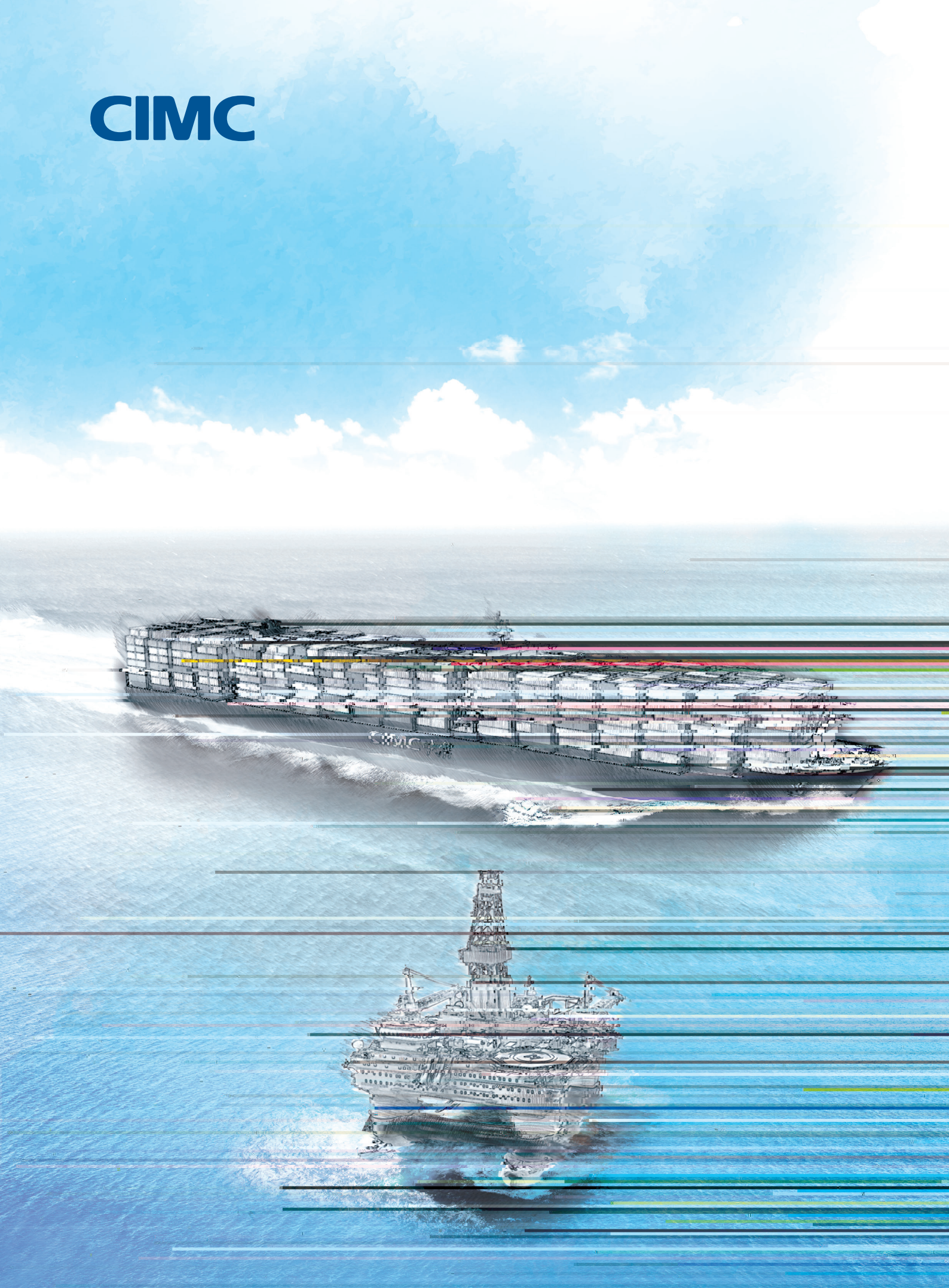


CIMC



IMPORTANT NOTICE

The Board, the Supervisory Board and the Senior Management of the Company have reviewed the Company's financial statements for the year ended 31 December 2017 (the "2017 Financial Statements") and the Company's 2017 Annual Report (the "2017 Annual Report"), and they have approved the 2017 Financial Statements and the 2017 Annual Report for release to the public.

The Board has also reviewed the Company's 11th Annual General Meeting (the "2017 AGM"). Mr. Wong Yehing, Chairman, and Mr. Liang Ming, Secretary, have signed the 2017 AGM minutes. Mr. Liang Ming, Secretary, has signed the 2017 AGM minutes.

The Company has also reviewed the Company's 2017 Annual Report and the Company's 2017 Financial Statements. The Company's 2017 Annual Report and the Company's 2017 Financial Statements have been reviewed by the Company's internal audit department and the Company's external audit firm, PricewaterhouseCoopers ("PwC"), and they have approved the 2017 Annual Report and the 2017 Financial Statements for release to the public.

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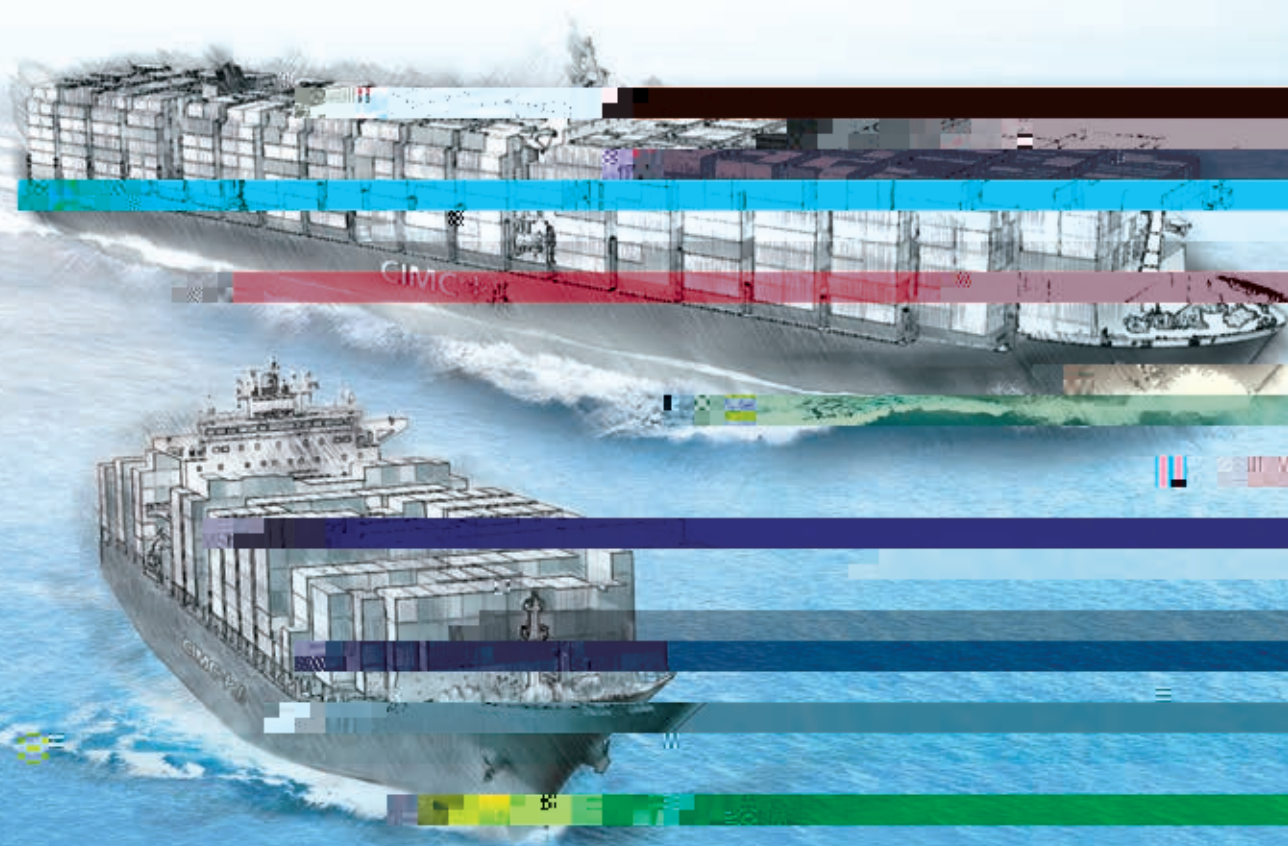
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04 Definitions

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This glossary is not intended to be a complete list of all the terms used in the G.S. It is intended to provide a basic understanding of the terms used in the G.S. and to provide a basic understanding of the terms used in the G.S.

Items	Definitions
CNG	Compressed Natural Gas.
FLNG	Floating Liquefied Natural Gas.
FPSO	Floating Production Storage and Offloading.
FSRU	Floating Storage and Regasification Unit.
HSE	Health, Safety and Environment.
GSE	Gas Separation Equipment. It is a process of separating the gas from the liquid. The gas is separated from the liquid by using a separator. The gas is then sent to the gas processing plant. The liquid is then sent to the liquid processing plant. The gas is then sent to the gas processing plant. The liquid is then sent to the liquid processing plant.
High-Density Polyethylene	A type of plastic that is used in the production of pipes, tanks, and other equipment. It is a type of plastic that is used in the production of pipes, tanks, and other equipment. It is a type of plastic that is used in the production of pipes, tanks, and other equipment. It is a type of plastic that is used in the production of pipes, tanks, and other equipment.
LNG	Liquefied Natural Gas.
LPG	Liquefied Petroleum Gas.
Marine Barge	A type of ship that is used to transport goods and materials. It is a type of ship that is used to transport goods and materials. It is a type of ship that is used to transport goods and materials. It is a type of ship that is used to transport goods and materials.
ONE M	One Million Enriched Uranium Hexafluoride (U ₆ HF ₆).
QHSE	Quality, Health, Safety and Environment.
Specialty Steel Ductile Iron Pipe	A type of pipe that is used in the production of pipes, tanks, and other equipment. It is a type of pipe that is used in the production of pipes, tanks, and other equipment. It is a type of pipe that is used in the production of pipes, tanks, and other equipment. It is a type of pipe that is used in the production of pipes, tanks, and other equipment.
TEU	Twenty-Foot Equivalent Unit. It is a unit of measurement for the capacity of a container ship. It is a unit of measurement for the capacity of a container ship. It is a unit of measurement for the capacity of a container ship. It is a unit of measurement for the capacity of a container ship.
VOC	Volatile Organic Compounds. It is a type of compound that is used in the production of pipes, tanks, and other equipment. It is a type of compound that is used in the production of pipes, tanks, and other equipment. It is a type of compound that is used in the production of pipes, tanks, and other equipment. It is a type of compound that is used in the production of pipes, tanks, and other equipment.

Chapter II Summary of Accounting Data and Financial Indicators

I. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

Reported by the Company's Management, Audited by the Company's Management, and the Company's Management is responsible for the accuracy and completeness of the data.

Unit: RMB million

Consolidated income statement items	The Reporting Period (January – June 2017) (unaudited)	The same period of the previous year (January – June 2016) (unaudited)	Changes from the same period of the previous year to the Reporting Period (%)
Revenue	33,387,152	23,542,843	41.81%
Operating profit	1,524,203	(318,988)	577.82%
Total profit	1,576,142	(165,844)	1,050.38%
Operating profit	509,633	375,316	35.79%
Profit before income tax	1,066,509	(541,160)	297.08%
Profit after income tax	796,898	(378,034)	310.80%
Minority interest	269,611	(163,126)	265.28%
Profit after income tax and minority interest	865,083	(502,200)	272.26%

Unit: RMB million

Consolidated balance sheet items	As at the end of the Reporting Period (30 June 2017) (unaudited)	As at the end of previous year (31 December 2016) (audited)	Changes from the end of previous year to the end of the Reporting Period (%)
Total assets	57,457,050	53,352,031	7.69%
Total liabilities	72,041,804	71,262,717	1.09%
Total equity	129,498,854	124,614,748	3.92%
Total assets	53,634,687	46,249,215	15.97%
Total liabilities	35,992,284	39,230,741	(8.25%)
Total equity	89,626,971	85,479,956	4.85%
Total assets	39,871,883	39,134,792	1.88%
Equity	29,822,813	29,285,970	1.83%
Minority interest	10,049,070	9,848,822	2.03%
Shareholders' equity	2,980,352,786	2,978,576,986	0.06%

Chapter II Summary of Accounting Data and Financial Indicators

II. DIFFERENCES IN ACCOUNTING DATA UNDER DOMESTIC AND FOREIGN ACCOUNTING STANDARDS

1. Differences in net profits and net assets prepared under International Accounting Standards and CASBE

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The CASBE ng h R ng P ng S n

2. Differences in net profits and net assets prepared under foreign accounting standards and CASBE

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The following are the names of the people who were involved in the project:

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3. Reason for differences in accounting data under domestic and foreign accounting standards

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III. NON-RECURRING PROFIT OR LOSS ITEMS AND AMOUNT

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 2017)

12 Chapter III Report of the Board

I. BUSINESS SUMMARY

The Group's operating performance in the first half of 2017 was satisfactory. The Group's operating income increased by 10.2% compared with the same period of 2016, and the operating profit increased by 15.8%. The Group's operating profit margin increased by 1.2 percentage points compared with the same period of 2016. The Group's operating profit margin increased by 1.2 percentage points compared with the same period of 2016.

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Chapter III Report of the Board

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In 1971, the Government of the People's Republic of China (PRC) issued a decree that the Chinese language should be written in the Latin alphabet. This was a significant step towards the Latinization of the Chinese language. The decree was based on the principle of simplicity and ease of learning. It aimed to make the Chinese language more accessible to the masses and to facilitate international communication. The Latinized Chinese language was first used in the PRC in 1971. It was a simplified version of the traditional Chinese language, with many characters replaced by Latin letters. This system was used for a short period of time, but it was eventually abandoned. The Chinese government decided to return to the traditional Chinese language, which was written in Chinese characters. This decision was based on the belief that the Chinese language should be preserved in its original form. The Latinized Chinese language was never widely accepted, and it is now considered a historical curiosity. It is a testament to the efforts of the Chinese government to reform the Chinese language, but it also shows that such efforts can be difficult to sustain.

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In the first half of 2017, the company's operating performance continued to improve. The company's operating income increased by 15.2% compared with the same period of last year, and the net profit increased by 49.8%. The company's operating cash flow also showed a significant increase, reaching 15.2 billion yuan. The company's operating performance was mainly driven by the strong growth of the company's core business, which contributed to the overall improvement of the company's operating performance.

The company's operating performance in the first half of 2017 was mainly driven by the strong growth of the company's core business, which contributed to the overall improvement of the company's operating performance. The company's operating income increased by 15.2% compared with the same period of last year, and the net profit increased by 49.8%. The company's operating cash flow also showed a significant increase, reaching 15.2 billion yuan.

In the first half of 2017, CIMC's operating performance continued to improve. The company's operating income increased by 15.2% compared with the same period of last year, and the net profit increased by 49.8%. The company's operating cash flow also showed a significant increase, reaching 15.2 billion yuan.

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Chapter III Report of the Board 23

In the first half of 2017, the Group's main business performance was stable. The Group's operating income increased by 1.4% compared with the same period of the last year. The Group's operating profit increased by 0.026% compared with the same period of the last year. The Group's net profit increased by 0.026% compared with the same period of the last year. The Group's cash and cash equivalents increased by 0.026% compared with the same period of the last year. The Group's total assets increased by 0.026% compared with the same period of the last year. The Group's total liabilities increased by 0.026% compared with the same period of the last year. The Group's total equity increased by 0.026% compared with the same period of the last year. The Group's return on equity increased by 0.026% compared with the same period of the last year. The Group's return on assets increased by 0.026% compared with the same period of the last year. The Group's return on capital employed increased by 0.026% compared with the same period of the last year. The Group's return on investment increased by 0.026% compared with the same period of the last year. The Group's return on debt increased by 0.026% compared with the same period of the last year. The Group's return on equity increased by 0.026% compared with the same period of the last year. The Group's return on assets increased by 0.026% compared with the same period of the last year. The Group's return on capital employed increased by 0.026% compared with the same period of the last year. The Group's return on investment increased by 0.026% compared with the same period of the last year. The Group's return on debt increased by 0.026% compared with the same period of the last year.

24 Chapter III Report of the Board

In respect of the road transportation vehicle
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In respect of the airport facilities equipment business, in 2017, the Group's revenue was approximately HK\$1.2 billion, which was an increase of about 10% over the revenue of HK\$1.1 billion in 2016. The Group's profit was approximately HK\$150 million, which was an increase of about 10% over the profit of HK\$135 million in 2016. The Group's operating profit was approximately HK\$150 million, which was an increase of about 10% over the operating profit of HK\$135 million in 2016. The Group's net profit was approximately HK\$150 million, which was an increase of about 10% over the net profit of HK\$135 million in 2016. The Group's cash and cash equivalents were approximately HK\$1.2 billion at the end of 2017, which was an increase of about 10% over the cash and cash equivalents of HK\$1.1 billion at the end of 2016.

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3. Overall Operation Targets and Initiatives for Main Business Segments

[illegible]

In respect of the container manufacturing business, in FY 2017, the Group had a net profit of 1,000 million yen, an increase from 800 million yen in FY 2016. The net profit was mainly due to the increase in the volume of container manufacturing, which was 1,000 million yen in FY 2017, an increase from 800 million yen in FY 2016. The net profit was also due to the increase in the volume of container manufacturing, which was 1,000 million yen in FY 2017, an increase from 800 million yen in FY 2016. The net profit was also due to the increase in the volume of container manufacturing, which was 1,000 million yen in FY 2017, an increase from 800 million yen in FY 2016.

