



本公司常務副董事長、總經理—郭愛清先生
Mr. Kuo Aiching — Standing Deputy Managing Director and General Manager of the Company

(一) 業績分析

於本年度，本公司及其附屬公司（「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、光纜及移動通信電纜等。

於本年度內，國家繼續大力發展通信信息產業及實施西部大開發措施的逐步落實，通信電纜產品的社會總需求仍保持了穩定地增長。本集團調整產品結構，抓緊聯營合資企業的管理和適時擴大部份產品的生產能力的努力，產生了良好的結果。雖然受國際、國內市場多方面因素的影響，致使本集團所生產、銷售的各種產品的社會需求量無論在時間分佈上或產品品種、規格上均產生了極大的波動和不均衡，給本集團的生產經營活動造成了較大的困難。



1. 本集團加快產品結構調整的力度，適應生產新型程控交換機電纜、寬頻數據傳輸電纜等高新產品的擴產或技改項目順利完成，產品成功進入市場，使銷售額快速增長。新產品銷售額已佔本集團銷售額近25%，為改善本集團經營條件及盈利貢獻顯示了良好的作用和前景，今後將會成為本集團營業收入及盈利的重要組成部份。

1. Analysis of the Results

During the year, the main products of the Company and its subsidiaries (the “Group”) are still plastic telephone cables, telephone exchange system cables, television cables, cable-joining sleeves, optical fibres, optical fibre cables and mobile telecommunication cables.

During the Year, the State continued to develop the telecommunication industry and to implement the grand development strategy of Western region. As a result, the aggregate demand for telecommunication products has maintained a stable growth. The Group has created satisfactory results through efforts in adjusting product mix, grasping joint venture enterprise management and timely expanding production capacity of most of its products. Influenced by a variety of factors both domestically and internationally, social demand for the Group's products fluctuated drastically in terms of time allocation, variety and specification, which somewhat obstructed the Group's production and operational activities.

1) The Group has accelerated its pace of adjusting the product mix, expanded the hi-tech products such as telephone exchange system cables and broadband data transmission cables and accomplished technological transformation projects. Launch of these products into the market has resulted in rapid growth of sales volume. Sales of new products accounted for nearly 25% of the Group's turnover. This has benefited, and is going to benefit, the Group's operation and profits. It will become an important component of the Group's operational income and profit.

2. 在上年度移動通信電纜成功進入市場後，本集團繼續維持了良好的發展勢頭，銷售數量及銷售額均較上年度有近一倍的增長，實現了扭虧為盈，對改善本集團經營條件及盈利貢獻亦產生了良好的作用。
 3. 在上年度，本集團擴充中住公司光纖生產能力的投資項目，按計劃在本年度中期順利完成，使本集團抓住了國內市場上出現光纖供應短暫緊張，價格上揚的有利時機，光纖銷售量及銷售額均較上年度有一倍左右的增長，效益的增長更大高於銷售額的增長，這對穩定本集團的銷售額，實現本集團的盈利作出了重要貢獻。
 4. 本集團擁有50%權益的中康光纜為適應光纜需求強勁增長的勢頭，及時添置了帶纖機、著色機、套塑機等設備並投入生產、滿足了市場需要，使中康光纜產品銷量及銷售額大幅增長，效益的增長亦大大高於銷售額的增長。本集團攤佔投資收益的大幅增長，對實現本集團盈利亦作出了重大貢獻。
 5. 加強對聯營合資公司的管理，繼續清理、整頓聯營合資公司，使絕大部份聯營合資公司經營狀況得到改善，效益得以顯著提高。本集團投資回報的增長對效益的實現也發揮了十分重要的作用。
- 2) Upon the successful launch of mobile telecommunication cables into the market last year, the Group has been maintaining positive development. Both sales volume and turnover have doubled comparing to that of last year. A turnaround profit was achieved, which contributed positively to the Group's operational condition and profit.
 - 3) Last year, the Group's investment in expanding production capacity of optical fibres of SEI has been completed as scheduled during the middle of the Year. The Group has grasped the valuable market opportunity of optical fibres supply shortage and its price increase. As a result, sales volume and turnover of optical fibres have about doubled comparing to the previous year. Increase of profitability was far greater than that of turnover, which contributed greatly to the stabilization of the Group's turnover and significant contribution to the Group's profit.
 - 4) To cope with the rapid increase in the demand for optical fibres, CCS in which the Group holds 50% interests have purchased fibre-fixing machines, colouring machines and plastic layer-affixing machines and put them into operation to satisfy the market's needs. As a result, sales volume and turnover of CCS have increased significantly. Increase of profitability was far greater than that of turnover, contributing tremendously to the Group's profit.
 - 5) The Group has strengthened its management of its joint venture companies and continued the disposal and reorganization of these companies. As a result, the operation and profitability of vast majority of the joint venture companies have improved. Increase in investment return has created positive and significant impact to the Group's profitability.

