last year.

INCOME TAX RATE

In 2001, the taxable income earned by the Group is subject to an income tax rate of 15%.

FUNDING AND BORROWINGS

The borrowings of the Group normally will be arranged according to specific projects. Except those special situations, the loans will be separately conducted by subsidiaries under the Group. However, the Group must approve the capital investment borrowings in advance. The Group's funding for operation and development mainly has three resources, they are shareholder capital, customer contract payment and borrowings. As at 31st December, 2001, the Group's borrowings totalled Rmb3884.86 million. All of the Group's borrowings are loans from various commercial banks and the State's policy banks with interest rates stipulated by the State. The amount of the Group's borrowings depends on orders and investments in capital projects, but it can basically remain on a relatively stable level.

As at 31st December, 2001 The Group's borrowings due within one year were Rmb2182.78 million, an increase of Rmb118.62 million and 5.75% compared to the beginning of the year, which was mainly because orders increased and preliminary investment increased. The long-term borrowings were Rmb1702.08 million, an increase of Rmb536.11 million and 45.98% compared to the beginning of the year, which was mainly because new overseas engineering projects started and the borrowings for the Three Gorges Renovation Project increased.

DEPOSITS AND CASH INFLOW

As at 31st December, 2001, the bank deposits and cash of the Group amounted to Rmb1327.61 million, an increase of Rmb298.59 million compared to the beginning of the year. Among which Rmb821.99 million was in Renminbi and Rmb505.62 million was converted from foreign currencies. During the year, the net cash inflow amounted to Rmb395.83 million.

本集團尚未動用之備用信貸額度約為人民幣135,400萬元，主要為技術改造及電站工程項目之專項借款。憑藉本集團良好的信譽以及尚未動用之信貸額度加上本集團之銀行存款及現有業務的現金流量使本集團擁有充裕的財政資源，足以滿足日後業務發展之需要。

資產結構及變動情況

於二零零一年十二月三十一日，本集團資產總值為人民幣985,751萬元，較年初增加人民幣116,390萬元，增長13.39%。其中，流動資產總值人民幣756,054萬元，佔資產總值的76.70%；固定資產總值人民幣229,697萬元，佔資產總值的23.3%。

資產的增長主要是存貨增加及建造合同應收款增加所致。隨著訂單的增加，對原材料的採購增加，在製品的投入加大。截止二零零一年十二月三十一日，本集團存貨金額為人民幣269,795萬元，較上年同期增加人民幣56,017萬元，增長26.20%；建造合同應收款為人民幣83,827萬元，較上年同期增加16,444萬元，增長24.4%。

於二零零一年十二月三十一日，本集團應收帳款餘額為人民幣196,243萬元，較年初增加人民幣4,159萬元，增長2.16%。

股東權益

於二零零一年十二月三十一日，本公司股東權益總額為人民幣292,694萬元，較年初減少人民幣2,283萬元。每股資產淨值為人民幣2.46元，較年初減少人民幣0.02元。儲備為人民幣173,779萬元，較年初減少人民幣2,283萬元。股東權益及儲備減少的原因是派發二零零零年度股息所致。二零零一年，本公司淨資產收益率為0.74%。

The Group's unutilized credit quota was about Rmb1354 million, which were mainly specialized loans for technical renovation and power plant engineering projects. With the Group's good reputation, unutilized credit quota and bank deposits and cash inflow of current business activities, there are abundant financial resources for the Group's business development in future.

CAPITAL STRUCTURE AND ITS CHANGES

As at 31st December, 2001, the total assets of the Group amounted to Rmb9857.51 million, an increase of Rmb1163.9 million and 13.39% as compared to the beginning of the year. Among which the total current assets were Rmb7560.54 million, representing 76.7% of the total assets. The total fixed assets were Rmb2296.97 million, representing 23.3% of the total assets.