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In respect of the heavy truck business, in 2017, C&CT's revenue from selling heavy trucks in the domestic market was RMB1,000 million, an increase of 10% over 2016. In the same period, the company's operating profit was RMB100 million, an increase of 10% over 2016. The company's operating profit margin was 10%, an increase of 10% over 2016. The company's operating profit margin was 10%, an increase of 10% over 2016.

In respect of the airport facilities equipment business, in 2017, the Group's operations were as follows:

[illegible]

In respect of the financial business, in the first half of 2017, CIMC Finance Limited continued to maintain a prudent financial policy, and the financial performance was stable. The financial performance of the Group in the first half of 2017 is as follows:

4. Main Risk Factors for Future Development of the Group

Risk of economic periodic fluctuations and trade protection: The U.S.

Risk of industry policy upgrade: China

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CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules 29

I. BUSINESS OVERVIEW

(I) Principal Business Engaged by the Company during the Reporting Period

The Company is engaged in the business of providing financial services to its customers. The Company's principal business is the provision of financial services, including the provision of financial products and services to its customers. The Company's principal business is the provision of financial services, including the provision of financial products and services to its customers.

(II) Significant Changes in the Major Assets during the Reporting Period

1. Significant Changes in the Major Assets

The Company's major assets are its financial assets, including its investments in securities and other financial instruments. The Company's major assets are its financial assets, including its investments in securities and other financial instruments.

2. Main Overseas Assets

The Company has no overseas assets.

(III) Analysis of Core Competitive Advantages

Strategic Positioning of "Manufacture + Service + Finance"

The Company's core competitive advantages are its strong financial position, its extensive network of customers, and its strong brand reputation. The Company's core competitive advantages are its strong financial position, its extensive network of customers, and its strong brand reputation.

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

II. OPERATION DISCUSSION AND ANALYSIS

(I) Overview

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(II) Analysis of Principal Businesses

1. Year-on-year Changes exceeding 30% in Key Financial Data

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	As at the end of the Reporting Period (30 June 2017) (unaudited)	As at the end of the Reporting Period (31 December 2016) (unaudited)	Change (%)	Comments
Directors' remuneration	253,412	16,746	1,413.27%	Mr. Liang Jie, Chairman of the Board, received a remuneration of RMB253,412 for the reporting period, which was an increase of 1,413.27% compared with the remuneration of RMB16,746 for the corresponding period of 2016. The increase was mainly due to the fact that Mr. Liang Jie was appointed as the Chairman of the Board in January 2017.
Other remuneration	2,612,280	1,687,762	54.78%	Mr. Liang Jie, Chairman of the Board, received a remuneration of RMB2,612,280 for the reporting period, which was an increase of 54.78% compared with the remuneration of RMB1,687,762 for the corresponding period of 2016. The increase was mainly due to the fact that Mr. Liang Jie was appointed as the Chairman of the Board in January 2017.
	The Reporting Period (January to June 2017) (unaudited)	The Reporting Period (January to June 2016) (unaudited)	Change (%)	Comments
Fixed remuneration	594,251	304,944	94.87%	Mr. Liang Jie, Chairman of the Board, received a fixed remuneration of RMB594,251 for the reporting period, which was an increase of 94.87% compared with the fixed remuneration of RMB304,944 for the corresponding period of 2016. The increase was mainly due to the fact that Mr. Liang Jie was appointed as the Chairman of the Board in January 2017.
Variable remuneration	234,437	1,267,501	(81.50%)	Mr. Liang Jie, Chairman of the Board, received a variable remuneration of RMB234,437 for the reporting period, which was a decrease of 81.50% compared with the variable remuneration of RMB1,267,501 for the corresponding period of 2016. The decrease was mainly due to the fact that Mr. Liang Jie was appointed as the Chairman of the Board in January 2017.
(Long-term incentive) / Bonus	(32,626)	137,104	(123.80%)	Mr. Liang Jie, Chairman of the Board, received a long-term incentive of RMB(32,626) for the reporting period, which was a decrease of 123.80% compared with the long-term incentive of RMB137,104 for the corresponding period of 2016. The decrease was mainly due to the fact that Mr. Liang Jie was appointed as the Chairman of the Board in January 2017.
Long-term incentive	(10,628)	(87,328)	87.83%	Mr. Liang Jie, Chairman of the Board, received a long-term incentive of RMB(10,628) for the reporting period, which was an increase of 87.83% compared with the long-term incentive of RMB(87,328) for the corresponding period of 2016. The increase was mainly due to the fact that Mr. Liang Jie was appointed as the Chairman of the Board in January 2017.

The Reporting Period (January to June 2017) (unaudited)	Share of Total Revenue (2016 (unaudited))	Change (%)	Revenue
Construction	21,903	241,771 (90.94%)	Major projects include the construction of the new airport terminal, the new highway interchange, and the new bridge over the river.
Construction	142,020	791,687 (82.06%)	Major projects include the construction of the new airport terminal, the new highway interchange, and the new bridge over the river.
Construction	5,000	764,577 (99.35%)	Major projects include the construction of the new airport terminal, the new highway interchange, and the new bridge over the river.
Construction	33,776	1,542,157 (97.81%)	Major projects include the construction of the new airport terminal, the new highway interchange, and the new bridge over the river.

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

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2. Composition of Principal Businesses during the Reporting Period

Unit: RMB million

	Revenue (unaudited)	Cost of sales (unaudited)	Gross profit margin (unaudited)	Changes in revenue from the same period of previous year	Changes in cost of sales from the same period of previous year	Changes in gross profit margin from the same period of previous year
By industry/product						
Cable TV	10,049,055	8,254,228	17.86%	105.14%	96.75%	3.50%
Radio and TV advertising	9,719,601	7,952,957	18.18%	38.59%	39.75%	(0.68%)
Advertising operation	5,060,511	4,191,438	17.17%	16.65%	18.76%	(1.47%)
Other advertising	1,214,509	1,347,363	(10.94%)	(67.21%)	(59.41%)	(21.32%)
Advertising agency	1,180,919	954,996	19.13%	4.65%	5.78%	(0.86%)
Long-term investment	3,751,202	3,371,872	10.11%	16.55%	19.29%	(2.07%)
Financial business	1,148,040	498,703	56.56%	3.02%	36.13%	(10.57%)
Other business	297,664	162,201	45.51%	(5.71%)	3.57%	(4.88%)
Other	1,283,201	1,206,432	5.98%	49.15%	44.01%	3.35%
Other	1,394,177	1,170,585	16.04%	368.91%	429.55%	(9.61%)
Other	(1,711,727)	(1,869,211)	.	(48.84%)	(35.97%)	.
TOTAL	33,387,152	27,241,564	18.41%	41.81%	42.43%	(0.35%)
By region (by receiver)						
China	14,794,349	.	.	74.98%	.	.
Advertising operation in China	3,384,378	.	.	84.09%	.	.
Advertising agency	6,645,230	.	.	89.69%	.	.
Other	7,341,001	.	.	(11.38%)	.	.
Other	1,222,194	.	.	(16.47%)	.	.
TOTAL	33,387,152	.	.	41.81%	.	.

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(III) Analysis of Non-Principal Businesses

A 0 0 0 0 N 0 0 0

Un : RMB h n

Item	Amount	Proportion in total profit	Explanation on the formation	Sustainable or not
Intangible assets	(10,628)	(0.67%)	Mainly due to the amortization of intangible assets, which is not sustainable.	N
Provision for doubtful accounts	(32,626)	(2.07%)	Mainly due to the provision for doubtful accounts, which is not sustainable.	N
Assets in progress	234,437	14.87%	Mainly due to the construction of the IMC EIP, which is sustainable.	N
Non-current receivables	84,343	5.35%	Mainly due to the receivables from SOE, which is sustainable.	N
Non-current receivables	32,404	2.06%	Mainly due to the receivables from SOE, which is sustainable.	N

(IV) Assets and Liabilities

1. Significant Changes in Assets

Un : RMB h n

As at the end of the Reporting Period

A 0 0 0 0

Chng

Item	Amount	% of total assets	Am	%	Chng	Un	h ng
Cash and cash equivalents	5,737,102	4.43%	6,325,998	5.08%	(0.65%)	N	h ng
Receivables	16,371,018	12.64%	11,526,075	9.25%	3.39%	N	h ng
Intangible assets	18,336,871	14.16%	17,409,515	13.97%	0.19%	N	h ng
Long-term receivables	1,722,065	1.33%	1,752,608	1.41%	(0.08%)	N	h ng
Long-term receivables	2,249,428	1.74%	2,162,217	1.74%	0.00%	N	h ng
Fixed assets	21,674,735	16.74%	22,037,261	17.68%	(0.94%)	N	h ng
Construction in progress	23,804,653	18.38%	22,769,189	18.27%	0.11%	N	h ng
Share in subsidiaries	17,945,748	13.86%	15,729,787	12.62%	1.24%	N	h ng
Long-term receivables	23,665,089	18.27%	27,023,222	21.69%	(3.42%)	N	h ng

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

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2. Assets and Liabilities Measured at Fair Value

A N

Un : RMB h n

Item	Amount at the beginning of the period	Profit or loss arising from changes in fair value for the Reporting Period	Cumulative changes in fair value recognised in equity	Impairment provision for the Reporting Period	Purchases for the Reporting Period	Sales for the Reporting Period	Amount at the end of the Reporting Period

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(V) Analysis of Investments during the Reporting Period

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

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4. Financial Asset Investments

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A N

Unit: RMB million

Securities	Stock code	Abbreviation of stock name	Initial investment cost	Modes of accounting measurement	Book value at the beginning of the period	Profit or loss arising from changes in fair value during the current period	Cumulative changes in fair value recognised in equity	Purchases for the current period	Sales for the current period	Profit or loss during the Reporting Period	Book value at the end of the period	Classification in accounting	Source of funds
H Share	6198	Qinghai	128,589	Fair value	133,400	28,637	-	-	-	-	157,489	Financial assets at fair value through profit or loss	From the disposal of financial assets
H Share	368	Shanghai	20,742	Fair value	3,860	1,407	-	-	-	-	5,123	Financial assets at fair value through profit or loss	From the disposal of financial assets
Other financial assets					812	(210)	-	-	-	-	17,745	Financial assets at fair value through profit or loss	From the disposal of financial assets

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Subsidiaries or associates contributing to more than 10% of the Company's net profits

Chapter V Management Discussion and Analysis Prepared in Accordance with Hong Kong Securities Rules

The following information is provided for the purpose of enabling investors to make an informed decision on the investment in the Company. The following information is provided for the purpose of enabling investors to make an informed decision on the investment in the Company.

CHANGES IN ACCOUNTING POLICIES FOR THE REPORTING PERIOD

On 28 August 2017, the Company has adopted the new accounting standards issued by the International Accounting Standards Board ("IASB") effective from 1 January 2017. The Company has adopted the new accounting standards issued by the International Accounting Standards Board ("IASB") effective from 1 January 2017. The Company has adopted the new accounting standards issued by the International Accounting Standards Board ("IASB") effective from 1 January 2017.

CONSOLIDATED OPERATING RESULTS

The following table sets out the consolidated operating results of the Group for the periods indicated:

Period	Consolidated Operating Results
2016	RMB33,387.152 million
2017	RMB23,542.843 million

SEGMENT INFORMATION

The following table sets out the segment information of the Group for the periods indicated:

Period	Segment Information
2016	...
2017	...

GROSS PROFIT MARGIN AND PROFITABILITY

The following table sets out the gross profit margin and profitability of the Group for the periods indicated:

Period	Gross Profit Margin	Profitability
2016	18.41%	...
2017	18.76%	...

Chapter V Management Discussion and Analysis Prepared in Accordance with Hong Kong Securities Rules

NON-OPERATING INCOME

D ng h R ng P G n n ng
 2016: RMB167.289 n n MB84.343 n n
 9.58%, h : n n b b
 g R g n n g n l ng n
 G n n n n b
 n ng n n g n n CASBE
 ng h R ng P F , n n
 n IV. 60 Ch IX 2017 n n n
 (Un) n h R

TAX EXPENSE

D ng RMB509.633 n 2016:
RMB375.316 n ng -
85.79%, h n
n g l gn n
G ng F,
IV. 62 Ch IX 2017
Fn (Un) n

TECHNOLOGY DEVELOPMENT COSTS

D ng h R ng P hn l G l n
G RMB288.459 n ll R h n
n 2016: RMB230.097 n ll n ng - n

45

BANK LOANS AND OTHER BORROWINGS

At 30 June 2017, the Group's net assets, including net assets of the subsidiaries, were RMB57,072.710 million (31 December 2016: RMB55,932.185 million). The Group's net assets were RMB57,072.710 million (31 December 2016: RMB55,932.185 million) and the Group's net assets were RMB57,072.710 million (31 December 2016: RMB55,932.185 million).

Un : RMB h n

	As at 30 June 2017 (unaudited)	As at 30 June 2016 (audited)
Share capital	17,945,748	15,729,787
Reserves	4,891,414	3,525,710
Long-term debt	23,665,089	27,023,222
Other non-current assets	7,986,500	7,986,500
Other current assets	2,583,959	1,666,966
Total	57,072,710	55,932,185

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Chapter V Management Discussion and Analysis Prepared in Accordance with Hong Kong Securities Rules

CAPITAL STRUCTURE

7. 2016 年 12 月 31 日，公司应收账款账面余额为 30,891,883.83 元，坏账准备金额为 3,134,792.79 元，计提比例为 10.15%。其中账龄在 1 年以内的应收账款金额为 29,854,956.95 元，坏账准备金额为 2,985,495.69 元，计提比例为 10.00%；账龄在 1-2 年的应收账款金额为 1,036,926.88 元，坏账准备金额为 449,297.10 元，计提比例为 43.33%。

A 44 n 44 R 44 ng P 44 G 44 g ng
: 69.21% (31 44 mb 2016: 68.60%), n h
: lghl n : b 0.61% : 44 n 44
44 n 44 (Cot l 44 ng ng :
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FOREIGN EXCHANGE RISK AND RELEVANT HEDGE

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INTEREST RATE RISK

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PLEDGE OF ASSETS

A 30 Jan 2017, AMB8,902.078 ml n(31 Dec mb
2016: RMB9,756.883 ml n ng
8.76% h n .
F IV. 24 Ch IX 2017
In En IR (Un) n R

CAPITAL COMMITMENTS

30 Jan 2017, G h n
RMB494.514
(31 2016: RMB417.786
n ng
18.37% h n
h n

Chapter V Management Discussion and Analysis Prepared in Accordance with Hong Kong Securities Rules

CONTINGENT LIABILITY

A 30 Jan 2017, at G h r n g n l b l o
l RMB59.028 mll n (31 Jan 2016:
RMB83.248 mll n n g n g 9.09%:
h n . F ,
X. 1 Ch IX 2017 l m
En l (Un) n R

SIGNIFICANT INVESTMENTS AND MAJOR ACQUISITIONS AND DISPOSALS RELATING TO SUBSIDIARIES AND ASSOCIATED COMPANIES

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n : : 4 n l ng 4 5 4 n : : 4
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FUTURE PLANS FOR SIGNIFICANT INVESTMENTS AND EXPECTED SOURCES OF FUNDING

[illegible]

CAPITAL EXPENDITURE AND FINANCING PLAN

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n 2017
RMB7,900
RMB500
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h h n RMB6,000 mll (N n
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2017 l: ng H Sh:, C n n:
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l n n n B . F ,
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Chapter VI Significant Events

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C h r A.1.1 h r h b h h h g l l n b h ng : h h h l : h h : h l . D ng h R ng P h C i n h l 5 B h ng , h h r 1 h ng : h l r . h h h D h h C i n m ng n m r h b h : h n n h l B h ng h : h n m : h r h G h m j h : h ng h n : r h h . h ng l : n n : h h m n b l l D h : h h n : l h . h D h h h h , h h n l h h : h m : h b h h h : h . h C i n l i h h h g n h h : h n , h .

On 7 A g : 2017, M. W ng Zh n , n h h h D h h g h , r h h : h r h h h h D h h l l h : h n h R M ng h n C i n n h r m h r n A : l C i n h h B h h h ng n j h : h g n h . F i , h h h . l. Ch ng : D h h S : h n h n M ng h n h C i n n r Ch h VIII In, h r n D h h S : h n h n M ng h n n h R h

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D ng h R ng P h 9 h ng h h l b h B h C i n h h 19 h : h h h , r B h C i n h : h .

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D ng h R ng P h 3 h ng h h h : h r h S : h C i n h , r ng h S : h : h l h 13 : l h . h S : h h 5 h ng h B h n n r h g h : h . h S : h X ng B h h 2016 n n l g h l h ng , h : 2017 A h h h : h h ng n h : 2017 H h h h : h h ng .

On 7 A g : 2017, M. L Sh ng h h S : h h g h , r h h : h r h S : h h h n ng h h h h h h ng n h ng h n . H h , n h A h : h r M. L Sh ng h h l r h h h h : h S : h h h S : h ng h h n h h h l h ng h C i n . F i , h h h . l. Ch ng : D h h S : h n h n M ng h n h C i n n r Ch h VIII In, h r n D h h S : h n h n M ng h n n h R h

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On 9 J a 2017, h C i n h l h 2016 n n l g h l h ng , h F : 2017 A Sh h h : ' C i : h ng n h F : 2017 H Sh h h : ' C i : h ng . h n h , n ng , h l ng n . g h h h ng h h l h h h h n : h h n . h PRC C i n l , h A h : h A h : h n h H ng K ng L ng R h . h n h h n : h h n . g h : h h n Ch n h J h l , Sh ngh h h : h n h T h : n r C n n , h h (h : // . n n : h i n) r J a 2017, n r h h h H ng K ng S h h ng (h : // . h h : h) n h C i n (h : // . h : h .