6. 由於中國電信、廣播電視系統等重要客戶仍處於改革過程之中，給全塑市話電纜、電視電纜、電纜套管的總需求造成一定負面影響，本集團雖然尚能維持這些產品已有之市場佔有率，但銷售額卻比上年度分別下降 35.4%、36.8%、10.7%，激烈的市場競爭導致價格的進一步下跌，亦影響這些產品的銷售收入和效益的實現，而主要原材料銅的採購價格平均下降約 10%，彌補了部份效益的損失。
7. 按照香港會計實務準則第31號「資產減值」的有關規定，鑒於本集團存在光纖預制棒制造業務、光纜制造業務、聚晶模制造業務、公司內部通信業務、生活服務部份業務已停止進行或發生轉移，及部份設備、儀器、儀表性能落後，不再適用，屬於淘汰範圍的情況，經清理對有關的設備及機器共計人民幣43,858,000元作資產減值處理，此減值損失已全部確認於本年度內，對本集團的效益造成一定負面影響。
- 6) Major PRC clients of telecommunication, broadcasting and television system are still in the process of reform, which created a certain extent of negative effect on the aggregate demand for plastic telephone cables, television cables and cable joining sleeves. Although the Group maintained its market share in the above products, its sale volume has dropped by 35.4%, 36.8% and 10.7% respectively compared with the previous year. Product price has further declined because of the severe market competition and adversely affected the sales revenue and profitability of such products. The purchase price of raw materials has dropped by an average of approximately 10%, which has partially compensated for the loss of revenue.
- 7) The Group's existing businesses in pre-optical fibre stick manufacture, optical fibre cord manufacture, synneusis mould manufacture, internal telecommunication and daily-life services have ceased to operate or have been transferred. Besides, some equipment, machineries and instruments have become obsolete and should be replaced. Therefore, disposal of the above equipment and machinery amounting to RMB43,858,000 was treated as an impairment of assets in accordance with the relevant provisions in Hong Kong Statement of Standard Accounting Practice No. 31 "Impairment of Assets". The impairment loss was fully recognized during the Year and has produced an adverse effect on the Group's profit.

(二) 主要業務回顧

面對通信信息市場急驟變化帶來的機遇和困難，在本年度，本集團董事會和經營班子基本實現「調整、發展」的戰略目標，各項工作取得了明顯成效，為本年度創造良好的經濟效益和今後的發展提供了堅實的基礎。本集團於本年度年主要業務活動摘錄如下：

1. 調整和完善了技術中心的機構和領導班子，明確了技術創新工作的重點和近期任務，批准了技術創新工作所需的首期投資和建設方案，並擬定實施了技術創新工作新的激勵機制。

2. Review of Main Businesses

During the Year, given the opportunities and challenges arising from the rapid changes in the telecommunication market, the Board of Directors and the operation management adopted the strategic target of "adjustment and development". Various efforts have yielded remarkable results, laying down a solid foundation for the Group to achieve better profitability for the Year as well as its future development. The main business activities during the Year are summarized as follows:

- 1) The structure and leadership of the technology center have been adjusted and optimised. The work focus and recent task for technological renovation projects have been clarified. The initial investment and construction plan required by technological renovation projects have been approved. An incentive-stimulation system for technological innovation has been formulated.