The growth of assets was mainly due to the increase of inventories. With the increase of orders, raw materials procurement increased and investment in product-in-progress increased. As at 31st December, 2001, the total inventories of the Group were Rmb2697.95 million, an increase of Rmb560.17 million and 26.20% over last year. Amounts due from customers for contract work were Rmb838.27 million, an increase of Rmb164.44 million and 24.4% over last year.

As at 31st December, 2001, the balance of trade debtors of the Group was Rmb1962.43 million, an increase of Rmb41.59 million and 2.16% as compared to the beginning of the year.

SHAREHOLDERS' FUND

As at 31st December, 2001, the shareholders' fund of the Company totalled Rmb2926.94 million, a decrease of Rmb22.83 million over last year. The net assets per share were Rmb2.46, a decrease of Rmb0.02 compared to the beginning of the year. The reserves were Rmb1737.79 million, a decrease of Rmb22.83 million over last year. The decline in shareholders' fund and reserves was mainly due to the payment of the final dividends for the year of 2000. In 2001, the Company's asset-income ratio was 0.74%.

負債

於二零零一年十二月三十一日，本集團負債總值為人民幣690,892萬元，較年初增長20.47%。其中，流動負債總值人民幣506,541萬元，較年初增長13.63%，佔負債總值的73.32%；非流動負債總值人民幣184,350萬元較年初增長44.32%，佔負債總值的26.68%。流動負債增加的原因主要是生產量上升，採購原材料所需的貸款增加，而非流動負債增幅較大主要由於國外工程項目融資及三峽工程水電改造項目借款增加引起。

本集團所有負債全部為人民幣負債。

資本與負債比率

於二零零一年十二月三十一日，本集團的資本杠杆比率（非流動負債比股東權益總額）為0.63:1，上一年度為0.44:1。

或有負債及抵押資產

年內，本集團未發生對外擔保及未決訴訟產生之或有負債，亦無資產抵押之情形。

債轉股

為了支援大型企業的發展，國家實施了債轉股計劃。於二零零一年九月，本公司旗下的三家生產性企業分別與華融資產管理公司、長城資產管理公司、信達資產管理公司簽訂了債權轉股權的初步協定。該協定有待國家有關部門的批准。按照該協定，本集團將有人民幣4.86億元的借款轉為以上三公司對本公司三家子公司的股權。若該協定不能被批准，有關債務需重新安排（詳情請參閱本年報重要事項揭示一節）。

LIABILITIES

As at 31st December, 2001, the Group's liabilities totalled Rmb690.892 million, an increase of 20.47% compared to the beginning of the year. Among which the total current liabilities were Rmb506.541 million, an increase of 13.63% compared to the beginning of the year, representing 73.32% of the total liabilities. The non-current liabilities were Rmb184.35 million, an increase of 44.32% compared to the beginning of the year, representing 26.68% of the total liabilities. The increase of current liabilities was mainly because production volume increased and loans for raw materials procurement increased. And the increase of non-current liabilities was mainly due to the financing for overseas engineering projects and increase of loans for the Three Gorges hydropower renovation project.

All liabilities of the Group were denominated in Renminbi.

GEARING RATIO

As at 31st December, 2001, the Group's gearing ratio (computed on non-current liabilities/total shareholders' fund) was 0.63:1 as compared to that of 0.44:1 of last year.

CONTINGENT LIABILITIES AND MORTGAGE ASSETS

During the period under review, there was not any external guarantee and contingent liabilities arising from outstanding litigation of the Group, nor any mortgage assets.

DEBT-EQUITY SWAP

The State carried out debt-equity swap program to support the development of large enterprises. Three manufacturing subsidiaries under the Company signed preliminary agreements on debt-equity swap with Huarong Assets Management Company, Greatwall Assets Management Company and Xinda Assets Management Company respectively in September 2001. These agreements are still subject to the approval of relevant authorities. According to these agreements, the borrowings with total value of Rmb486 million of the Group will be swapped into equity held by the above-mentioned three companies to three manufacturing subsidiaries under the Company. If these agreements can not be approved, relevant debts will be re-arranged (For details, please see the Section of "Disclosure of Significant Events").



