

總裁報告書 President's Statement

本人謹此代表董事會（「董事會」）向全體股東提呈上海聯合水泥股份有限公司（「本公司」）與其附屬公司統稱「本集團」之截至二零零四年十二月三十一日止年度之業績。

業績

年度受國內水泥市場原材料及運費不斷上漲，與及下半年水泥價格下降影響，令本集團盈利下降，營業額為港幣377,844,000元，淨溢利為港幣10,414,000元。較上年分別減少1.3%及79.2%。

末期股息

董事會不建議派發截至二零零四年十二月三十一日止年度之末期股息（二零零三年：港幣4仙）。

展望

預期國內來年經濟仍能保持強勁增長，水泥行業亦朝高技術及高質量的方向前進，行業運作將進一步規範化，本集團在這方面擁有優勢。本集團將擴大跨地區銷售網路，以增加獲利機會，並減低單一市場風險。正如本集團以前所預見到的，水泥同業過度擴張之負面影響已逐步顯現，價格戰在華東地區時有發生。各大水泥集團應採取謹慎共同維護市場之穩定策略，才不會使市場過度波動。

石材和瓷磚業務方面，在國內經濟不斷增長的推動下，人民對居住、工作環境的要求漸高，有助改善進口材料市場需求，本集團會相應加強在有關業務版塊的市場推廣力度爭取業務增長；對於國內產品方面亦必須協助廠家改善生產、加工工藝以應付市場的需求。

On behalf of the board of directors (the "Board"), I am pleased to present to all shareholders the results of Shanghai Allied Cement Limited (the "Company", together with its subsidiaries, the "Group") for the year ended 31st December, 2004.

RESULTS

The rising price of raw materials and freight charges of the PRC cement market during the year, coupled with the drop in cement price in the second half of the year, has led to a fall in profit of the Group. The turnover and net profit were HK\$377,844,000 and HK\$10,414,000 respectively, representing a decrease of 1.3% and 79.2% as compared to the preceding year.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31st December, 2004 (2003: HK4 cents).

PROSPECTS

It is expected that the economic growth momentum of the State for the coming year can be maintained. The cement industry will be more regulated and will be developed in the direction of high technology and high quality. Such development provides the Group with an edge. The Group will also expand its cross-regional sales in order to raise our profit-making opportunities and to reduce the risks of reliance on a single market. The adverse effects of over-expansion of the cement industry as expected by the Group have gradually manifested and cutthroat competition is not uncommon in Eastern China. All the cement conglomerates should adopt a stabilising strategy with due care to protect the market, so as to safeguard the market from excessive fluctuations.

With respect to stone and ceramic tile business, as there is gradually greater need for better living and working environment, which is driven by the incessant growth of the domestic economy, the market demand for imported materials will then be higher. The Group will commit greater effort in the marketing activities of different relevant business segments accordingly. While for domestic products, the Group will assist the manufacturers in improving the production and processing technologies so as to meet the market demand.



致謝

在此，衷心感謝各位股東及客戶的支持，及對所有董事的不懈努力及全體員工的辛勤工作表示感謝。

總裁
黃清海

香港，二零零五年三月二十三日

APPRECIATION

I hereby express my deepest gratitude to all shareholders and customers for their trust and support, and I sincerely thank all the directors and staff for their diligence and dedication to the Group.

Ng Qing Hai
President

Hong Kong, 23rd March, 2005