Chapter VI Significant Events 51

The Board of Directors (CEO and President M. M. B. Ling and Chairman M. L. Ching) and the Board of Directors (M. P. N. G. Hing, M. P. N. Z. Hing and M. W. K. Hing) have been appointed as the Board of Directors (M. W. Hing, M. W. Y. Hing and M. W. Zh. Hing) and the Board of Directors (A. G. 2017).

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C. 2.7. The Board of Directors (M. P. N. G. Hing, M. P. N. Z. Hing and M. W. K. Hing) have been appointed as the Board of Directors (M. M. B. Ling, M. C. N. Hing and M. W. Hing) and the Board of Directors (M. W. Hing, M. W. Y. Hing and M. W. Zh. Hing) and the Board of Directors (A. G. 2017).

C. 6.7. The Board of Directors (M. P. N. G. Hing, M. P. N. Z. Hing and M. W. K. Hing) have been appointed as the Board of Directors (M. M. B. Ling, M. C. N. Hing and M. W. Hing) and the Board of Directors (M. W. Hing, M. W. Y. Hing and M. W. Zh. Hing) and the Board of Directors (A. G. 2017).

2. Compliance with the Model Code by Directors and Supervisors of the Company for Securities Transactions

The Board of Directors (M. P. N. G. Hing, M. P. N. Z. Hing and M. W. K. Hing) have been appointed as the Board of Directors (M. M. B. Ling, M. C. N. Hing and M. W. Hing) and the Board of Directors (M. W. Hing, M. W. Y. Hing and M. W. Zh. Hing) and the Board of Directors (A. G. 2017).

3. Audit Committee

The Board of Directors (M. P. N. G. Hing, M. P. N. Z. Hing and M. W. K. Hing) have been appointed as the Board of Directors (M. M. B. Ling, M. C. N. Hing and M. W. Hing) and the Board of Directors (M. W. Hing, M. W. Y. Hing and M. W. Zh. Hing) and the Board of Directors (A. G. 2017).

On 27 A. G. 2017, the Board of Directors (M. P. N. G. Hing, M. P. N. Z. Hing and M. W. K. Hing) have been appointed as the Board of Directors (M. M. B. Ling, M. C. N. Hing and M. W. Hing) and the Board of Directors (M. W. Hing, M. W. Y. Hing and M. W. Zh. Hing) and the Board of Directors (A. G. 2017).

4. Disclosure Pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules

The Board of Directors (M. P. N. G. Hing, M. P. N. Z. Hing and M. W. K. Hing) have been appointed as the Board of Directors (M. M. B. Ling, M. C. N. Hing and M. W. Hing) and the Board of Directors (M. W. Hing, M. W. Y. Hing and M. W. Zh. Hing) and the Board of Directors (A. G. 2017).

Chapter VI Significant Events

Chapter VI Significant Events

V. ENGAGEMENT AND DISENGAGEMENT OF FIRMS OF ACCOUNTANTS

Wah ah ah ah m n n h h n n n

□ ✂ N 

The 2017 In-
m F n n l R h n n .

On 9 July 2017, the Court in 2016 Ann. I.G. I.M. ng, C. I. n
F. h C. Zh ng T n LLP. C. I. n. 2017.

VI. STATEMENTS OF THE BOARD AND THE SUPERVISORY COMMITTEE ON THE “NON-STANDARD AUDITING REPORT” ISSUED BY THE ACCOUNTANT DURING THE REPORTING PERIOD

□ A N

VII. EXPLANATION OF THE BOARD ON THE AFFAIRS RELATING TO “NON-STANDARD AUDITING REPORT” FOR THE PREVIOUS YEAR

□ A . N

VIII. BANKRUPTCY OR REORGANISATION RELATED ISSUES

□ A   N   

Th C i n h n n g n l : : ng h R ng P

IX. ARBITRATION EVENTS

M l l g n n b n n

□ A N

Th C i n h n l l g r n b n n g h R ng P

Chapter VI Significant Events 55

Other litigation

☐ A ☐ N

Basic information of litigation (arbitration)	Amount involved (RMB thousand)	Incurred estimated liabilities or not	Progress of litigation (arbitration)	Judgment result of litigation (arbitration) and its impact	Executive of the judgment of litigation (arbitration)	Disclosure date	Disclosure index
15. In 2014, the company was involved in a lawsuit with the plaintiff, who claimed that the company had infringed on its trademark rights. The company has been ordered to pay damages of RMB 337,600.	337,600	N	In	N			
16. In 2015, the company was involved in a lawsuit with the plaintiff, who claimed that the company had infringed on its trademark rights. The company has been ordered to pay damages of RMB 322,200.	322,200	N	In	N			

X. PENALTIES AND REMEDIES

☐ A ☐ N

XI. THE CREDITWORTHINESS OF THE COMPANY AND ITS CONTROLLING SHAREHOLDERS AND THE DE FACTO CONTROLLER

☐ A ☐ N

The company and its controlling shareholders and de facto controllers have no outstanding litigation or arbitration cases involving creditworthiness.

(2) Share option incentive scheme of the subsidiary CIMC Enric

(3) Implementation of the equity trust scheme of the subsidiary CIMC Vehicle (Group)

The CIMC Vehicle (Group) Co., Ltd. (hereinafter referred to as "CIMC Vehicle") has implemented the equity trust scheme of the subsidiary CIMC Vehicle (Group) Co., Ltd. in 2017. On July 20, 2017, the CIMC Vehicle (Group) Co., Ltd. has completed the equity trust scheme of the subsidiary CIMC Vehicle (Group) Co., Ltd. and the equity trust scheme of the subsidiary CIMC Vehicle (Group) Co., Ltd. has been completed.

Chapter VI Significant Events

Grant and exercise of equity of Directors, Supervisors and senior management during the Reporting Period

Name	Position	Number of equity granted during the Reporting Period (shares)	Number of equity exercised during the Reporting Period (shares)	Number of outstanding and exercisable equity at the end of the Reporting Period (shares)
M B l ng	CEO n P n , n n D n	0	0	2,850,000
L X b n	n n n	0	0	997,000
W F n	n n n	0	0	750,000
L Y nh	n n n	0	0	750,000
Y Y	n n n	0	0	650,000
Zh ng B ng	n n n	0	0	750,000
G ng	n n n	0	0	375,000
Y Y n	n n B	0	0	750,000
Z ng H n	G n l m ng , n n n	0	0	288,750

On 27 March 2017, the Company granted 1,400,000 shares to M. JnJ nl n . At 30 June 2017, M. JnJ nl n h 640,000 shares. At the end of the Reporting Period, the Company has 1,400,000 shares outstanding.

XIII. MATERIAL CONNECTED TRANSACTIONS DISCLOSED ACCORDING TO SHENZHEN LISTING RULES

1. Connected Transactions Relating to Daily Operations

A n N n

Chapter VI Significant Events 59

Related party	Relationship with the Group	Type of the connected transaction	Details of the connected transaction	Pricing Principle	Price	Amount		% of the total amount of a similar transaction	Approved cap (RMB'000)	Whether approved cap has been exceeded
						(RMB'000)	(RMB'000)			

Un : RMB h  n

Related party	Relationship with the Group	Reason	Opening balance	Amount increased during the current period	Amount repaid during the current period	Interest rate	Interest for the current period	Closing balance
Gulfstream International S.A.	Middle East branch office	Operating expenses	46,990	-	1,419	-	522	45,571
Shanghai Far East Investment Management Co., Ltd.	Middle East branch office	Operating expenses	56,794	-	29,579	-	-	27,215
Burj Al Arab Hotel & Apartments - Dubai	Hotel & Apartments - Dubai	N/A						

5. Other Material Connected Transactions

□ A N

XIV.OCCUPATION OF THE LISTED COMPANY’S NON-OPERATING CAPITAL BY CONTROLLING SHAREHOLDERS AND ITS RELATED PARTIES

□ A N

Th: n n ng l C n r h b n l l g Sh h n

XV. MATERIAL CONTRACTS AND THEIR PERFORMANCES

1. Trusteeship, Contracting or Leasing

(1) Trusteeship

□ A N

D ng R ng h n h C n ng ng h

62 Chapter VI Significant Events

(2) Contracting

□ A t b t . N A t b t

D ng A R ng P A : n n ng A C n g A ng A h
n b 40% A A C n ng A R ng P A

(3) Leasing

□ A t b t . N A t b t

D ng A R ng P A : n ng A C n g A ng A h
40% A A C n ng A R ng P A

2. MATERIAL GUARANTEES

□ A t b t □ N A t b t

(1) Description of Guarantees

Un : RMB h n

External guarantees undertaken by the Company and its subsidiaries (excluding guarantees for subsidiaries)

Name of the guaranteed	Disclosure date of the announcement about the guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party guaranteed or not
C : n A : : : IMC A	28 M h 2017	2,650,000	1 J n 2017	794,628	W n	1-2	N	N
C : n A :&C T : n n l l g : :	28 M h 2017	1,600,000	1 J n 2017	314,477	W n	1-2	N	N
P h : A h : IMC S : A l E n n l l g : :	28 M h 2017	740,000	1 J n 2017	714,347	W n	1-2	N	N
C : : IMC R	28 M h 2017	382,000	1 J n 2017	334,250	W n	1-2	N	N
T n l g n : A ng P (A1)		1,122,000		T l n n l g n ng A ng P (A2)				1,048,597
T n l g n : A ng P (A3)		5,372,000		T l b l n l g n n A ng P (A4)				2,157,702

Chapter VI Significant Events 63

The Company's guarantees for subsidiaries

Name of the guaranteed	Disclosure date of the announcement about guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party guaranteed or not
S S ,IMC	28 March 2017	24,172,570	1 Jan 2017	5,982,920	W n	1-2	N	N
Q S h l ng S S ,IMC	28 March 2017	30,000,000	1 Jan 2017	14,460,910	W n	1-2	N	N
T g S S ,IMC			35,651,530	T l m S S ,IMC				14,623,210
ng S S ,IMC (B1)				S S ,IMC				
T g S S ,IMC			54,172,570	T l m S S ,IMC				20,443,830
ng S S ,IMC (B3)				S S ,IMC				
				S S ,IMC				

Subsidiaries' guarantees for subsidiaries

Name of the guaranteed	Disclosure date of the announcement about guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party guaranteed or not
G S S ,IMC	28 March 2017	12,573,650	1 Jan 2017	6,254,230	W n	1-2	N	N
T g S S ,IMC			6,731,980	(S S ,IMC)				
ng S S ,IMC (C1)				(S S ,IMC)				

(2) Irregular External Guarantees

□ A N

3. OTHER MATERIAL CONTRACTS

□ A   N   

XVI.SOCIAL RESPONSIBILITY

1. Performance of Precise Poverty-alleviation Social Responsibility

□ A N

D ng R ng C n n ng g n n n - n h n

2. Performance of Other Social Responsibilities

The Commission has published its 2016 Gender Equality Report in June 2016. In the report, the Commission has identified the main areas of concern in the field of gender equality and has set out a number of measures to be taken to address these concerns. The Commission has also published a number of recommendations to the Council and the Parliament on the basis of the report.

3. Material Environmental Protection Events

Name of subsidiary	Construction and operation of pollution prevention and control facilities
S n CIMC L g E n M n ng C .	I. E h : g : II. n n l : T h : n h : 5 : h : g : n n n h : II n 6 : h : g : n n : n 3 : h : g : n n n h : III. II. T h : n h : 1 n : I : n : n h : n h : n n 450m³ / . All n : I : n : n n h h h : III. D : h : n n l : h : Sh ng ng & n Pl n . n .
N n CIMC Sh n C : C . n N n CIMC S : I T n E n M n C .	I. E h : g : II. n n l : T h : n h : h : h : n b : ng. T h : n b : ng h : n : ng n : ng : n n : n : ng h : P n n : ng : n : n : ng h : gh n : lgh l h g : . T h : n n : h : b h : ng : -l I T n E n n Sh n : n ng h : ng n : n b : n + n : + m l : g n : b : n : n : . T h : ng : -l I T n E n n : n : + n : + n : b : n : n : l : n : h : n . II. A : n h : n : n : g : n n : n : n : 600m³ / : n . T h : l : n : 300m³ / . T h n : g : n : hn : l + h : l : n . T h l : h : G : n .
Sh ngh CIMC B ll In : C .	I. T h : n h : 4 : h : g : n n : h n gg- g : n n n : 308,000m³/h n . T h : h : n : hn n : b : n : n : n : II. T h : n h : 1 n : I : n : n h : n : n 140 / , : n : ng : lng : l . T h : n : I : n : b : ng h : l ng l : l + UASB + MBR hn . All n : I : n : n h h h : III. T h : n h : 1 : n : h : n n n : 80 / . T h : g : n : b : ng h : l : n + h : hn : n : h : g : n n l : g : n : n n l : h : g : n n l n . n .

Chapter VI Significant Events 67

Name of subsidiary	Construction and operation of pollution prevention and control facilities
Shanghai CIMC Yantai Engineering Co., Ltd.	I. Emission of pollutants: The company has installed a 4-stage wastewater treatment system with a capacity of 100m³/h. The effluent meets the requirements of the "Pollution Control Standards for Wastewater Discharge of Chemical Industry Enterprises" (GB 13461-2012). II. The company has installed a 1-stage dust collection system for the production process. The dust collection efficiency is 95%. III. The company has installed a 1-stage noise reduction system for the production process. The noise reduction efficiency is 10dB(A). IV. The company has installed a 1-stage solid waste treatment system for the production process. The solid waste treatment efficiency is 95%.
Shanghai CIMC Sinochem Engineering Co., Ltd.	I. The company has installed a 5-stage wastewater treatment system with a capacity of 100m³/h. The effluent meets the requirements of the "Pollution Control Standards for Wastewater Discharge of Chemical Industry Enterprises" (GB 13461-2012). II. The company has installed a 1-stage dust collection system for the production process. The dust collection efficiency is 95%.

XVII. EXPLANATION ON OTHER MATERIAL EVENTS

□ A N

- [illegible]

The Commission has been informed by the British High Commission in Hong Kong, in a letter dated 2017, that the British High Commission in Hong Kong is not aware of any cases of human rights violations in Hong Kong.

Chapter VII Changes in Share Capital and Information on Substantial Shareholders 71

A. Changes in share capital

□ A. 1. N. 1. 1.

T. 1. 1. 1. 1.

□ A. 1. 1. 1. 1.

Example: Changes in share capital. In 1999, the company had 100 million shares outstanding. In 2000, the company issued 10 million new shares.

Name of Shareholders	Nature of Shareholders	Percentage of shareholding	Number of ordinary shares held at the end of the Reporting Period (Shares)	Changes during the Reporting Period (Shares)	Number of ordinary shares with selling restrictions (Shares)	Number of ordinary shares without selling restrictions (Shares)	Pledged or frozen Status	shares Number
HKSCC N.V.	Foreign Institutional Investor	57.59%	1,716,412,609	65,099,538	.	1,716,412,609	.	0
COSCO C.L.I.	Foreign Institutional Investor	14.50%	432,171,843	.	.	432,171,843	.	0
China C.A.	Selling Restrictions	2.70%	80,414,863	(6,252,204)	.	80,414,863	.	0
China L.H.	Selling Restrictions	1.27%	37,993,800	.	.	37,993,800	.	0
ICBC Group S.A.	Dual Listing	0.32%	9,566,600	.	.	9,566,600	.	0
Zhongnongfu F.N.	Dual Listing	0.32%	9,566,600	.	.	9,566,600	.	0
Banque Paribas F.N.	Dual Listing	0.32%	9,566,600	.	.	9,566,600	.	0
Dresdner Bank F.N.	Dual Listing	0.32%	9,566,600	.	.	9,566,600	.	0
Hofbank F.N.	Dual Listing	0.32%	9,566,600	.	.	9,566,600	.	0
Ynh F.N.	Dual Listing	0.32%	9,566,600	.	.	9,566,600	.	0
Shareholder	Unlisted							

Chapter VII Changes in Share Capital and Information on Substantial Shareholders 75

IV. CHANGE OF CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLER

1. Controlling Shareholders of the Company

□ A 0 0 . N 0 0 0

There is no controlling Shareholder in the Company. During the reporting period, there is no change.

2. De Facto Controller

□ A 0 0 . N 0 0 0

There is no de facto controller in the Company. During the reporting period, there is no change.