資本開支

年內，本集團資本開支總額約為人民幣22,574萬元，主要用於增加大型水電設備製造能力項目、超臨界、抽水蓄能、大型軋機電動機技術改造項目及汽輪機葉片加工中心項目。其中大型軋機電動機技術改造項目及汽輪機葉片加工中心項目已於期內完工；增加大型水電設備製造能力項目已具備生產條件。

匯率波動風險及相關對沖

本集團擁有部分外幣存款，於二零零一年十二月三十一日，本集團外幣存款折合人民幣50,562萬元。本集團之出口業務亦由外幣結算，存在匯兌風險。年內本集團尚未採取任何對沖措施。本集團正在研究採取對沖措施以規避匯率波動風險。

募集資金運用

為了適應中國「十五」計劃和「西部大開發」以及國際市場對發電設備的需求，增強本集團核心競爭能力，本集團加快了技術改造步伐，加大了資金投入。年內，本集團共運用募集資金人民幣1.58億元。其中約人民幣0.88億元用於汽輪機葉片加工中心項目、大型軋機電動機技術改造項目及大水電設備項目，以及人民幣0.7億元用於增加附屬公司營運資金。截止二零零一年十二月三十一日，本集團已累計運用H股募集資金約人民幣7.14億元，另有人民幣2.94億元董事會已經批准用於大型水電改造項目和國家工程研究中心的建設。剩餘款項約人民幣2.32億元暫存放於銀行，仍將按本公司一九九四年十二月五日所發出之H股《售股章程》所承諾之用途使用。

CAPITAL EXPENDITURE

During the period under review, the capital expenditure of the Group reached Rmb225.74 million, which was mainly used for enhancing large hydropower equipment manufacturing capability, technical renovation projects for super-critical units, pumped storage units and large rolling mill motor and turbine blade manufacturing center project. Among which technical renovation project for large rolling mill motor and turbine blade manufacturing center project have been completed during the period under review. As for enhancing large hydropower equipment manufacturing capability, the Group has been ready for the production.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group has certain amount of deposits that are in foreign currencies. As at 31st December, 2001, the amount of the Group's deposits in foreign currencies was Rmb505.62 million after conversion. The export business of the Group is also settled in foreign currencies and there is exchange risk. During the period under review, the Group did not adopt any hedging measures. The Group now is considering adopting hedging measures to avoid exposure to fluctuations in exchange rates.

USE OF LISTING PROCEEDS

In order to be adaptive to the Tenth Five-year plan and big west development and meet the requirements of international power equipment market, the Group accelerated its technical renovation and increased relevant investment so as to improve the Group's core competitiveness. During the period under review, the Group used a total of Rmb158 million from its listing proceeds. Among which Rmb88 million was used for turbine blade manufacturing center project and technical renovation project for large rolling mill motor and Rmb70 million was used as working capital of associated companies. As at 31st December, 2001, the Group has used a total of Rmb714 million from its listing proceeds. And the Board of Directors has approved Rmb294 million from its listing proceeds to be used for renovation project of large hydropower equipment and construction of the National Engineering Research Center. The remaining balance of Rmb232 million of listing proceeds was deposited in the bank and will be used according to the prospectus of the Company for the issue of H shares dated 5th December, 1994.



投資計劃

為促進本集團產品的升級換代，增強核心競爭能力，今後幾年本集團擬在完成增加大型水電設備製造能力項目的同時，加快超臨界技術改造項目、大型燃氣輪機技術引進及技術改造項目、大型空冷機組技術改造項目、優化型亞臨界300MW、600MW汽輪機技術改造項目、聯合循環餘熱鍋爐技術引進及技術改造項目、大型抽水蓄能機組技術引進及技術改造項目、濕法煙氣脫硫技術引進及技術改造項目以及大企業化項目等的投資，該等項目約需投資11億元，項目所需資金按二零零一年臨時股東大會的批准，將繼續使用H股募集資金餘額和通過在中國境內發行人民幣普通股（A股）及其他合法途徑解決。針對上述項目，本集團已獲得人民幣6.6億元的信貸額度承諾。二零零二年本集團計劃投資人民幣1.85億元用於上述項目。