2. 為加快本集團產品結構調整，經董事會批准投資人民幣**5,580,000元**的適應生產新型程控交換機電纜、寬頻數據傳輸電纜等高新產品的擴產或技術改造項目已順利完成並投入生產，產品市場業已打開。今後新型程控交換機電纜、寬頻數據傳輸電纜將逐步形成本集團銷售收入和效益的重要組成部份。
3. 為進一步拓展程控交換機電纜的市場，以滿足用戶的要求，經董事會批准在深圳市合資組建深圳普達通信技術有限公司，專職從事程控交換機電纜與聯接器組裝業務，預計在二零零二年第一季度可正式投入生產。
4. 在本年度，本公司的高新技術企業獲再次認定，並於二零零一年八月二十八日獲頒高新技術企業認定證書。
5. 為滿足國內需求，經認真的市場調研，本集團董事會批准計劃投資人民幣**55,390,000元**，分兩期擴充光纖拉絲製造的生產能力。其中第一期投資人民幣**14,000,000元**的項目已順利完成，使中住公司生產能力達到**600,000**芯公里，並產生了滿意的投資回報。第二期計劃投資人民幣**41,390,000元**的項目正在進行前期準備，完成後將使中住公司生產能力進一步擴大到**1,200,000**芯公里。
- 2) In order to accelerate the adjustment of product mix, the Board of Directors has approved an investment of RMB5,580,000 on production expansion or technological renovation projects for the new program control telephone exchange system cables and broadband data transmission telecommunication cables. These projects have been completed and production has commenced. The market for these products has been opened. The new telephone exchange system cables and broadband data transmission telecommunication cables will gradually become an important component of the Group's sales revenue and profit.
- 3) In order to further expand the market for the telephone exchange system cables and to satisfy the customers' needs, the Board of Directors approved the joint establishment of 深圳普達通信技術有限公司 in Shenzhen. This company will mainly engage in the assembling process of the telephone exchange system cables. It is expected to commence production in the first quarter of 2002.
- 4) During the Year, the Company's hi-tech entrepreneurship was recognized again and was awarded the Certificate of High-Tech Enterprise on 28 August 2001.
- 5) To satisfy domestic demand, upon prudent market research, the Board of Directors has approved the investment plan of RMB55,390,000 to expand the production capacity for optical fibre lines in two stages. The investment of RMB14,000,000 in the first phase has been completed, increasing the production capacity to 600,000 kilometers and making satisfactory return on investment. The second phase investment in the sum of RMB41,390,000 is still in initial preparation stage. Upon its completion, SEI's production capacity will reach 1,200,000 kilometers.

6. 為適應光纜品種、規格的需要，本公司董事會批准中康光纜計劃投資人民幣**12,340,000**元及時添置了帶纖機、著色機、套塑機等設備並投入生產，使其生產能力，達**1,300,000**芯公里，滿足了市場的近期需要。經董事會批准，中康光纜還將計劃投資人民幣**43,000,000**元，使其生產能力擴大至**3,500,000**芯公里，現正在進行土建施工。
7. 本集團在上年度對合資聯營合資企業進行清理、整頓的基礎上，繼續對其他聯營合資企業進行了清理、整頓。於本年度，本集團轉讓在寧波太平洋CDC電纜有限公司全部股權的協議已獲當地政府的批准：對重慶夏查德多層電路板有限公司、四川新龍網絡科技有限公司、四川天信CDC電纜有限公司的清理解整頓或重組已完成；對成都八達接插件有限公司的重組即將在近期完成。

(三) 財務分析

於本年度內，本集團之財務狀況已有明顯改善。

營業額

截至二零零一年十二月三十一日止年度，本集團營業額為人民幣**585,443,000**元，比截至二零零零年十二月三十一日止年度的人民幣**524,511,000**元，增長**11.62%**。

股東應佔溢利

本集團於本年度股東應佔溢利為人民幣**64,418,000**元，而截至二零零零年十二月三十一日止年度，股東應佔虧損為人民幣**78,149,000**元，實現了扭虧為盈，並創造了本集團近年來最好的業績。

- 6) To cater for the demand for variety and specification of optical fibre cable products, the Board of Directors has approved the investment plan of CCS to invest RMB12,340,000 to purchase the fibre-fixing machines, colouring machines and plastic layer-affixing machines. The equipment has been put into operation, making the production capacity reach 1,300,000 kilometers and satisfying the recent market demand. Subject to the approval of the Board of Directors, CCS will invest RMB43,000,000 to increase its production capacity to 3,500,000 kilometers. Now the infrastructure construction is under way.
- 7) The Group continued the disposal and re-organization of its joint venture companies initiated last year. During the Year, the Group's agreement for transferring its entire shareholding interests in Ningbo Pacific CDC Cable Company Limited was approved by local government. Disposal, reorganization or restructuring of Chongqing Shahzad Multi-layer PCB Co., Ltd, 四川新龍網絡科技有限公司, Sichuan Provincial Telecommunications Cable Plant have been completed. Restructuring of Chengdu Bada Connector Company Limited is nearly completed.