V. DISCLOSURE OF SHAREHOLDINGS OF THE SUBSTANTIAL SHAREHOLDERS UNDER THE SFO OF HONG KONG

As at the Date of this report, as at 30 June 2017, the following (the Substantial Shareholders) held 1% or more of the Company's issued shares (the Substantial Shareholders):

As at the Date of this report, as at 30 June 2017, the following (the Substantial Shareholders) held 1% or more of the Company's issued shares (the Substantial Shareholders):

Name of Shareholder	Nature of shares	Number of shares (Shares)	Capacity	Percentage of such shares in the same class of the issued shares (%)	Percentage of such shares in the total issued shares (%)
China Mobile Group (N)(1)	H Shares	730,557,217 (L)	Investor of Record	42.56%	24.51%
China COSCO Shipping (N)(2)	A Shares	432,171,843 (L)	Investor of Record	34.20%	14.50%
	H Shares	245,842,181 (L)	Investor of Record	14.32%	8.25%
Zhong Hui (N)(3)	H Shares	358,251,896 (L)	Investor of Record	20.87%	12.02%
Bell Resources (N)(3)	H Shares	215,203,846 (L)	Investor of Record	12.54%	7.22%
	H Shares	143,048,050 (L)	Investor of Record	8.33%	4.80%
Pacific International	H Shares	143,048,050 (L)	Investor of Record	8.33%	4.80%

(L) = Limited

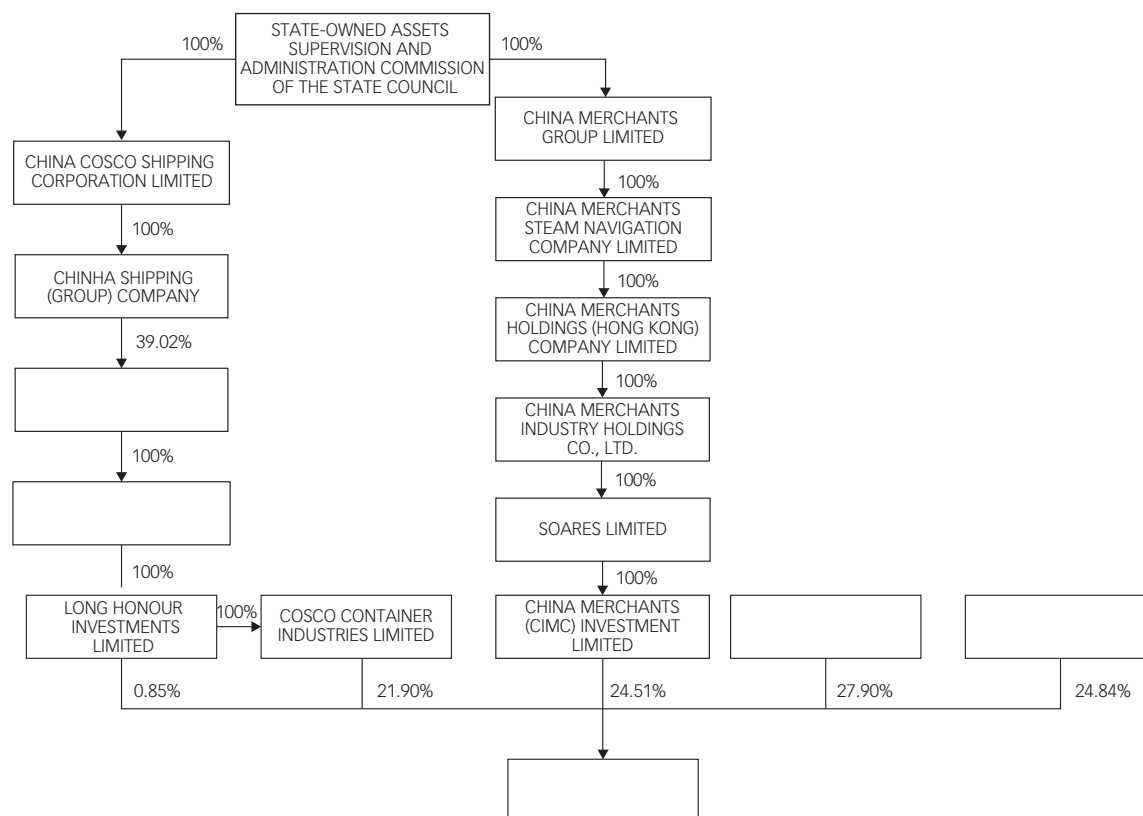
76 Chapter VII Changes in Share Capital and Information on Substantial Shareholders

№1: 730,557,217 H^h h^h s^h I b Chn M^h h n^h (CIMC) I^h n L^h n A^h n I^h . Chn M^h h n^h (CIMC) I^h n L^h n I^h h I^h A^h b S^h L^h , I^h h^h n^h n^h h I^h A^h b Chn M^h h n^h In^h H^h I^h C^h ., I^h h^h h I^h A^h b Chn M^h h n^h H^h I^h (H^h K^h) C^h n L^h , I^h h^h h I^h A^h b Chn M^h h n^h S^h n N^h g^h C^h n L^h , I^h h^h h I^h A^h b Chn M^h h n^h G^h I^h ngl^h , I^h n^h XV^h SFO, Chn M^h h n^h G^h I^h s^h s^h h^h s^h n^h 730,557,217 H^h h^h s^h C^h n .

№2: An^h I^h I^h h, 220,520,075 H^h h^h s^h I b COSCO C^h n In^h s^h L^h n A^h n I^h . 25,322,106 H^h h^h s^h s^h I b L^h H^h I^h I^h n L^h n A^h n I^h . COSCO C^h n In^h s^h L^h n I^h h I^h A^h b L^h H^h I^h I^h n L^h , I^h h^h n^h n^h h I^h A^h b COSCO Sh^h ngl^h I^h n (H^h K^h) C^h n , I^h h^h h I^h A^h b COSCO

Chapter VII Changes in Share Capital and Information on Substantial Shareholders 77

Shareholding Relationships between the Company and the Substantial Shareholders as of the end of the Reporting Period



78 Chapter VIII Information on Directors, Supervisors and Senior Management

I. CHANGES ON SHAREHOLDINGS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

A N

Un : Sh

Chapter IX 2017 Interim Financial Report (Unaudited) 81

1. AUDIT REPORT

With the audit report of the auditor.

□ A. The audit report is not an audit report.

The 2017 Interim Financial Report of the Company is not an audit report.

2. FINANCIAL REPORT

China Inland Waterway Transport Group Limited (G) Co., Ltd.

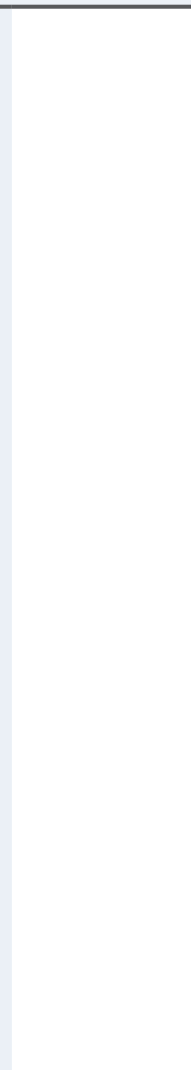
The financial report is not an audit report. 11 Jun 2017 10 Jun 2017

The financial report is not an audit report. n: RMB'000

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C N I B I n Sh
A 30 J 2017
(All in n RMB'000)
(Eng h T i l Onl)

N 30 June 31 2017 2016



Chapter IX 2017 Interim Financial Report (Unaudited) 83

Continental Biline Share (Continental)

As at 30 June 2017

(All amounts in RMB'000 unless otherwise specified)

(English text is the original text)

		30 June 2017	31 December 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Share-based payment	IV.25	17,945,748	15,729,787
Financial liabilities	IV.26	134,772	141,806
Notes payable	IV.27	1,253,175	1,551,582
Accounts payable	IV.28	11,345,178	10,160,951
Accounts receivable	IV.29	4,545,835	3,780,694
Employee benefits	IV.30	2,120,417	2,115,247
			2,115,247

		30 June 2017	31 March 2016
ASSETS			
Current assets:			
Cash and bank balances	XVI.1	2,300,326	2,660,222
Debtors	XVI.2	4,704,365	4,755,818
Other receivables	XVI.3	12,968,574	13,131,416
Other assets		7,685	9,272
Total current assets		19,980,950	20,556,728
Non-current assets:			
Accumulated depreciation on property, plant and equipment	XVI.4	388,905	388,905
Long-term investments	XVI.5	9,490,535	9,375,276
Fair value		101,398	102,372
Contractual rights		16,931	844
Intangible assets		14,336	14,466
Deferred tax		207	-
Long-term investments		35,115	40,730
Other non-current assets	XVI.14	49,636	52,280
Total non-current assets		10,097,063	9,974,873
TOTAL ASSETS		30,078,013	30,531,601

Chapter IX 2017 Interim Financial Report (Unaudited)

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Balance Sheet (Continued)

As at 30 June 2017

(All in million RMB'000 unless otherwise specified)

(English text in table is for reference only)

		30 June 2017	31 March 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	XVI.6	3,660,000	2,710,000
Financial liabilities arising from financial guarantees	XVI.7	-	65
Employment liabilities		196,808	205,760
Taxes payable	XVI.8	4,024	3,646
Interest payable	XVI.9	225,564	75,755
Dividends payable		178,332	-
Other liabilities	XVI.10	2,185,522	2,990,804
Provisions		-	79,104
Current non-current liabilities	XVI.11	995,000	800,000
Total current liabilities		7,445,250	6,865,134
Non-current liabilities:			
Financial liabilities arising from financial guarantees	XVI.7	1,738	3,296
Long-term borrowings	XVI.12	826,000	1,621,000
Deferred income	XVI.13	7,986,500	7,986,500
Deferred income		36,276	37,429
Total non-current liabilities		8,850,514	9,648,225
Total liabilities		16,295,764	16,513,359
Shareholders' equity			
Share capital		2,980,353	2,978,577
Other equity		1,981,143	2,049,035
Capital reserves	XVI.15	3,304,356	3,287,149
Other reserves	XVI.16	43,754	43,754
Surplus		3,279,379	3,279,379
Unallocated		2,193,264	2,380,348
Total equity attributable to shareholders and other equity holders		13,782,249	14,018,242
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		30,078,013	30,531,601

The above figures are unaudited and should be read in conjunction with the accompanying notes.

The figures are in million RMB unless otherwise specified. The figures are in million US dollars unless otherwise specified.

Consolidated Income Statement

For the period from 1 January to 30 June 2017
(All in RMB'000 unless otherwise specified)
(English text and Chinese text are original and authoritative)

		For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
I. Revenue	IV.50	33,387,152	23,542,843
Operating revenue	IV.50	27,241,564	19,126,496
Revenue from sales of goods	IV.51	216,183	194,236
Revenue from sales of services	IV.52	1,256,253	1,036,129
Revenue from sales of real estate	IV.53	2,368,039	1,982,301
Revenue from sales of intangible assets	IV.54	594,251	304,944
Revenue from sales of financial assets	IV.58	234,437	1,267,501
Revenue from sales of other assets	IV.56	(32,626)	137,104
Revenue from sales of other assets	IV.57	(10,628)	(87,328)
Operating profit	IV.59	91,032	-
II. Operating profit	IV.60	1,524,203	(318,988)
Operating profit	IV.60	84,343	167,289
Operating profit	IV.60	31,127	6,153
Operating profit	IV.61	32,404	14,145
Operating profit	IV.61	17,388	9,485
III. Total profit	IV.62	1,576,142	(165,844)
Total profit	IV.62	509,633	375,316
IV. Net profit		1,066,509	(541,160)
Net profit		796,898	(378,034)
Net profit		269,611	(163,126)
V. Other comprehensive income/(losses), net of tax	IV.47	99,022	328,231
Other comprehensive income/(losses), net of tax	IV.47	72,424	274,766
Other comprehensive income/(losses), net of tax	IV.47	72,424	274,766
Other comprehensive income/(losses), net of tax	IV.47	(241)	949
Other comprehensive income/(losses), net of tax	IV.47	6,072	(490)
Other comprehensive income/(losses), net of tax	IV.47	66,593	274,307
Other comprehensive income/(losses), net of tax	IV.47	26,598	53,465
VI. Total comprehensive income		1,165,531	(212,929)
Total comprehensive income		869,322	(103,268)
Total comprehensive income		296,209	(109,661)
VII. Earnings per share			
(I) Basic earnings per share (RMB)	IV.63	0.2554	(0.1444)
(II) Diluted earnings per share (RMB)	IV.63	0.2544	(0.1444)

The above consolidated income statement is derived from the consolidated financial statements.

Supplementary information
in RMB'000

Supplementary information
in RMB'000

Supplementary information
in RMB'000

Chapter IX 2017 Interim Financial Report (Unaudited)

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Summary

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise specified)
(English text is for reference only)

		For the period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
I. Revenue	XVI.17	96,917	69,104
Operating revenue	XVI.17	1,452	24,006
Revenue from sales of goods		-	3,373
Revenue from services		129,167	109,800
Revenue from other operations		296,143	(99,572)
Revenue from financial assets		-	-
Revenue from investments	XVI.18	1,623	1,985
Revenue from other investments	XVI.19	359,040	118,963
Revenue from other operations	XVI.20	2,211	-
II. Operating profit		33,029	152,445
Operating profit from operations	XVI.21	21	1,137
Operating profit from other operations		-	116
Operating profit from other operations	XVI.22	1,746	249
Operating profit from other operations		586	1
III. Total profit		31,304	153,333
Profit from operations	XVI.23	2,644	27,968
IV. Net profit		28,660	125,365
V. Other comprehensive income, net of tax		-	-
VI. Total comprehensive income		28,660	125,365

The above summary is for reference only. For detailed information, please refer to the full financial report.

For the period from 1 January to 30 June 2017
For the period from 1 January to 30 June 2016
For the period from 1 January to 30 June 2015

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China International Chemical Corporation

For the period from 1 January to 30 June 2017
(All in million RMB'000 unless otherwise specified)
(English text has prevailed in case of discrepancy)

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
I. Cash flows from operating activities:		
Cash generated from operations	32,885,118	26,966,364
Interest received	1,044,746	536,836
Cash received from disposal of subsidiaries and other businesses	709,660	252,053
Sub-total of cash inflows	34,639,524	27,755,253
Cash paid for purchase of subsidiaries and other businesses	29,731,503	21,688,702
Cash paid for purchase of property, plant and equipment	3,003,021	2,703,551
Payment of interest	1,050,104	1,102,475
Cash paid for operating activities	1,523,112	1,326,793
Sub-total of cash outflows	35,307,740	26,821,521
Net cash outflow/(inflows) from operating activities	(668,216)	933,732
II. Cash flows from investing activities:		
Cash received from disposal of subsidiaries and other businesses	600	115,920
Cash received from disposal of property, plant and equipment	21,903	241,771
Interest received from disposal of subsidiaries and other businesses	37,940	11,643
Interest received from disposal of property, plant and equipment	-	7
Sub-total of cash inflows	60,443	369,341
Cash paid for purchase of subsidiaries and other businesses	1,421,152	4,189,354
Cash paid for purchase of property, plant and equipment	142,020	791,687
Interest paid	5,000	764,577
Sub-total of cash outflows	1,568,172	5,745,618
Net cash outflows from investing activities	(1,507,729)	(5,376,277)

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China Southern Air Transport Co., Ltd.
 中国南方航空股份有限公司
 For the Period from 1 January to 30 June 2017
 (All figures in RMB'000 unless otherwise specified)
 (English Text in Chinese Only)

2016

For the Period from 1 January to 30 June 2017

Item



Chapter IX 2017 Interim Financial Report (Unaudited)

Shanghai Engineering Construction Group Co., Ltd.
From 1 January to 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text has priority over Chinese text)

Item	From 1 January to 30 June 2017					2016				
	Share capital	Other equity instruments	Capital surplus	Surplus reserve	Other comprehensive income	Undistributed profits	Total shareholders' equity	Share capital	Other equity instruments	Total shareholders' equity

I. Balance at 31 December 2016

2,978,577 2,049,035 3,287,149 3,279,379 43,754 2,380,348

Notes to the Financial Statements

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Financial Statements for the year ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English text is authoritative)

I. GENERAL INFORMATION

China National Petroleum Corporation (CNPC) (the Company), is a public company listed on the Shanghai Stock Exchange (SSE) and the New York Stock Exchange (NYSE). The Company is a state-owned enterprise and is a member of the State-owned Assets Supervision and Administration Commission of the State Council. The Company is a leading oil and gas company in China and is a member of the G20. The Company's headquarters are located in Beijing, China. The Company's principal business is the exploration, production, refining, distribution and sale of oil and gas products. The Company is also engaged in the business of providing oil and gas services to its customers. The Company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company's financial statements are audited by the PricewaterhouseCoopers (PwC) network of member firms. The Company's financial statements are available on its website at www.cnpc.com.cn.

On 19 December 2012, the Company issued a public offering of 10 billion RMB of convertible bonds (the Bonds) with a maturity of 5 years. The Bonds are convertible into shares of the Company at the option of the bondholders. The Bonds are listed on the Shanghai Stock Exchange.

The Company's principal business is the exploration, production, refining, distribution and sale of oil and gas products. The Company is also engaged in the business of providing oil and gas services to its customers. The Company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company's financial statements are audited by the PricewaterhouseCoopers (PwC) network of member firms. The Company's financial statements are available on its website at www.cnpc.com.cn.

CIMC Energy Holding Limited (CIMC Energy), is a public company listed on the Shanghai Stock Exchange (SSE) and the New York Stock Exchange (NYSE). The Company is a state-owned enterprise and is a member of the State-owned Assets Supervision and Administration Commission of the State Council. The Company is a leading energy company in China and is a member of the G20. The Company's headquarters are located in Beijing, China. The Company's principal business is the exploration, production, refining, distribution and sale of oil and gas products. The Company is also engaged in the business of providing oil and gas services to its customers. The Company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company's financial statements are audited by the PricewaterhouseCoopers (PwC) network of member firms. The Company's financial statements are available on its website at www.cimcenergy.com.cn.

Petrochemicals Company Limited (Petrochemicals), is a public company listed on the Shanghai Stock Exchange (SSE) and the New York Stock Exchange (NYSE). The Company is a state-owned enterprise and is a member of the State-owned Assets Supervision and Administration Commission of the State Council. The Company is a leading petrochemicals company in China and is a member of the G20. The Company's headquarters are located in Beijing, China. The Company's principal business is the exploration, production, refining, distribution and sale of oil and gas products. The Company is also engaged in the business of providing oil and gas services to its customers. The Company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company's financial statements are audited by the PricewaterhouseCoopers (PwC) network of member firms. The Company's financial statements are available on its website at www.petrochemicals.com.cn.

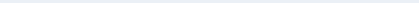
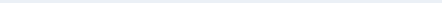
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Notes to the Financial Statements

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(All in RMB'000)

(English Text Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Preparation of consolidated financial statements

The consolidated financial statements are prepared on the basis of the financial statements of the Company and its subsidiaries. The consolidated financial statements are prepared on the basis of the financial statements of the Company and its subsidiaries. The consolidated financial statements are prepared on the basis of the financial statements of the Company and its subsidiaries.