員工及薪酬

於二零零一年十二月三十一日，本集團擁有員工約19200人，年薪酬總額約為人民幣3.4億元。本集團採取崗位培訓、到大專院校培訓和到跨國公司培訓等多種措施培訓員工，提高員工素質；本集團實施以崗位工資為主的結構工資制度。

INVESTMENT PLAN

In order to accelerate product upgrading and improve core competitiveness, the Group plans to push the following projects forward while completing the project of enhancing large hydropower equipment manufacturing capability. These projects include technical renovation project for super-critical equipment, technology transfer and technical renovation project for large gas turbine, technical renovation project for large air cooling units, technical renovation project for optimized sub-critical 300MW and 600MW turbine, technology transfer and technical renovation project for combined-cycle heat recovery steam generator, technology transfer and technical renovation project for large pumped storage units, technology transfer and technical renovation project for wet flue gas desulfurization and large enterprise information project. The total investment of all these projects is about Rmb1.1 billion, which has been approved by the Company's 2001 Extraordinary General Meeting to use the listing proceeds of H shares, capital raised from issuing domestic common shares denominated in Renminbi (A shares) and by other legal channels. For the above-mentioned projects, the Group has been granted with credit quota of Rmb660 million. In 2002, the Group plans to invest Rmb185 million in these projects.

STAFF AND REMUNERATION

As at 31st December, 2001, the Group's total staff number was 19200. The total annual remuneration was Rmb340 million. The Group adopted various measures such as on-job-training, studying in universities and training in multinational companies to train its staff and improve their qualities. The Group implemented structure salary system with post salary as main content.



所持的重大投資在期內的表現及發展前景

大水電改造項目已具備生產條件，開始用於三峽水電機組的生產；發電設備國家工程中心研究項目已完成部分試驗裝置建設，開始實驗研究；投資輕合金表面陶瓷化項目而合辦的三利亞公司，年內尚無產生投資回報；其他技術改造項目也已在生產中發揮作用。

重大的收購或出售聯營公司及附屬公司

年內，本集團沒有重大投資以及重大的收購或出售附屬公司。

展望

二零零二年，中國經濟將繼續保持快速增長，發電設備市場繼續看好，本集團的生產經營狀況將有較大改善，產品產量將顯著增加。但市場競爭仍十分激烈，主要原材料及動力燃料等的價格亦將上升，這些因素將對公司經營業績產生影響。為此，公司將繼續加大市場開發力度，加快產品升級換代，加強內部管理，嚴格控制成本費用，爭取為股東創造更多的回報。

二零零二年四月二十二日於中國哈爾濱

PERFORMANCE OF SIGNIFICANT INVESTMENTS HELD AND THEIR FUTURE PROSPECTS

With the implementation of the project for enhancing large hydropower equipment manufacturing capability, the Group now is ready to manufacture the hydropower units for the Three Gorges Project. The construction of certain testing equipment for the Power Equipment National Engineering Research Center has been completed and some testing and research has already begun. The Sunny Asia Industrial Co., Ltd. that established by the Company through investing in the project of light alloy surface ceramicization did not obtain investment return in the year of 2001. Other technical renovation projects played their roles in the production of the Group.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the period under review, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries and associated companies.

PROSPECT

In 2002 the economy of China will continue to grow at a high speed and the power equipment market will continue to head towards a positive direction. The production and operation of the Group will improve and production and output will remarkably increase. However, the market competition will still be fierce. The prices for main raw materials and energy and fuel will also increase. All these will have certain impact on the operation results of the Company. Therefore, the Company will continue to strengthen its marketing, accelerate product upgrading, enhance internal management and strictly control cost and expenses so as to create more return for shareholders.

Harbin, the People's Republic of China, 22nd April, 2002