3. Financial Analysis

During the Year, the Group's financial status was greatly improved.

Turnover

The turnover of the Group amounted to RMB585,443,000, representing an increase of 11.62% as compared to RMB524,511,000 for the year ended 31 December 2000.

Profit attributable to shareholders

The Group's profit attributable to shareholders for the Year was RMB64,418,000. Loss attributable to shareholders for the year ended 31 December 2000 was RMB78,149,000. The Group has turned loss to profit, which is also the best results in recent years.

分析提要

截至二零零一年十二月三十一日止，本集團總資產為人民幣**1,287,135,000元**，較上年度末的人民幣**1,163,643,000元**增加**10.6%**。其中流動資產總額為人民幣**652,089,000元**，佔總資產的**50.6%**，較上年度末的人民幣**566,147,000元**增加**15.2%**，增加的主要原因是銷售收入的增加。固定資產總額為人民幣**313,199,000元**，佔總資產的**24.3%**，較上年度末的人民幣**388,644,000元**減少**19.4%**，減少的主要原因是本年度計提減值虧損。

截至二零零一年十二月三十一日止，本集團負債總額為人民幣**378,634,000元**，負債對資產比率為**29.4%**，銀行之短期貸款為人民幣**201,861,000元**，較上年度末的人民幣**186,406,000元**增加**8.3%**。於本年度，本集團未有安排其他集資活動。

截至二零零一年十二月三十一日止，本集團銀行存款共折合人民幣**252,669,000元**，較上年度末的人民幣**153,982,000元**增加**64.1%**。

於本年度內，本集團的分銷費用、行政及其他營業費用、財務費用分別為人民幣**40,656,000元**、人民幣**101,353,000元**、人民幣**12,854,000元**，較上年度的人民幣**33,441,000元**、人民幣**110,962,000元**、人民幣**11,391,000元**，分別增加**21.6%**、減少**8.7%**及增加**12.8%**。分銷費用增加的主要原因是增加銷售引致銷售成本增加。行政及其他營業費用減少的主要原因是上年年度曾計提大量的撥備，而在本年度計提則較少。

Analysis Highlights

As at 31 December 2001, the Group's total asset was RMB1,287,135,000, representing an increase of 10.6% over the previous year RMB1,163,643,000, of which current asset amounted to RMB652,089,000, accounting for 50.6% of the total asset and representing an increase of 15.2% over the previous year's RMB566,147,000. Increase was mainly due to increase in sales income; fixed assets were RMB313,199,000, accounting for 24.3% of the total assets, representing a decrease of 19.4% over the previous year's RMB388,644,000. Decrease was mainly due to impairment losses of assets during the Year.

As at 31 December 2001, the Group's liability totalled RMB378,634,000; the liability-to-asset ratio was 29.4%; short term bank loan was RMB201,861,000, representing an increase of 8.3% over the previous year's RMB186,406,000. During the Year, the Group did not arrange for other fund raising activities.



As at 31 December 2001, the Group's bank deposit totalled RMB252,669,000, representing an increase of 64.1% over the previous year's RMB153,982,000.

During the Year, the Group's distribution costs, administrative and other operation costs, and finance expenses amounted to RMB40,656,000, RMB101,353,000 and RMB12,854,000, respectively, representing an increase of 21.6%, a decrease of 8.7% and increase of 12.8% over the previous year's RMB33,441,000, RMB110,962,000 and RMB11,391,000. Increase in distribution costs was due to increase in selling expenses as a result of increase in sales revenue; decrease in administrative and other expenses was mainly due to more provisions had been made for 2000, while less provisions for 2001.