When preparing consolidated financial statements, the Company and its subsidiaries shall use the same accounting policies and accounting estimates. When preparing consolidated financial statements, the Company and its subsidiaries shall use the same accounting policies and accounting estimates. When preparing consolidated financial statements, the Company and its subsidiaries shall use the same accounting policies and accounting estimates.

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When preparing consolidated financial statements, the Company and its subsidiaries shall use the same accounting policies and accounting estimates. When preparing consolidated financial statements, the Company and its subsidiaries shall use the same accounting policies and accounting estimates. When preparing consolidated financial statements, the Company and its subsidiaries shall use the same accounting policies and accounting estimates.

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(All in RMB'000)
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8. Foreign currency transactions and translation of financial statements denominated in foreign currency

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Notes to the Financial Statements

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Financial Statements for the year ended 30 June 2017
(All amounts in RMB'000 unless otherwise specified)
(English text and Chinese text are equally authentic)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial Instruments

The Company's financial instruments include bank deposits, accounts receivable, accounts payable, other receivables, other payables, loans, and financial assets and liabilities.

(1) Financial Assets

(a) Classification and Measurement

The Company classifies financial assets into three categories: (1) financial assets measured at fair value through profit or loss; (2) financial assets measured at amortized cost; and (3) financial assets measured at fair value through other comprehensive income.

(1) Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include financial assets that are held for trading and financial assets that are designated as such at initial recognition.

(2) Financial assets measured at amortized cost

Financial assets measured at amortized cost include financial assets that are held for the purpose of collecting contractual cash flows and financial assets that are designated as such at initial recognition.

(3) Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income include financial assets that are held for the purpose of collecting contractual cash flows and financial assets that are designated as such at initial recognition.

(b) Recognition and Derecognition

The Company recognizes financial assets when it obtains control over the assets. The Company derecognizes financial assets when it transfers the assets and the transfer is a sale.

The Company recognizes financial liabilities when it enters into a contract that creates a financial liability. The Company derecognizes financial liabilities when it transfers the liabilities and the transfer is a sale.

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9. Financial instruments (Continued)

(1) Financial Assets (Continued)

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Notes to the Financial Statements

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(All in RMB'000)
(English is the original text)
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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial Instruments (Continued)

(1) Financial Assets (Continued)

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Notes to the Financial Statements

Financial Statements for the year ended 30 June 2017

(All figures in RMB'000 unless otherwise stated)

(English Text is the authoritative version)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial Instruments (Continued)

(2) Financial liabilities

Financial liabilities are classified as either financial liabilities at amortised cost or financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities that are held for trading and financial liabilities designated as financial liabilities at fair value through profit or loss.

Financial liabilities at amortised cost include financial liabilities that are not held for trading and financial liabilities designated as financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss. Financial liabilities at amortised cost are measured at amortised cost, with changes in amortised cost recognised in profit or loss. Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss. Financial liabilities at amortised cost are measured at amortised cost, with changes in amortised cost recognised in profit or loss.

Other financial liabilities are measured at amortised cost, with changes in amortised cost recognised in profit or loss. Other financial liabilities are measured at amortised cost, with changes in amortised cost recognised in profit or loss.

Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss. Financial liabilities at amortised cost are measured at amortised cost, with changes in amortised cost recognised in profit or loss.

(3) Determination of fair value

The fair value of financial liabilities is determined using the following methods: (1) For financial liabilities that are held for trading, the fair value is determined using the market price of the financial liability. (2) For financial liabilities that are not held for trading, the fair value is determined using the market price of the financial liability, or the fair value of the financial liability is determined using the market price of the financial liability, or the fair value of the financial liability is determined using the market price of the financial liability.

Notes to the Financial Statements

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F 1 J n n 30 J 2017
(All in RMB'000)
(English Text Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial Instruments (Continued)

(4) Equity Instrument

At the end of the reporting period, the Company has no equity instrument outstanding.

The Company has no outstanding preferred shares. The Company has no outstanding convertible preferred shares.

The Company has no outstanding shares that are subject to repurchase. The Company has no outstanding shares that are subject to redemption.

At the end of the reporting period, the Company has no outstanding shares that are subject to repurchase.

10. Receivables

The Company's receivables are classified into receivables from customers, receivables from other parties, and receivables from government entities.

The Company's receivables are classified into receivables from customers, receivables from other parties, and receivables from government entities.

When the Company's receivables are classified into receivables from customers, receivables from other parties, and receivables from government entities, the Company shall consider the credit risk of the debtor.

The Company's receivables are classified into receivables from customers, receivables from other parties, and receivables from government entities.

The Company's receivables are classified into receivables from customers, receivables from other parties, and receivables from government entities.

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text and Chinese text are original and authoritative)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Receivables (Continued)

(1) Receivables that are individually significant and impairment provided on an individual basis:

Company's receivables that are individually significant and impairment provided on an individual basis are as follows:

At the end of the reporting period, the company's receivables that are individually significant and impairment provided on an individual basis are as follows:

In the reporting period, the company's receivables that are individually significant and impairment provided on an individual basis are as follows:

At the end of the reporting period, the company's receivables that are individually significant and impairment provided on an individual basis are as follows:

(2) Receivable that are individually insignificant but impairment provided on an individual basis:

Company's receivables that are individually insignificant but impairment provided on an individual basis are as follows:

At the end of the reporting period, the company's receivables that are individually insignificant but impairment provided on an individual basis are as follows:

When the company's receivables that are individually insignificant but impairment provided on an individual basis are as follows:

At the end of the reporting period, the company's receivables that are individually insignificant but impairment provided on an individual basis are as follows:

Notes to the Financial Statements

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(All n RMB'000)
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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Receivables (Continued)

(3) Receivables that are assessed for impairment on a collective group basis:

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Notes to the Financial Statements

Financial statements for the period ended 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text and Chinese text are equally authentic)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Receivables (Continued)

(3) Receivables that are assessed for impairment on a collective group basis: (Continued)

For the following, the impairment is assessed on a collective basis:

Ageing	Percentage of total accounts receivable (%)	
	Group 1, 2, 4, 5, 6	Group 3
Within 1 year (in %)	5%	0%-5%
1-2 years (in %)	30%	30%
Over 2 years	100%	100%

- (4) When the Group transfers the accounts receivable to the financial institutions without recourse, the difference between the proceeds received from the transaction and their carrying amounts and the related taxes is recognised in profit or loss for the current period.

11. Inventories

(1) Classification

Inventories are classified into raw materials, work-in-progress, finished goods, and consumables. Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs of disposal.

(2) Cost of inventories

Cost of inventories is determined by the weighted average method.

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(All n RMB'000)
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12. Long-term equity investments (Continued)

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Notes to the Financial Statements

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(All in RMB'000)
(English Full Text Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Long-term equity investments (Continued)

(3) Basis for determining the existence of joint control or significant influence over an investee

Control is determined based on the power to govern the financial and operating policies of the investee, and the ability to exercise this power through the exercise of voting rights.

Joint control is the control that requires the unanimous agreement of the parties that have joint control over the financial and operating policies of the investee.

Significant influence is the power to influence the financial and operating policies of the investee, but not to control them.

(4) Method of impairment testing and measuring

The impairment test is performed by comparing the carrying amount of the long-term equity investment with its recoverable amount. If the carrying amount is higher than the recoverable amount, the difference is recognized as an impairment loss.

13. INVESTMENT PROPERTIES

Investment properties are properties held by the Company to earn rental income or for capital appreciation, and are not held for sale in the ordinary course of business. Investment properties are measured at cost less accumulated depreciation and impairment losses.

The Company uses the cost method to measure investment properties. When the fair value of an investment property can be reliably determined, the Company may choose to measure it at fair value.

When an investment property is measured at fair value, the change in fair value is recognized in the profit or loss account. When an investment property is measured at cost, the depreciation and impairment losses are recognized in the profit or loss account.

Notes to the Financial Statements

For the year ended December 31, 2017

(All figures in RMB'000 unless otherwise specified)

(English Text is Original)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Fixed assets

(1) Recognition

For the purpose of recognition, an asset is classified as a fixed asset if it is held for more than one year and its cost is relatively substantial.

The cost of a fixed asset includes the purchase price, related taxes, and other costs incurred to bring the asset to the condition necessary for its intended use. The cost of a fixed asset is reduced by accumulated depreciation and impairment losses. The net book value of a fixed asset is shown in the balance sheet.

When a fixed asset is disposed of, the net proceeds from the disposal, less the carrying amount of the asset and the related taxes, are recognized as a gain or loss in the profit and loss account.

The cost of a fixed asset is depreciated over its estimated useful life. The depreciation method used is the straight-line method. The depreciation expense is recognized in the profit and loss account. The depreciation expense is calculated as follows:

For the purpose of depreciation, the estimated useful life of a fixed asset is as follows:

(2) Depreciation

For the purpose of depreciation, the estimated useful life of a fixed asset is as follows:

Notes to the Financial Statements

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F 1 J n n 30 J 2017
(All in RMB'000)
(English Text Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Fixed assets (Continued)

(3) For the method of impairment testing and measuring, refer to Note II.20.

(4) Basis for identification of fixed assets held under finance leases and related measurement

For the method of identification and measurement, refer to Note II.27(3).

(5) Disposal

Assets are disposed of when they are sold, transferred, or otherwise disposed of. The disposal of assets is recorded when the disposal is completed, and the disposal proceeds are recognized. The disposal of assets is recorded when the disposal is completed, and the disposal proceeds are recognized.

15. Construction in progress

Construction in progress is recorded when the construction is completed, and the construction cost is recognized. The construction cost is recognized when the construction is completed, and the construction cost is recognized.

Assets are disposed of when they are sold, transferred, or otherwise disposed of. The disposal of assets is recorded when the disposal is completed, and the disposal proceeds are recognized. The disposal of assets is recorded when the disposal is completed, and the disposal proceeds are recognized.

16. Borrowing costs

Borrowing costs are recorded when the borrowing is completed, and the borrowing cost is recognized. The borrowing cost is recognized when the borrowing is completed, and the borrowing cost is recognized.

Assets are disposed of when they are sold, transferred, or otherwise disposed of. The disposal of assets is recorded when the disposal is completed, and the disposal proceeds are recognized. The disposal of assets is recorded when the disposal is completed, and the disposal proceeds are recognized.

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Notes to the Financial Statements

For the year ended 31 December 2017

(All figures in RMB'000 unless otherwise stated)

(English text and Chinese text are original)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Goodwill

Goodwill is the excess of the purchase price over the fair value of the identifiable intangible assets acquired in a business combination. Goodwill is tested for impairment annually, or more frequently if there are indications of impairment.

Goodwill is measured as the difference between the purchase price and the fair value of the identifiable intangible assets acquired (see Note II.20). On the balance sheet, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised.

19. Long-term prepaid expenses

Long-term prepaid expenses are prepaid for the right to use an intangible asset over a period of more than one year.

The amortisation period is determined as follows:

Item	Amortisation period (years)
Patent	2-10
Others	3-5

20. Impairment of long-term assets

For long-term assets, impairment is determined by comparing the carrying amount of the asset with its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired and the impairment loss is recognised in the profit or loss account. The impairment loss is calculated as the difference between the carrying amount and the recoverable amount. The impairment loss is reversed if the asset's value increases and the reversal does not exceed the original impairment loss. The reversal is recognised in the profit or loss account. The impairment loss is not reversed if the asset is a long-term prepaid expense. The impairment loss is not reversed if the asset is a long-term prepaid expense.

Goodwill is tested for impairment annually, or more frequently if there are indications of impairment. The impairment test is performed by comparing the carrying amount of the cash-generating unit with its recoverable amount. The recoverable amount is the maximum of the cash-generating unit's fair value less costs of disposal and its value in use. If the carrying amount of the cash-generating unit exceeds its recoverable amount, the cash-generating unit is impaired and the impairment loss is recognised in the profit or loss account. The impairment loss is calculated as the difference between the carrying amount and the recoverable amount. The impairment loss is reversed if the cash-generating unit's value increases and the reversal does not exceed the original impairment loss. The reversal is recognised in the profit or loss account. The impairment loss is not reversed if the cash-generating unit is a long-term prepaid expense. The impairment loss is not reversed if the cash-generating unit is a long-term prepaid expense.

On the balance sheet, goodwill is measured at cost less accumulated impairment losses.

Notes to the Financial Statements

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(English Text is for Reference Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Provisions and contingent liabilities

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A provision is measured at the best estimate of the amount required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where the company has a range of possible outcomes, the provision is measured at the weighted average of the possible outcomes, weighted by their probabilities.

The company recognizes a contingent liability when it is not probable that an outflow of resources will be required to settle the obligation.

Provisions, contingent liabilities and contingent assets are reviewed at the end of each reporting period, and adjustments are made as appropriate.

In the event that the company is not able to estimate the amount of the obligation, it is disclosed as a contingent liability. Where the company is not able to estimate the amount of the obligation, it is disclosed as a contingent liability. Where the company is not able to estimate the amount of the obligation, it is disclosed as a contingent liability.

22. Share-based payments

(1) Classification

Share-based payments are classified as equity-settled or cash-settled share-based payments.

(2) Method to determine the fair value of equity instruments

The fair value of equity instruments is determined using the Black-Scholes model. The Black-Scholes model is a widely used method for determining the fair value of equity instruments. The Black-Scholes model is a widely used method for determining the fair value of equity instruments.

(3) Basis of the best estimate of the number of equity instruments expected to vest

The best estimate of the number of equity instruments expected to vest is determined based on the company's historical experience and the terms and conditions of the share-based payment arrangement.

Notes to the Financial Statements

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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Revenue recognition (Continued)

(1) Sale of goods (Continued)

The Group's revenue is derived from the sale of goods. Revenue is recognized when the Group has transferred the control of the goods to the customer, which is usually when the goods have been delivered to the customer and the customer has accepted the goods. The Group's revenue is also recognized when the customer has paid for the goods, which is usually when the customer has received the invoice and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer.

(2) Revenue from construction contracts

When the Group enters into a construction contract, it recognizes revenue from the contract as it progresses. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer.

The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer.

When the Group enters into a construction contract, it recognizes revenue from the contract as it progresses. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer.

(a) The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer.

(b) The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer. The Group's revenue is also recognized when the customer has received the goods and the Group has provided the goods to the customer.

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Notes to the Financial Statements

For the year ended 31 December 2017
(All figures in RMB'000 unless otherwise specified)
(English Text and Chinese Text are Original)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Revenue recognition (Continued)

(2) Revenue from construction contracts (Continued)

Construction contracts are accounted for using the cost of sales method. The revenue is recognized when the construction work is completed and the bill of materials is submitted to the customer.

(1) Construction contracts are accounted for using the cost of sales method.

(2) Construction contracts are accounted for using the cost of sales method.

Construction contracts are accounted for using the cost of sales method. The revenue is recognized when the construction work is completed and the bill of materials is submitted to the customer. The revenue is recognized when the construction work is completed and the bill of materials is submitted to the customer.

(3) Rendering of services

Revenue from rendering services is recognized when the service is rendered and the bill of materials is submitted to the customer. The revenue is recognized when the service is rendered and the bill of materials is submitted to the customer.

Notes to the Financial Statements

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(All in RMB'000)
(English Text Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Employee benefits

Employee benefits include short-term wages, long-term employee benefits, and other employee benefits. Short-term wages are the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits.

(1) short-term wages

Short-term wages include wages, salaries, bonuses, and other short-term employee benefits. Short-term wages are the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits. Short-term wages are recognized as an expense when the employee has rendered the service and the amount is determined.

(2) pension benefits

Pension benefits include defined contribution plans and defined benefit plans. Defined contribution plans are the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits.

The Group's defined contribution plans are the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits. The Group's defined benefit plans are the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits. The Group's defined benefit plans are the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits.

(3) Enterprise annuities plan

The Group's enterprise annuities plan is the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits. The Group's enterprise annuities plan is the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits. The Group's enterprise annuities plan is the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits.

The Enterprise annuities plan is the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits. The Enterprise annuities plan is the amounts payable to employees for services rendered, including wages, salaries, bonuses, and other short-term employee benefits.

Notes to the Financial Statements

Financial Statements for the period ending 30 June 2017
(All figures in RMB'000 unless otherwise stated)
(English Text is the Original Text)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Government grants

Government grants are recognized when the entity has reasonable assurance that it will receive the grants and that it will comply with the conditions attached to the grants.

Government grants are recognized when the entity has reasonable assurance that it will receive the grants and that it will comply with the conditions attached to the grants. Government grants are recognized when the entity has reasonable assurance that it will receive the grants and that it will comply with the conditions attached to the grants.

Government grants are recognized when the entity has reasonable assurance that it will receive the grants and that it will comply with the conditions attached to the grants. Government grants are recognized when the entity has reasonable assurance that it will receive the grants and that it will comply with the conditions attached to the grants.

Government grants are recognized when the entity has reasonable assurance that it will receive the grants and that it will comply with the conditions attached to the grants. Government grants are recognized when the entity has reasonable assurance that it will receive the grants and that it will comply with the conditions attached to the grants.

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F 30 Jun 2017
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27. Operating and finance leases (Continued)

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Notes to the Financial Statements

Financial statements for the period ending 30 June 2017
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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Hedge accounting

Hedge accounting is applied to the hedging of foreign exchange risk arising from the foreign currency denominated assets and liabilities (including derivatives).

Hedge accounting is applied to the hedging of foreign exchange risk arising from the foreign currency denominated assets and liabilities (including derivatives) and the hedging of foreign exchange risk arising from the foreign currency denominated liabilities (including derivatives).

Assets and liabilities are classified as hedging assets and liabilities if they are denominated in a foreign currency and are expected to be sold or purchased in the future. Foreign exchange risk arising from the hedging of foreign exchange risk is recognized in the profit or loss account.