於本年度末，本集團的應收貿易賬款和存貨分別為人民幣**201,963,000**元和人民幣**168,976,000**元，較上年度末的人民幣**198,030,000**元和人民幣**135,182,000**元，分別增加**2.0%**和**25.0%**。造成應收貿易賬款和存貨上升的主要原因在於中國電信主、副業調整及重大戰略重組，影響貸款回籠及購銷合同的推遲執行。

資金流動性分析

截止二零零一年十二月三十一日止，本集團流動資產為人民幣**652,089,000**元（二零零零年：人民幣**566,147,000**元），流動負債為人民幣**364,935,000**元（二零零零年：人民幣**323,703,000**元），年應收賬周轉天數為**126**天，年存貨周轉天數為**130**天。上述數據說明，本集團資金流動性理想，但還有改善的空間，變現和償債能力較好。

財政資源分析

截至二零零一年十二月三十一日止，本集團銀行短期貸款為人民幣**201,861,000**元，該短期貸款為分期貸款，貸款年利率平均為**6.435%**，陸續分期償還，本集團並無短期償債風險，銀行存款及現金也相對充足，達人民幣**252,669,000**元。

非短期的負債或貸款

截至二零零一年十二月三十一日止，本集團長期借款約為人民幣**13,699,000**元，其中銀行貸款約為人民幣**5,769,000**元，年利率為**7.35%**，法國政府擔保銀行貸款約人民幣**7,930,000**元，年利率為**0.55%**。該兩項長期借款均為分期還款，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。

At the end of the Year, the Group's trade receivables and inventories amounted to RMB201,963,000 and RMB168,976,000 respectively, which represented an increase of 2.0% and 25.0% over the previous year's RMB198,030,000 and RMB135,182,000 respectively. Increase in trade receivables and inventories were mainly due to adjustment and strategic reorganization of China's telecommunication industry in both major and ancilliary parts, which had impacted on the repayment of loan and delayed implementation of sales contract.

Analysis of capital liquidity

As at 31 December 2001, the Group's current asset amounted to RMB652,089,000. (2000: RMB566,147,000), current liabilities were RMB364,935,000 (2000: RMB323,703,000), annual receivables turnover period was 126 days and annual inventories turnover period was 130 days. The above data suggested that the Group's capital flow was ideal but there is still room for improvement. The ability of liquidity and repayment is satisfactory.

Analysis of financial resources

As at 31 December 2001, the Group's short-term bank loan was RMB201,861,000. This loan shall be repaid by installments. The interest rate of the loan was 6.435% per annum. The Group does not have short term repayment risk. Bank balances and cash was comparatively sufficient with amount of RMB252,669,000.

Non-current liabilities or loan

As at 31 December 2001, the Group's long-term loans were approximately RMB13,699,000, of which bank loan amounted to approximately RMB5,769,000 at the interest rate of 7.35% per annum, and bank loan guaranteed by the French government amounted to approximately RMB7,930,000 at the interest rate of 0.55% per annum. The two long-term loans were all instalment loans in which the maximum repayment period was 36 years. As the balance of long term loans was immaterial, there will be no adverse effect on the operation of the Group.

本集團資本結構情況

本集團的資金來源是利潤、銀行貸款和募股資金。募股資金的使用，嚴格按照法定程序辦理，為保證資金的合理使用，本集團已逐步建立健全了完善的財務管理制度。資金的使用亦注重規避風險和提高投資回報率。在本年度，債務到期償還及責任到期履行方面尚未發生麻煩。

流動資金及資金來源

本集團於本年度之經營業務淨現金流入為人民幣**88,204,000元**（二零零零年：人民幣**32,309,000元**）。

本集團在本年度分別支出人民幣**4,607,000元**（二零零零年：人民幣**769,000元**）及人民幣**21,560,000元**（二零零零年：人民幣**14,024,000元**）添置物業、廠房、設備及在建工程。

截至二零零一年十二月三十一日止，本集團負債及少數股東權益總額為人民幣**489,919,000元**（二零零零年：人民幣**430,845,000元**）。於本年度內本集團支付的利息支出為人民幣**13,578,000元**（二零零零年：人民幣**12,194,000元**）。

或有負債

截至二零零一年十二月三十一日止，本集團的或有負債為人民幣**150,000,000元**（二零零零年：人民幣**250,300,000元**）。

Capital structure of the Group

The Group's capital is derived from profit, bank loans and proceeds from issuance of shares. The use of proceeds is strictly complying with legal requirements. In order to ensure the proper utilization of capital, the Group has gradually established a sound financial management system. The Group also paid attention to avoiding risks and to improving return on investment. During the Year, no problem has occurred in terms of repaying due loans and performing due obligations.