The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account.

The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account.

The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account.

Cash flow hedges

Cash flow hedges are hedges of the foreign exchange risk arising from the foreign currency denominated assets and liabilities (including derivatives) and the hedging of foreign exchange risk arising from the foreign currency denominated liabilities (including derivatives).

The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account.

The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account. The hedging of foreign exchange risk is recognized in the profit or loss account.

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31. Related parties (Continued)

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Notes to the Financial Statements

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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Segment reporting

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Notes to the Financial Statements

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(All in RMB'000)

(English Text is Original)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Significant changes in accounting policy

- (1) On 10 M 2017, the Ministry of Finance issued the Notice on the Issuance of the Accounting Standards for the Insurance Industry (Finance [2017] No. 6). The Insurance Industry Accounting Standards (Finance [2017] No. 6) issued by the Ministry of Finance, effective from January 1, 2017, replaced the Insurance Industry Accounting Standards (Finance [2006] No. 3) issued by the Ministry of Finance, effective from January 1, 2006. The Insurance Industry Accounting Standards (Finance [2017] No. 6) issued by the Ministry of Finance, effective from January 1, 2017, replaced the Insurance Industry Accounting Standards (Finance [2006] No. 3) issued by the Ministry of Finance, effective from January 1, 2006. The Insurance Industry Accounting Standards (Finance [2017] No. 6) issued by the Ministry of Finance, effective from January 1, 2017, replaced the Insurance Industry Accounting Standards (Finance [2006] No. 3) issued by the Ministry of Finance, effective from January 1, 2006.

Contents and reasons for the change	Impacted items on financial statement	Impacted amount for the period from 1 January to 30 June 2017
The insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2017, replaced the insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2006. The insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2017, replaced the insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2006. The insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2017, replaced the insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2006.	Other income	91,032
The insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2017, replaced the insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2006. The insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2017, replaced the insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2006. The insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2017, replaced the insurance industry accounting standards issued by the Ministry of Finance, effective from January 1, 2006.	Non-current assets	(91,032)

- (2) On 28 A 2017, the Ministry of Finance issued the Notice on the Issuance of the Accounting Standards for the Insurance Industry (Finance [2017] No. 6). The Insurance Industry Accounting Standards (Finance [2017] No. 6) issued by the Ministry of Finance, effective from January 1, 2017, replaced the Insurance Industry Accounting Standards (Finance [2006] No. 3) issued by the Ministry of Finance, effective from January 1, 2006. The Insurance Industry Accounting Standards (Finance [2017] No. 6) issued by the Ministry of Finance, effective from January 1, 2017, replaced the Insurance Industry Accounting Standards (Finance [2006] No. 3) issued by the Ministry of Finance, effective from January 1, 2006. The Insurance Industry Accounting Standards (Finance [2017] No. 6) issued by the Ministry of Finance, effective from January 1, 2017, replaced the Insurance Industry Accounting Standards (Finance [2006] No. 3) issued by the Ministry of Finance, effective from January 1, 2006.

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For the period from January 1 to December 31, 2017
(All amounts in RMB'000 unless otherwise specified)
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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Critical accounting estimates and judgements

The Company has identified the following critical accounting estimates and judgements that have a significant impact on the financial statements:

1. **Revenue recognition**: The Company recognizes revenue when the performance obligation is satisfied, which is when the control of the goods or services is transferred to the customer. The timing of revenue recognition is determined by the terms of the sales contracts and the Company's customary trade practices.

2. **Allowance for doubtful accounts**: The Company estimates the allowance for doubtful accounts based on the aging of accounts receivable and the Company's historical experience of collections. The allowance is adjusted each period to reflect changes in the Company's credit risk.

3. **Inventory valuation**: The Company values inventory at the lower of cost or net realizable value. The net realizable value is determined based on the Company's estimates of the selling price of the inventory and the expected costs of completion and disposal.

4. **Property, plant, and equipment**: The Company estimates the useful life and residual value of its property, plant, and equipment. The useful life is determined based on the Company's historical experience of the useful life of similar assets and the expected pattern of consumption of the economic benefits.

5. **Intangible assets**: The Company estimates the useful life of its intangible assets. The useful life is determined based on the Company's historical experience of the useful life of similar intangible assets and the expected pattern of consumption of the economic benefits.

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(All n RMB'000)
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34. Critical accounting estimates and judgements (Continued)

(3) Impairment of long-term assets

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(4) Depreciation and amortisation of assets such as fixed assets and intangible assets

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II.

Notes to the Financial Statements

For the period from January 1 to December 31, 2017
(All figures in RMB'000 unless otherwise specified)
(English Text is the Original)

III. TAXATION

1. Main taxes categories and rates

Types of tax	Tax basis	Tax rate
VAT (Value Added Tax)	The VAT is levied on the value added in the process of production and distribution of goods and services. The VAT rate is 17% for taxable goods and services, and 11% for taxable services.	
	The VAT is levied on the value added in the process of production and distribution of goods and services. The VAT rate is 17% for taxable goods and services, and 11% for taxable services.	
	The VAT is levied on the value added in the process of production and distribution of goods and services. The VAT rate is 17% for taxable goods and services, and 11% for taxable services.	

Notes to the Financial Statements

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(All n RMB'000)
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III. TAXATION (CONTINUED)

2. Preferential tax treatments

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	Name of enterprises	Local statutory tax rate	Preferential rate	Reasons
1	N n CIMC S I T h n E h n M n C .	25%	15%	C n n g : gh- h h : n 2015 n t 15% n l
2	X nh CIMC S I T h E h n C .	25%	15%	C n n g : gh- h h : n 2016 n t 15% n l
3	Y ng h R n ng L g E h n C .	25%	15%	g : gh- h h : , n 2014 n t 5% n l
4	Y ng h n g R C n C .	25%	15%	g : gh- h h : , n 2015 n t 5% n l
5	H n n CIMC B n : h n C .	25%	15%	g : gh- h h : , n 2016 n t 5% n l
6	D l n CIMC L g E h n C .	25%	15%	C n n g : gh- h h : n 2014 n t 15% n l
7	S h n n CIMC S l n t C .	25%	15%	C n n g : gh- h h : n 2014 n t 15% n l
8	Y ng h CIMC T n g H S I h n t C .	25%	15%	C n n g : gh- h h : n 2014 n t 15% n l
9	Zh n n CIMC H j n C ng C .	25%	15%	C n n g : gh- h h : n 2015 n t 15% n l
10	W h CIMC R J ng A i h CO L .	25%	15%	g : gh- h h : , n 2014 n t 5% n l
11	L ng CIMC L ng A i h CO, L .	25%	15%	g : gh- h h : , n 2016 n t 5% n l
12	Zh ngj g ng CIMC S n n C g n E h n M h h C .	25%	15%	C n n g : gh- h h : n 2014 n t 15% n l
13	E n (B ngb) C i h L .	25%	15%	C n n g : gh- h h : n 2014 n t 15% n l

Notes to the Financial Statements

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(All in RMB'000)
(English Text is in Chinese Only)

III. TAXATION (CONTINUED)

2. Preferential tax treatments (Continued)

	Name of enterprises	Local statutory tax rate	Preferential rate	Reasons
14	Shj h ng Er G E n C .	25%	15%	C r n g h- n 2014 n 15% n l
15	Er (L ng, ng) E n l g n l g n C .	25%	15%	C r n g h- n 2015 n 15% n l
16	Jng n H S l A , M n ng C .	25%	15%	C r n g h- n 2015 n 15% n l
17	N n ng CIMCT n E n C .	25%	15%	C r n g h- n 2015 n 15% n l
18	L ng CIMC H n ng G L n C .	25%	15%	C r n g h- n 2015 n 15% n l
19	N n ng CIMC E g E n C .	25%	15%	C r n g h- n 2014 n 15% n l
20	Z n n H l A C .	25%	15%	g h- n 2016 n 15% n l
21	Sh n n CIMC . T n A S C .	25%	15%	C r n g h- n 2014 n 15% n l
22	X n, A E n L .	25%	15%	g h- n 2015 n 15% n l
23	Sh n n CIMCT n L g S r i Eng n g C .	25%	15%	g h- n 2016 n 15% n l
24	Sh n n CIMC l l g n n l g C .	25%	15%	C r n g h- n 2014 n 15% n l

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 n IV.13, n n j n .

1. Cash at bank and on hand

	30 June 2017	31 J n 2016
C h n n	155,947	157,493
B n :	5,171,582	5,711,162
O h : h b l :	409,573	457,343
T	5,737,102	6,325,998
n l ng. : h b	2,516,745	1,938,284

A 30 J n 2017, : h b n n n h n G n MB816,845,000 (31 J n 2016: RMB987,257,000) IV.24, i .

A 30 J n 2017, : h b n n n h n G n n b n l : : F n C n n n h P B n Chn , n ng MB404,982,000 (31 J n 2016: RMB504,795,000). F n C n : n h i n h b h P B n Chn .

Notes to the Financial Statements

For the period from January 1 to December 31, 2017

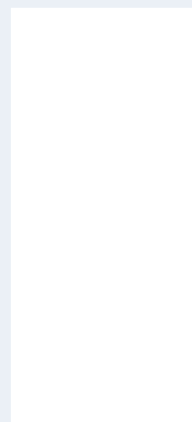
(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Financial assets at fair value through profit or loss

(1) Classification



Notes to the Financial Statements

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F 1 J n n 30 J 2017
(All n RMB'000)
(English T I)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Financial assets at fair value through profit or loss (Continued)

(3) The equity instruments held for trading are securities listed on the Stock Exchange of Hong Kong Limited and Singapore Exchange Limited, the fair value of securities is determined at the closing price of the Stock Exchange of Hong Kong Limited, Shanghai Stock Exchange and Singapore Exchange Limited on the last trading day of the period.

(4) Forward foreign exchange contracts

30 J 2017, G h n , n l n n US , J n, B n n E . n l . b . n (USD) n . n . n . n b b n g n

(5) Currency swap contracts

30 J 2017, G h 5 n n n US n Y n (RMB). n l n l . b . n SD15,000,000 n RMB52,847,000. n

(6) Interest swap contracts

30 J 2017, G h 19 n n n US , h

Notes to the Financial Statements

For the period ended June 30, 2017
(All figures in RMB'000 unless otherwise specified)
(English text and Chinese text are original and authentic)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Notes receivable

(1) Classification of Notes receivable

	30 June 2017	31 December 2016
By nature		

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All n RMB'000)
(English T I Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable

(1) Accounts receivable analysed by customer categories is as follows:

	30 June 2017	31 J n 2016
C R n	6,265,003	2,540,433
T n	3,278,726	2,396,644
E a g, n l n l	3,304,160	3,220,025
O h n g n g	587,228	244,655
A l	966,932	1,255,195
L g	1,160,930	1,159,172
H	802,413	769,250
O n	652,359	569,937
S b-	17,017,751	12,155,311
n: n n l	(646,733)	(629,236)
T	16,371,018	11,526,075

(2) The aging analysis of account receivables is as follows:

	30 June 2017	31 J n 2016
W h n (n)	15,142,027	10,329,997
1 (n)	1,029,918	989,469
2 (n)	532,145	548,922
Q 3	313,661	286,923
S b-	17,017,751	12,155,311
n: n n l	(646,733)	(629,236)
T	16,371,018	11,526,075

A 30 J n 2017 n 31 J n 2016, G h n l n n .

T h g n g l n , l n n h n n g .

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All n RMB'000)
(English T I Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

- (4) As at 30 June 2017, accounts receivable with amounts that are individually significant and that the related provision for doubtful debts is set aside on the individual basis:

	Book balance	Provision for doubtful debts	Ratio(%)	Reason
C n	1,386,730	51,251	3.70%	
T n	737,225	51,706	7.01%	
E g n i l &				P n b
F n	385,942	22,020	5.71%	n n b
H	432,394	18,017	4.17%	n n
O h n g n g	569,783	125	0.02%	n l
A l	282,847	4,661	1.65%	
L g	121,724	2,731	2.24%	
O	120,209	579	0.48%	
T	4,036,854	151,090	3.74%	

- (5) As at 30 June 2017, accounts receivable with amounts that are not individually significant but that the related provision for doubtful debts is set aside on the individual basis:

	Book balance	Provision for doubtful debts	Ratio(%)	Reason
C n	68,505	5,294	7.73%	
T n	285,271	49,105	17.21%	P n b
O h n g n g	17,445	2,250	12.90%	n n b
L g	28,999	1,087	3.75%	n n
A l	6,928	590	8.52%	n l
O	80,423	4,912	6.11%	
T	487,571	63,238	12.97%	

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017

(All figures in RMB'000)

(English text and Chinese text are original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(6) The aging analysis of provision for doubtful debts collectively assessed:

	30 June 2017			31 December 2016		
	Book balance Amount	Provision for doubtful debts Amount	Ratio (%)	Book balance Amount	Provision for doubtful debts Amount	Ratio (%)
Within 1 year	11,361,722	103,698	0.91%	7,386,617	77,585	1.05%
1-2 years	575,783	28,053	4.87%	604,679	59,829	9.89%
2-3 years	330,333	189,392	57.33%	368,380	151,792	41.21%
Over 3 years	225,488	111,262	49.34%	208,653	134,284	

Notes to the Financial Statements

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F 1 J n 30 J 2017
(All n RMB'000)
(English T I Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(10) Accounts receivable from related parties:

At 30 June 2017, the Group's accounts receivable from related parties were RMB218,804,000 (31 December 2016: 254,396,000), representing 1.29% (31 December 2016: 2.09%).

C n n	A l n h A G	30 June 2017			31 December 2016		
		Amount	Ratio (%)	Provision for doubtful debts	Am	R (%)	P
Ningbo Chongqing Ningbo IG	A	75,420	0.44%	-	78,389	0.64%	.
Shanghai D A C&C	M n h h	60,476	0.36%	-	27,987	0.23%	.
Flamingo M L (FML)	S h h	38,523	0.23%	-	7,311	0.06%	.
Flamingo C n	S h h	12,419	0.07%	-	.	0.00%	.
G n n S.A. (G n)	M n h h	8,142	0.05%	-	8,183	0.07%	.
SUMITOMO CORPORATION	M n h h	7,631	0.04%	-	56,538	0.46%	.
NYK Zhong	J n	4,473	0.03%	-	5,795	0.05%	.
Chongqing h n Sh H L n g	S h h	4,180	0.02%	-	.	0.00%	.
D n n n	S h h	1,879	0.01%	-	27,650	0.23%	.
C n n (L n n g) C n	S h h	.	.	.	.	.	.
(D n n n n)	.	.	.	.	.	.	.
G n n n n	M n h h	1,709	0.01%	-	1,610	0.01%	.
X h W	A	1,154	0.01%	-	1,154	0.01%	.
O n n	.	2,798	0.02%	.	39,779	0.33%	.
T	.	218,804	1.29%	-	254,396	2.09%	.

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text and Chinese text are original and equally authoritative)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(11) Accounts receivable derecognised due to transfer of financial assets

As at 30 June 2017, the Group has no accounts receivable transferred to special purpose vehicles (SPVs) (31 December 2016: Nil).

(12) Amount of assets and liabilities recognised due to the continuing involvement of securities accounts receivable

The continuing involvement of securities accounts receivable as at 30 June 2017 is 31 December 2016.

(13) As at 30 June 2017, the Group has no restricted accounts receivable (31 December 2016: Nil).

5. Other receivables

(1) Other receivables analysed by categories are as follows:

	30 June 2017	31 December 2016
Accounts receivable transferred to SPVs	550,077	873,585
Accounts receivable transferred to other parties	4,265,196	4,020,057
Accounts receivable transferred to other parties ()	1,658,985	1,658,985
Accounts receivable transferred to other parties ()	473,022	1,011,616
Accounts receivable transferred to other parties ()	1,020,166	999,926
Accounts receivable transferred to other parties	28,613	572,258
Accounts receivable transferred to other parties	823,600	663,995
Accounts receivable transferred to other parties	234,831	167,099
Accounts receivable transferred to other parties	900,111	960,805
Sub-total	9,954,601	10,928,326
Less: Accounts receivable transferred to other parties	(1,710,625)	(1,580,439)
Total	8,243,976	9,347,887

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017

(All amounts in RMB'000 unless otherwise specified)

(English text has legal effect over Chinese text)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(3) Other receivables analysed by categories are as follows:

Name	30 June 2017				31 March 2016			
	Book balance		Provision for doubtful debts		Billed but not collected		Provision for doubtful debts	
	Amount	% of total balance	Amount	Ratio (%)	Amount	% of total balance	Amount	Ratio (%)
Other receivables from related parties (4)	8,234,184	82.72%	1,604,552	19.49%	9,379,989	85.83%	1,503,143	16.02%
Other receivables from unrelated parties	1,720,417	17.28%	106,073		106,073			

Notes to the Financial Statements

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F 1 J n n 30 J 2017
(All n RMB'000)
(English T h l Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(6) Other receivables that are written off in current period

Other receivables written off in current period: RMB6,579,000 (F 1 J n 30 J 2016: Nil).

(7) As at 30 June 2017, the five largest balances of other receivables are analysed as follows, accumulated by arrearage parties:

	Notes	Nature	Book balance	Aging	% of total balance	Provision for doubtful debts
T njn L h O h s Eng n g L r	()	h s b s ng, l	3,575,000	h n 1	35.91%	.
P h (T njn L h)						
S n O h s & Eng n g C .		A h n	1,658,985	h n 1 /	16.67%	1,468,464
(SOE)				1		
Z h n g CIMC Er b l f h Y r l E r C .	()	h s b s , l A h s	503,568	h 3	5.06%	.
L (Er b l f h Y r l E r)						
Ch n g n g C l n L r		B h s g s s s s h s	299,950	h n 1	3.01%	.
J h C l n L r		B h s g s s s s h s	152,100	h n 1	1.53%	.
T			6,189,603		62.18%	1,468,464

T h l n l G s l g s h s b s : 31 J n 2016 n l RMB7,130,634,000, ng, 65.25% b l r .

() A 23 J n 2016, Q nh CIMC s ng (S h n h n) C . h s s h Q nh h s ng), h s G s s s , n T njn Y n g W n g h s h s n g L h s s T njn Y n g W n g), h s G s s s , n T njn B l W s s g h s l h s g h s n n s l n l h s h s 28 J n 2016, A 30 J 2017, h s s l l 3,575 b l l h s n h s ng h s h s 4.9853%, 2017 2019 h h l l h s 2018. A s s s h n , h s n h s h s h s n l l h l h l 87,632,000 h s h s l h s n h s n l l h n h s b s s s .

() A 14 J n 2016, 80% h s s Er b l f h Y r l E r , h h l h s s h s G s s s , h s n g G s n C G s n r l E s s l h n C . h s s h C G s n) b h G s n h n s l n l h s h s h s h s n . h s h s g , n h n ng, h s G s s s l f h Y r l E r s s h n h s , n h n ng, h s G s s s h s G s n ng E h s g h n , n h s 9 n g s h n s l n l h s h s , C G s n l l Er b l f h Y r l E r ng l f l h s G . A 30 J 2017, h s n n h s s n l h s s RMB503,568,000.

Notes to the Financial Statements

For the year ended 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text prevails over Chinese text)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(8) Other receivables from shareholders holding more than 5% (including 5%) of the voting rights of the Company are analysed as follows:

As at 30 June 2017, the 31 December 2016, the following shareholders holding more than 5% (including 5%) of the voting rights of the Company are analysed as follows:

(9) As at 30 June 2017, other receivables from related parties are analysed as follows:

Counterparty	Relationship	30 June 2017				31 December 2016			
		Amount	Nature	% of total balance	Provision for doubtful debts	Amount	Nature	% of total balance	Provision for doubtful debts
RNY RIE	Associate	503,568	Funding	5.06%	-	824,391	Funding	7.54%	-
China Merchants	Subsidiary								
Delaware	Subsidiary								

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All n RMB'000)
(English T n Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepaid expenses (Continued)

(2) Aging analysis of prepaid expenses is as follows:

	30 June 2017		31 December 2016	
	Amount	% of total balance	Am	%
W h n 1 (n l)	1,562,745	59.50%	1,201,088	50.19%
1 (n l)	164,197	6.25%	285,595	11.94%
2 (n l)	272,648	10.38%	619,004	25.87%
Q 3	627,072	23.87%	287,262	12.00%
S b-	2,626,662	100.00%	2,392,949	100.00%
h : (n l)	(233,632)	8.89%	(226,967)	9.48%
T	2,393,030	91.11%	2,165,982	90.52%

The aging analysis of prepaid expenses is as follows:

Other prepaid expenses are mainly for the purchase of raw materials and the purchase of services. The aging analysis of prepaid expenses is as follows:

(3) As at 30 June 2017, the five largest balances of prepaid expenses are analysed as follows, accumulated by arrearage parties:

	Amount	% of total balance
S m (n l)	968,260	36.86%

Notes to the Financial Statements

For the period from January 1 to December 31, 2017

(All figures in RMB'000, unless otherwise specified)

(English text and Chinese text are original and authentic)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepaid expenses (Continued)

- (4) The condition of the companies whose shareholders hold 5% (including 5%) or more of the voting shares of the Company in the prepayments at the end of the year

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All in RMB'000)
(English is the original text. In case of discrepancy, the Chinese text shall prevail.)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories

(1) Inventories are summarised by categories as follows:

	30 June 2017			31 December 2016		
	Book balance	Provision for decline in the value of inventories	Net book Value	Book balance	Provision for decline in the value of inventories	Net book Value
Raw materials	3,705,526	(168,780)	3,536,746	3,252,604	(163,944)	3,088,660
Work in progress	2,569,392	(27,821)	2,541,571	2,223,924	(27,978)	2,195,946
Finished goods	4,109,445	(112,544)	3,996,901	3,713,285	(125,107)	3,588,178
Contract work in progress	212,003	(242)	211,761	113,302	(242)	113,060
Supplies	184,079	(4,655)	179,424	213,712	(1,538)	212,174
Low value consumables	40,055	(76)	39,979	35,951	(72)	35,879
Materials	30,731	-	30,731	22,887	(1,031)	21,856
				13,970	(571)	13,399

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories (Continued)

(2) Analysis of book balance movement of inventories for the period is as follows:

	31 December 2016	Increase from 31 Dec 2016	Decrease from 31 Dec 2016	30 June 2017
Raw materials	3,252,604	22,385,554	(21,932,632)	3,705,526
Work in progress	2,223,924	17,436,459	(17,090,991)	2,569,392
Finished goods	3,713,285	28,817,225	(28,421,065)	4,109,445
Contract work in progress	113,302	1,299,933	(1,201,232)	212,003
Stores	213,712	301,210	(330,843)	184,079
Low value or short life inventory	35,951	136,378	(132,274)	40,055
Materials in transit	22,887	50,168	(42,324)	30,731
Contract work in progress	852,395	406,123	(456,808)	801,710
Prepaid expenses related to inventory	1,400,761	240,987	(216,151)	1,425,597
Other miscellaneous inventory	4,658,377	86,687	(26,097)	4,718,967
Amount of inventory held by subsidiaries	1,241,321	4,110,882	(4,498,598)	853,605
Total	17,728,519	75,271,606	(74,349,015)	18,651,110

(3) Provision for decline in the value of inventories are as follows:

	31 December 2016	Decrease from 31 Dec 2016	Increase from 31 Dec 2016	Decrease from 31 Dec 2016	Decrease from 31 Dec 2016	30 June 2017
Category						
Raw materials	163,944	40,938	(39,065)	(993)	3,956	168,780
Work in progress	27,978	431	(1,575)	(435)	1,422	27,821
Finished goods	125,107	38,387	(41,076)	(10,509)	635	112,544
Contract work in progress	242	-	-	-	-	242
Stores	1,538	-	(1,565)	(4,458)	9,140	4,655
Low value or short life inventory	72	4	-	-	-	76
Other miscellaneous inventory	123	-	-	-	(2)	121
Amount of inventory held by subsidiaries	-	-	-	-	-	-
Total	319,004	79,760	(83,281)	(16,395)	15,151	314,239

Notes to the Financial Statements

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories (Continued)

(3) Provision for decline in the value of inventories are as follows: (Continued)

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Notes to the Financial Statements

For the period from January 1 to December 31, 2017

(All figures in RMB'000, except for share data)

(English text and Chinese text are original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Assets classified as available for sale

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All in RMB'000)
(English is the original text. In case of discrepancy, the Chinese text shall prevail.)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Current portion of non-current assets (Continued)

As at 30 June 2017, the current portion of non-current assets is as follows:

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text is the original text)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Other current assets

	30 June 2017	31 December 2016
Trade receivables / Other receivables	704,034	656,847
Other	15,142	45,631
Total	719,176	702,478

11. Available-for-sale financial assets

	30 June 2017	31 December 2016
Available-for-sale financial assets		
At cost less impairment losses	1,761	2,441
Fair value	20,000	-
Other	31,086	30,803
Available-for-sale financial assets		
At cost less impairment losses	411,970	412,240
Other	10	307
Total	(3,065)	(3,065)
Total	461,762	442,726

- (1) Because the equity investments of these companies have no quoted price in active market and their fair value cannot be reliably measured, such investments are stated at cost less any impairment losses.

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All in RMB'000)
(English text is for reference only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Available-for-sale financial assets (Continued)

(2) Detailed information of the available-for-sale financial assets:

A. List of available-for-sale financial assets:

	30 June 2017	31 Dec 2016
A. List of available-for-sale financial assets		
1. Financial assets	1,761	2,441
2. Financial liabilities	4,582	4,582

Notes to the Financial Statements

For the year ended 30 June 2017
(All amounts in RMB'000 unless otherwise specified)
(English text and Chinese text are original and equally authoritative)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Available-for-sale financial assets (Continued)

(2) Detailed information of the available-for-sale financial assets: (Continued)

Available-for-sale financial assets	31 December 2016	Fair value	30 June 2017	Shareholding percentage	Carrying amount
Available-for-sale financial assets					
China Unicom (Hong Kong) Limited	380,780	-	380,780	10.00%	4,000
Banque Paribas (France) Limited	8,125	-	8,125	5.00%	-
Bank of China (Hong Kong) Limited	1,700	-	1,700	1.01%	-
Guangdong Securities Company Limited	1,365	-	1,365	0.09%	-
Donghai Capital Management Limited	270	(270)	-	0.00%	-
Zhongyuan Investment Limited	20,000	-	20,000	2.00%	-
Subtotal	412,240	(270)	411,970		4,000
Provision for impairment	(3,065)	-	(3,065)		-
Total	409,175	(270)	408,905		-

Available-for-sale financial assets are measured at fair value. The fair value of the available-for-sale financial assets is determined by reference to the closing price of the securities on the reporting date. The fair value of the available-for-sale financial assets is determined by reference to the closing price of the securities on the reporting date. The fair value of the available-for-sale financial assets is determined by reference to the closing price of the securities on the reporting date.

Notes to the Financial Statements

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(English Text Only)

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Notes to the Financial Statements

For the year ended 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(2) Long-term equity investments in joint ventures:

	Movement in the year							
	31 Dec 2016	Balance at 1 Jan 2017	Share of profits or losses	Other comprehensive income	Change in fair value	Change in exchange rate	30 June 2017	Percentage of ownership
Guangdong CIMCL								
Equity investment								
CIMCL	36,294		3,345				39,639	
Shanghai Rongsheng								
Equity investment	2,171		(295)				1,876	
Shanghai Shipbuilding P&C								
P&C	11,340					(338)	11,002	
NYK Zhenhai Logistics (Tianjin)								
CIMCL	75,432		823		(4,753)		71,502	
Kaifeng Zhenhai Logistics (Tianjin) CIMCL								
(Tianjin) CIMCL	22,330		1,417				23,747	
Qingdao BJB International Maritime C								
Maritime C	14,531		1,476		(433)		15,574	
Dalian BJB International Maritime C								
C	5,678		397		(1,000)	(169)	4,906	
Shanghai BJB International Maritime C								
Maritime C	23,888		2,045		(711)		25,222	
Tianjin Jiahong BJB International Maritime C								
Maritime C	7,933		1,087		(236)		8,784	
Y&C Engage C								
	195,777		6,149				201,926	
Shanghai CIMCM								
International C	1,630		(1,015)				615	
Ningbo HNB P								
Chongqing Lianheng International Maritime P&H (Lianheng P&H)								
P&H	50,100	3,000					53,100	
Hong Kong International Maritime P&H								
Maritime P&H	20,100	1,200					21,300	
Hebei Sheng UG								
	33,287						33,287	
Hong Kong International Maritime P&H								
Maritime P&H	10						10	
Total	500,501	4,200	15,429		(5,753)	(1,887)	512,490	

Refer to VI.2 for details.

Notes to the Financial Statements

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For the period ended 30 June 2017
(All figures in RMB'000)
(English text is the original text)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in associates:

	Movement								30 June 2017	Particulars
	31 December 2016	Share / Dividend income	Share of profits / losses	Other income	Change in shareholding	Change in shareholding	Share of profits / losses	Other		
Xinengwei (Xinengwei) Co., Ltd.	7,071	-	-	-	-	-	-	-	7,071	-
Ningbo Lintan Chemical Co., Ltd.	1,200	-	-	-	-	-	-	-	1,200	-
Xinmin Chemical Co., Ltd.	23,350	-	1,505	-	-	-	-	-	24,855	-
Dalian Lintan Chemical Co., Ltd.	47,615	-	529	-	-	-	-	-	48,144	-
Shanghai Lintan Chemical Co., Ltd.	45,684	-	790	-	-	-	-	-	46,474	-
E. O. (E. O.) Co., Ltd.	8,374	-	389	-	-	-	-	-	8,763	-
Shanghai Lintan Chemical Co., Ltd.	104,191	-	-	-	-	-	-	-	104,191	-
TSC	212,905	-	-	-	-	(6,338)	-	-	206,567	-
M. S. & C. Ltd.	2	-	-	-	-	-	-	-	2	(2)
T. n. h. (Shanghai) Co., Ltd.	1,900	-	75	-	-	-	-	-	1,975	-
LH Group Co., Ltd.	102,176	-	2,832	-	-	-	-	-	105,008	-
J. n. g. R. n. g. M. h. C. Co., Ltd.	28,123	-	-	-	-	-	-	-	28,123	-
J. n. E. K. n. l. n. C. Co., Ltd.	2,608	-	(1,225)	-	-	-	-	-	1,383	-
O. n. h. (Shanghai) Co., Ltd.	16,589	-	(81)	-	-	-	-	-	16,508	-
X. h. C. M. C. W. Co., Ltd.	27,519	-	302	-	-	-	-	-	27,821	-
T. n. j. n. S. n. l. R. n. g. A. n. l. Co., Ltd.	30,436	-	(2,316)	-	-	-	-	-	28,120	-
Q. n. g. Co., Ltd.	43,400	-	1,246	-	-	-	-	-	44,646	-
Z. P. M. C. B. Co., Ltd.	14,567	-	(14,567)	-	-	-	-	-	-	-
T. n. j. n. Sh. Co., Ltd.	21,110	-	-	-	-	-	-	-	21,110	-
J. h. Sh. ng C. Co., Ltd.	126,454	-	-	-	-	(2,966)	-	-	123,488	-
X. n. F. gh C. Co., Ltd.	688	-	150	-	-	-	-	-	838	-

Notes to the Financial Statements

For the period from January 1 to December 31, 2017

(All figures in RMB'000, except for the number of shares)

(English text and Chinese text are original and authentic)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in associates: (Continued)

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Notes to the Financial Statements

For the period from 1 January to 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text has legal effect over Chinese text)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Investment properties

	Buildings and relevant land use rights	Land use rights	Total
1 January 2016	730,168	-	730,168
Acquisition	78,176	-	78,176
Change in fair value	75,792	-	75,792
Transfer from investment properties to other assets	131,859	-	131,859
Transfer from other assets to investment properties	46,843	130,551	177,394
Transfer from investment properties to other assets	786	-	786
Disposal of investment properties	102,062	482,772	584,834
Transfer from other assets to investment properties	(26,401)	-	(26,401)
Transfer from investment properties to other assets	-	-	-
31 December 2016	1,139,285	613,323	1,752,608
1 January 2017	1,139,285	613,323	1,752,608
Acquisition	-	-	-
Change in fair value	-	-	-
Transfer from investment properties to other assets	-	-	-
Transfer from other assets to investment properties	-	-	-
Transfer from investment properties to other assets	1,287	-	1,287
Disposal of investment properties	-	-	-
Transfer from other assets to investment properties	-	-	-
Transfer from investment properties to other assets	(17,704)	(17,685)	(35,389)
Change in fair value of land use rights	3,559	-	3,559
30 June 2017	1,126,427	595,638	1,722,065

In the above table, the figures in parentheses represent the amounts of investment properties that have been disposed of (For the period from 1 January to 30 June 2016: Nil).

The above table represents the amounts of investment properties that are classified as investment properties under the applicable accounting standards. The amounts of investment properties that are classified as investment properties under the applicable accounting standards are disclosed in Note XIV.6.

In the above table, the figures in parentheses represent the amounts of investment properties that have been disposed of (For the period from 1 January to 30 June 2016: Nil).

At 30 June 2017, the carrying amount of investment properties was RMB156,697,000 (31 December 2016: RMB113,196,000). The amounts of investment properties that are classified as investment properties under the applicable accounting standards are disclosed in Note XIV.6.

Notes to the Financial Statements

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(All n RMB'000)
(English)
(Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets

(1) Fixed assets

	Plants and buildings	Machinery and equipment	Office & other equipment	Motor vehicles	Offshore engineering equipment	Dock, wharf	Total
Original value							
31 Dec 2016	10,676,684	10,112,067	1,981,991	1,045,215	6,783,391	1,262,820	31,862,168
Accumulated depreciation							
31 Dec 2016	24,321	11,604	7	71	.	.	36,003
Accumulated depreciation							
31 Dec 2016	58,845	160,773	76,355	167,934	.	.	463,907
Accumulated depreciation							
31 Dec 2016	35,997	206,727	159,382	12,060	.	.	414,166
Accumulated depreciation							
31 Dec 2016	41,738	.	.	.	.	.	41,738
Accumulated depreciation							
31 Dec 2016	(86,498)	(296,266)	(85,105)	(27,882)	(79,025)	.	(574,776)
Accumulated depreciation							
31 Dec 2016	.	.	.	.	.	.	.
Accumulated depreciation							
31 Dec 2016	.	.	.	.	.	.	.
Accumulated depreciation							
31 Dec 2016	13,616	(4,898)	(1,713)	1,104	(65,291)	(12,759)	(69,941)
30 Jun 2017	10,764,703	10,190,006	2,130,917	1,198,502	6,639,075	1,250,061	32,173,264
Original value							
31 Dec 2016	2,522,207	4,231,582	1,254,278	528,237	686,944	232,400	9,455,648
Accumulated depreciation							
31 Dec 2016	4,742	5,969	6	60	.	.	10,777
Accumulated depreciation							
31 Dec 2016	213,148	341,224	110,381	90,651	135,213	25,881	916,498
Accumulated depreciation							
31 Dec 2016	24,034	.	.	.	.	.	24,034
Accumulated depreciation							
31 Dec 2016	(54,520)	(105,017)	(80,543)	(14,433)	(8,436)	.	(262,949)
Accumulated depreciation							
31 Dec 2016	.	.	.	.	.	.	.
Accumulated depreciation							
31 Dec 2016	.	.	.	.	.	.	.
Accumulated depreciation							
31 Dec 2016	5,832	(2,924)	2,550	506	(10,729)	(5,593)	997,373,886.7

Notes to the Financial Statements

Financial statements for the period from January 1 to December 31, 2017

(All amounts in RMB'000 unless otherwise specified)

(English text and Chinese text are original and authoritative)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(1) Fixed assets (Continued)

As at 30 June 2017, the carrying amount of buildings was 375,761,000 (original cost 425,362,000) and accumulated depreciation was 49,272,000 (31 December 2016: 398,144,000 (original cost 525,305,000) and accumulated depreciation was 59,815,000). See Note IV. 24.