Cash and Source of Funds

The Group's net cash inflow from operating activities amounted to RMB88,204,000 during the Year (2000:RMB32,309,000).

During the Year, the Group spent a total of RMB4,607,000 (2000:RMB769,000) and RMB21,560,000 (2000: RMB14,024,000) respectively on the purchase of property, plant, equipment and on construction in progress.

As at 31 December 2001, the Group's total liabilities and minority interests amounted to RMB489,919,000 (2000:RMB430,845,000). The Group made interest payments of RMB13,578,000 (2000:RMB12,194,000) during the Year.

Contingent Liabilities

The contingent liabilities of the Group as at 31 December 2001 was RMB150,000,000 (2000: RMB250,300,000).

4. 業務展望

二零零二年度，在世界經濟發展形勢尚不明朗，不確定因素的影響尚難全面、準確評估的情況下，使我們面臨的經營形勢更加嚴峻，工作難度會更多、更大，但我們對國內通信信息產業的發展仍然充滿信心。本集團將實施如下措施：

1. 為適應市場經濟和股份制經濟的要求，切實轉換企業運行機制、管理模式，本集團擬聘請資深的管理專家、學者對企業發展戰略與管理進行大規模的諮詢、診斷，以進一步理清企業發展思路，提供切實可行的整改意見和措施，為本集團的擴張、騰飛作好充分的思想和組織準備。
2. 進一步轉變觀念，深化企業改革，加強企業管理，完善各種激勵機制，繼續精簡公司主體，加大對輔助生產單位和後勤服務部門的剝離力度和進度。
3. 積極開拓市場，加強員工的市場競爭意識，加強市場調研，及時捕捉市場需求信息，加強營銷隊伍的建設和管理，牢固樹立市場觀念，盡快盡力提高市場佔有率。
4. 加速線纜產品結構的調整，著力完善技術創新機制的有效運行，進一步加大對新產品開發的投入，提高技術創新和新產品開發的能力。以市場為導向，在擴大現有程控交換機電纜、寬頻數據傳輸電纜生產能力的同時，本集團將加快此類有市場前景、等級更高的新產品和其他產品的開發和生產，力求在短期內完成一批投資少、見效快的項目。

4. Business Outlook

During 2002, in view of the uncertainties in the global economy and where those uncertainties are still unpredictable and cannot be estimated accurately, we will be confronted with a harsher operational environment. There will be more and bigger difficulties for our work. However, we are still very confident with the development of China's telecommunication industry. The Group will take the following measures:

- 1) To comply with requirements of market economy and stockholding economy and to change the operating and management system, the Group will appoint experienced management experts and scholars to conduct large-scale consultation and diagnosis on the Group's development strategy and management so as to further clarify the enterprise's development picture, and to provide practical opinions and measures to prepare the Group mentally and organizationally for its expansion and soaring.
- 2) To further the change of values, strengthen enterprise reform and corporate governance, optimize a variety of incentive-stimulation mechanism, rationalise corporate main structure, and enhance separation from and progress of the subsidiary production units and service departments.
- 3) To explore market proactively, strengthen the staff's awareness of market competition, enhance market research, timely grasp market information, improve sales team building and management, implant marketing concepts and improve market share as soon, and as much, as possible.
- 4) To speed up the adjustment of product mix of cables and lines, optimize the effective operation of technological renovation system, promote the enthusiasm for new product development, and expand the capacity of developing new products and technological innovation. Besides, guided by market force, while expanding the production capacity of existing telephone exchange system cables and broadband data transmission cables, the Group will accelerate the development and production of these products, which possess better market prospects and are of higher standard. We aim at completing a series of projects with less investment and quick return.

5. 抓好投資管理，為現有合資聯營企業的健康發展和良性運作提供強力支撐和幫助，積極為中康光纜、中住公司等聯營合資企業的擴產工程提供必要的支持，以盡快壯大其實力。
6. 充份發揮上市公司的優勢，加大資本運作的力度，尋求新的合資合作項目，以形成本集團新的利潤增長點。
7. 嚴格控制財務成本，加強財務，成本，資金管理，力爭在貸款回籠、庫存佔用資金、分銷費用、行政及其他營業費用、財務費用、開支等方面有較明顯的改善，努力開源節流、堵塞漏洞、降低消耗、提高效益。
- 5) To strengthen investment management, to strongly support and assist the healthy development and positive operation of existing joint venture companies, to offer necessary support to the expansion projects of joint ventures like SEI and CCS in order to expand their strengths.
- 6) To fully utilize the advantages of a listed company, increase the capital operation strength, seek new cooperation and joint venture projects in order to formulate new points of profit growth for the Group.
- 7) To strictly control financial cost, strengthen financial, cost and capital management, and also to make significant progress in handling loan recovery, inventory capital, distribution expenses, administrative and other expenses, financial expenses, etc. as well as to reduce consumption, save costs and to improve profitability.

近期經濟發展和加入世界貿易組織 (世貿) 對本集團的影響

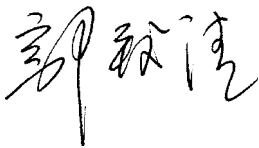
在世界經濟一體化的大趨勢下，尤其是我國加入「世貿」組織以後，世界經濟發展速度變化、國外企業資本、高新技術等進入中國，對本行業及本集團的直接或間接影響正逐漸顯現出來。董事會認為在二零零一年度受世界經濟增長趨緩進而步入衰退，網絡經濟泡沫破滅，特別是美國「911」事件的影響，對銅、塑膠、光纖的需求量和價格造成巨大的沖擊，國外企業以各種不同的形式進入中國市場，加劇市場的競爭，這些因素均影響本集團的效益。此種影響在二零零二年度及今後還將繼續存在。

Recent Economic Development and Impact of China's Entry into World Trade Organization ("WTO") on the Group

Given the globalization of world economy and China's entry into WTO, the world economy development has changed rapidly. Capital and technology of overseas enterprises have entered China. The impact, both direct and indirect, on the industry and the Group will gradually surface. The Board of Directors believes that the gradual recession of world economy, the bursting of the I.T. industry bubble, and particularly the 11 September incident in the US, will have significant impact on the demand and price for copper, plastic and optical fibres. Overseas enterprises will enter the China's market in various forms and accelerate market competition. All these factors will affect the Group's profitability. This effect will continue to prevail in 2002 and the following years.

國內通信信息市場雖然在二零零一年度一花獨秀，但中國電信等企業的重大戰略重組，電信市場的過度競爭，亦影響了本集團的市場和效益。二零零二年度，在推進國家「十五」發展規劃和實施西部大開發戰略的大潮中，我們又迎來實質性推進國家信息化的嶄新階段，隨著我國電信運營業大格局的確定，我們相信通信信息產業將會出現新一輪的大發展，這對本集團的發展有著積極的推動作用。

董事會對本集團今後的發展十分樂觀，我們有信心把握機遇，進一步優化公司管理架構，提升公司管理水平，開創本集團新的輝煌，為股東創造更多的效益。

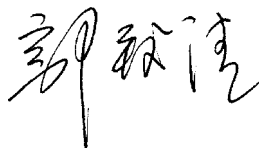


郭愛清
副董事長・總經理

二零零二年四月十八日

Although domestic telecommunication industry remained outstanding in 2001, the major strategic re-structuring and over-competition of the telecommunication market have affected the Group's market and profit. In 2002, under the propelling wave of the Tenth "Five-Year" Plan of the State and the grand development strategy for Western region, a brand new stage of stimulating telecommunication industry is right ahead of us. While the macro framework structure of China's telecommunication industry has stabilized, we believe the telecommunication industry will have a new round of major development which will generate immense propulsion to the Group's development.

The Board of Directors is optimistic about the Group's future development. We will grasp opportunities, optimize organizational structure, and improve management level in order to create a bright future for the Group and more benefits for the shareholders.



Kuo Aiching
Deputy Managing Director, General Manager

18 April 2002