In the year ended 31 December 2017, the company purchased buildings for 16,498,000 (for the year ended 30 June 2016: 1,056,717,000), and sold buildings for 776,825,000, 9,897,000 and 129,776,000 (for the year ended 30 June 2016: 891,935,000, 14,860,000 and 149,922,000) respectively. The carrying amount of buildings as at 30 June 2017 was 375,761,000 (31 December 2016: 398,144,000).

In the year ended 31 December 2017, the company purchased machinery and equipment for 414,166,000 (2016: 1,206,156,000).

- (2) As at 30 June 2017, the carrying amount of temporarily idle buildings, machinery and equipment amounts to 344,385,000 (original cost of 614,561,000) (31 December 2016: carrying amount of 207,894,000 and original cost of 415,615,000).

Notes to the Financial Statements

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(All in RMB'000)
(English text only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(3) Fixed assets held through finance leases:

30 June 2017

31 J n 2016



Notes to the Financial Statements

For the period from January 1 to June 30, 2017

(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress

(1) Construction in progress

	30 June 2017			31 December 2016		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Construction in progress	20,301,214	-	20,301,214	19,405,489	-	19,405,489
Roads: H273, H1284 Project	2,747,244	-	2,747,244	2,754,873	-	2,754,873
Electricity: H273, H1284 Project	59,202	-	59,202	88,101	-	88,101
Chemical: H273, H1284 Project	49,146	-	49,146	47,633	-	47,633
Other: H273, H1284 Project	37,622	-	37,622	30,583	-	30,583
Petrochemical: H273, H1284 Project	35,382	-	35,382	35,218	-	35,218
HQ: H273, H1284 Project	26,477	-	26,477	-	-	-
XHCIMC: H273, H1284 Project	22,418	-	22,418	13,079	-	13,079
Dongying: H273, H1284 Project	21,129	-	21,129	21,129	-	21,129
Qingdao: H273, H1284 Project	19,590	-	19,590	-	-	-
SHYSLE: H273, H1284 Project	11,933	-	11,933	-	-	-
Dongying: H273, H1284 Project	5,522	-	5,522	11,497	-	11,497
TCCIMC: H273, H1284 Project	5,400	-	5,400	5,400	-	5,400
Roads: H273, H1284 Project	3,128	-	3,128	3,080	-	3,080
TCCIMC: H273, H1284 Project	1,981	-	1,981	1,575	-	1,575
TAS: H273, H1284 Project	1,824	-	1,824	1,498	-	1,498
XHCIMCS: H273, H1284 Project	1,506	-	1,506	1,506	-	1,506
Other: H273, H1284 Project	641	-	641	12,033	-	12,033
Total	454,939	(1,645)	453,294	338,916	(2,421)	336,495
Total	23,806,298	(1,645)	23,804,653	22,771,610	(2,421)	22,769,189

The carrying amount of construction in progress at the end of the reporting period is RMB1,750,963,000 (31 December 2016: RMB1,532,714,000). The carrying amount of construction in progress at the end of the reporting period is RMB1,750,963,000 (31 December 2016: RMB1,532,714,000). The carrying amount of construction in progress at the end of the reporting period is RMB1,750,963,000 (31 December 2016: RMB1,532,714,000).

At 30 June 2017, the carrying amount of construction in progress is RMB1,750,963,000 (31 December 2016: Nil).

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress (Continued)

(2) Movement of significant projects of construction in progress during the year

	Balances at 31 December 2016	Construction in progress at 30 June 2017	Percentage completed at 30 June 2017	Construction in progress at 30 June 2017	Percentage completed at 30 June 2017	Construction in progress at 30 June 2017	Construction in progress at 30 June 2017	Construction in progress at 30 June 2017	Construction in progress at 30 June 2017
Railway H273, H284 Projects	25,459,806	19,405,489	997,902	20,301,214	98%	79%-100%	1,110,333	177,235	3.18%
									(102,177)
Chongqing H273, H284 Projects	2,866,854	2,754,873	56,753	2,747,244	97%	95%	192,141	41,014	3.18%
									(64,382)
Chongqing H273, H284 Projects	181,082	88,101	9,764	59,202	91%	74%	-	-	-
	60,000	47,633	1,513	49,146	82%	82%	-	-	-
	41,249	30,583	7,039	37,622	91%	100%	-	-	-
Chongqing H273, H284 Projects	35,838	35,218	260	35,382	99%	50%-100%	-	-	-
	120,000	-	26,477	26,477	22%	22%	-	-	-
	30,640	13,079	11,863	22,418	81%	90%	-	-	-
Chongqing H273, H284 Projects	23,369	21,129	-	21,129	90%	90%	-	-	-
	29,500	-	19,590	19,590	66%	90%	-	-	-
	30,000	-	11,933	11,933	40%	40%	-	-	-
Chongqing H273, H284 Projects	388,182	11,497	923	(6,833,904)	T: 1	50.11/CS: 1	(6,833,904)	923	8.67 OT (40%)
									8.536 OT (40%)

Notes to the Financial Statements

Notes to the Financial Statements

F 1 J n 30 J n 2017

(All in RMB'000)

(English Text Only)

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Intangible assets and development expenditure (Continued)

(2) As of 30 June 2017, intangible assets with pending certificates of ownership are as follows:

	Carrying amount in RMB	Reasons for unsettlement
Ningbo M n l n gh	75,322	n A
SCIMCEL T ng ng l n gh	55,674	n A
C&C T l n gh	19,187	n A
L ng, ng l n gh	8,887	n A
SCIMCEL	1,787	n A
T	160,857	

As of 30 June 2017, there was no restricted intangible asset (31 December 2016: Nil).

(3) As of 30 June 2017, there was no restricted intangible asset (31 December 2016: Nil).

(4) As at 30 June 2017, the intangible asset with indefinite useful lives is Gas station Franchise which amounted to 53,300,000 (31 December 2016: 53,300,000).

(5) Development expenditure is as follows:

31 December 2016	Carrying amount in RMB	30 June 2017

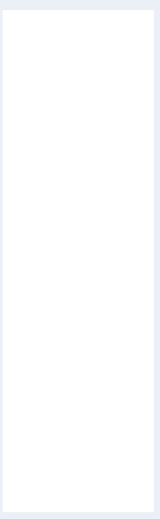
Notes to the Financial Statements

For the period from January 1 to December 31, 2017
(All figures in RMB'000 unless otherwise specified)
(English text is for reference only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Goodwill

31 December



Notes to the Financial Statements

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(All in RMB'000)
(English is the original text)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Long-term prepaid expenses

	31 Dec 2016	2016	2017	2017	2017	2017
Y	9,691	.	223	(1,424)	29	8,519
P	133,924	.	31,369	(30,658)	(2,513)	132,122
ln	9,439	.	5,372	(2,204)	.	12,607
O	.	.	.	.	.	-
ln	19,996	.	51,692	(12,110)	(987)	58,591
O	73,524	52	10,123	(14,283)	(99)	69,317
S b	246,574	52	98,779	(60,679)	(3,570)	281,156
at	.	.	.	.	.	-

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text and Chinese text are original and authoritative)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Deferred tax assets and deferred tax liabilities

(1) The offsetting balances of deferred tax assets and liabilities offset and corresponding deductible or taxable temporary differences

	30 June 2017		31 December 2016	
	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)	Debit / (credit) balance	Debit / (credit) balance
Deferred tax assets:				
Pending income tax	834,767	160,844	1,546,119	322,474
Other deductible temporary differences	617,576	113,145	690,921	139,994
Enrollment fees	1,139,847	257,745	1,273,607	296,507
Other deductible temporary differences	120,131	26,479	493,541	89,303
Debit balance	1,791,531	306,356	1,861,895	332,307
Deferred tax liabilities:				
Accelerated depreciation	7,729	1,634	27,566	6,892
Other taxable temporary differences	-	-	14,230	2,134
Income tax	29,871	7,468	18,904	4,726
Other taxable temporary differences	2,180,446	436,088	278,319	69,580
Credit balance	6,721,898	1,309,759	6,205,102	1,263,917
Offsetting balance	(187,229)	(32,843)	(25,512)	(6,247)
Offsetting balances	6,534,669	1,276,916	6,179,590	1,257,670

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All in RMB'000)
(English and Chinese)
(English and Chinese)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Deferred tax assets and deferred tax liabilities (Continued)

(2) Unrecognised deferred tax assets

	30 June 2017	31 Dec 2016
Unrecognised deferred tax assets	1,712,996	1,606,035
Income tax losses	634,426	340,729
Income tax losses	22,119	22,119
Others	3,125	3,125
Total	2,372,666	1,972,008

(3) Maturity of deductible losses that are not recognised as deferred tax assets:

	30 June 2017	31 Dec 2016
2017	1,296,480	1,199,243
2018	1,086,941	1,086,941
2019	437,892	340,655
2020	819,702	819,702
2021 and beyond	4,149,817	4,149,817
Total	7,790,832	7,596,358

Note 1: Balance at 31 Dec 2016, 30 June 2017, and 31 Dec 2016 are as follows: (in RMB'000)
Balance at 31 Dec 2016: 1,972,008; Balance at 30 June 2017: 2,372,666; Balance at 31 Dec 2016: 1,972,008.

At 30 June 2017, the Group had unrecognised deferred tax assets of RMB1,712,996,000 (31 Dec 2016: RMB1,606,035,000). The Group has not recognised these deferred tax assets because it is not probable that the Group will have sufficient taxable income in the future to utilise these losses. The Group has not recognised these deferred tax assets because it is not probable that the Group will have sufficient taxable income in the future to utilise these losses.

The Group has not recognised these deferred tax assets because it is not probable that the Group will have sufficient taxable income in the future to utilise these losses.

Notes to the Financial Statements

For the period from 1 June 2016 to 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text is authoritative)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Other non-current assets

	30 June 2017	31 December 2016

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Restricted assets

30 Jun 2017, 14:00

		31. März 2016	31. März 2016	31. März 2016	30. Juni 2017
IV.1	987,257	49,135	(219,448)	(99)	816,845
IV.3	206,753	207,835	(158,188)	.	256,400
IV.12	8,164,729	(57,408)	(654,249)	.	7,453,072
IV.15	398,144	.	(22,383)	.	375,761
T	9,756,883	199,562	(1,054,268)	(99)	8,902,078

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 n g . n g . n g n n g . n g n g . IV.15 n n n n n h
 n n n n n l l l . n g m b f n g IV.25 n IV.28 n i n
 h n n g b n g . Th n n h b n n n n n n n n n n
 n P B n . Ch n b F n C n .

Notes to the Financial Statements

For the period ended June 30, 2017

(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Short-term borrowings

(1) Classification of short-term borrowings:

	Unit	30 June 2017	31 Dec 2016
Guaranteed	()		
USD		391,000	2,938,300
RMB		1,962,000	937,000
EUR		16,700	1,000

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text and Chinese text are original and equally authoritative)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Notes payable

	30 June 2017	31 December 2016
Bank notes payable	872,925	1,050,745
Trade notes payable	380,250	500,837
Total	1,253,175	1,551,582

The balance of notes payable is as follows:

28. Accounts payable

(1) The Group's accounts payable is as follows:

	30 June 2017	31 December 2016
Due to suppliers	9,364,746	8,303,845
Long-term liabilities	468,558	461,925
Payable to related parties	291,105	259,029
Payable to other related parties	398,677	658,048
Due to employees	618,839	150,029
Tax payable	69,741	135,159
Prepaid expenses	41,972	129,178
Others	91,540	63,738
Total	11,345,178	10,160,951

		30 June 2017		31 December 2016	
Contract		Amount	% of total balance	Amount	% of total balance
Y&C Engineering	Joint venture	38,931	0.34%	66,157	0.65%
TSC	Associate	13,807	0.12%	25,727	0.25%
Fujian Qinghai Bimbo Cement	Associate	10,496	0.09%	8,138	0.08%
Shanghai Daxin	Minority shareholder	5,352	0.05%	3,611	0.04%
Ningbo Chongming	Associate	2,732	0.02%	2,435	0.02%
Xinhai CIMC W	Associate	202	0.00%	17,905	0.18%
Aht Tugay C	Minority shareholder	-	0.00%	15,902	0.16%
Other		5,825	0.05%	7,062	0.07%
Total		77,345	0.67%	146,937	1.45%

Notes to the Financial Statements

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For the period from January 1 to June 30, 2017
(All figures in RMB'000)
(English text is for reference only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Accrued payroll (Continued)

(1) Short-term wages

	31 March 2016	Beginning of the period	During the period	End of the period	30 June 2017
Wages, salaries, bonuses, commissions, etc.	1,699,319	2,516,308	(2,475,474)	4,252	1,744,405
Provision for employee benefits	205,151	-	(8,951)	-	196,200
Housing fund	6,118	80,860	(80,906)	(30)	6,042
Labour union fees, etc.	62,236	27,129	(36,014)	(157)	53,194
Other employee benefits	12,517	87,991	(77,504)	1	23,004
Total	9,564	74,051	(65,053)	1	18,563
Wages	1,583	8,250	(7,850)	-	1,983
Salaries	1,370	5,690	(4,601)	-	2,458
Other employee benefits	104,784	280,656	(334,802)	901	51,539
Total	2,090,125	2,992,944	(3,013,651)	4,967	2,074,384

(2) Defined contribution plans

	31 March 2016	Beginning of the period	During the period	End of the period	30 June 2017
Basic pension plan	21,455	205,171	(186,716)	5	39,915
Unemployment insurance	2,554	8,214	(5,724)	-	5,043
Enterprise annuity	147	1,109	(1,061)	-	195
Total	24,156	214,494	(193,501)	5	45,153

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(English is the original text)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Interest payable

		30 June 2017	31 Dec 2016
Interest payable on bank deposits	IV.43	203,985	135,990
Interest payable on bank borrowings		79,273	76,730
Interest payable on other borrowings		218,242	70,249
Interest payable on other financial instruments		31,928	20,406
T		533,428	303,375

33. Dividends payable

	30 June 2017	31 Dec 2016
Dividends payable to shareholders	75,080	16,746
Dividends payable to other parties	178,332	-
T	253,412	16,746

34. Other payables

(1) The analysis of the Group's other payables is as follows:

	30 June 2017	31 Dec 2016
Accounts payable	2,595,693	1,892,437
Accounts receivable	1,555,619	1,490,340
Payable to related parties	543,228	593,210
Payable to other related parties	500,826	315,605
Payable to other parties	136,633	185,777
Payable to other parties	82,243	73,619
Payable to other parties	72,786	111,054
Payable to other parties	27,483	12,732
Payable to other parties	4,452	601
Payable to other parties	1,712	17,897
Payable to other parties	773	5,456
Payable to other parties	-	23,200
Payable to other parties	605,931	432,145
T	6,127,379	5,154,073

Notes to the Financial Statements

For the period from January 1 to December 31, 2017

(All figures in RMB'000, except for the number of shares)

(English text and Chinese text are original and authentic)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Other payables (Continued)

(2) Significant other payables aged over one year mostly consist of unsettled quality guarantee,

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Current portion of non-current liabilities

The Group's current portion of non-current liabilities are analysed by categories as follows:

		30 June 2017	31 2016
C n n b n g	IV.38		
U		3,197,042	3,401,313
G		1,694,372	124,397
		4,891,414	3,525,710
C n n b			
F n b		114,537	136,571
: n n g		(8,826)	(15,826)
F n b	IV.40	105,711	120,745
O		18,376	17,567
		124,087	138,312
C n n n		-	3,850
T		5,015,501	3,667,872

37. Other current liabilities

		30 June 2017	31 2016
C i l b G	(1)	2,583,959	1,666,966
O		28,321	20,796
		2,612,280	1,687,762

(1) C i l b CIMC F H L (F) n CIMC HK, 20 M 2016, F g h r i g h B n Y M l G n n B n Chn (L n B n h) n g i a m USD450 m l l h a n n ; A n a s i m a s i m i n n g i a i USD318,000,000; n MB2,154,471,000); A 21 2015, CIMC HK a s i m i n n g h B n Chn n B n M l L n h n g i a i n a U n S h n USD600 m l l 30 J 2017, a s i m i n n g 3 a i a n n g h, a g h n : USD63,400,000. n MB429,488,000).

Notes to the Financial Statements

For the year ended 31 December 2017

(All amounts in RMB'000 unless otherwise specified)

(English text prevails over Chinese text in case of discrepancy)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term borrowings

(1) Classification of long-term borrowings

		30 June 2017	31 December 2016
Borrowings			
• USD		10,276,585	11,496,937
• MYR	()	5,772,819	6,260,830
• GHS	()	12,507,099	12,791,165
		28,556,503	30,548,932
Convertible bonds			
• USD		3,197,042	3,401,313
• GHS	()	1,694,372	124,397
		4,891,414	3,525,710
Total		23,665,089	27,023,222

() As at 30 June 2017, the Group had no borrowings denominated in US dollars, except for the CIMB Financing Note denominated in US dollars.

() As at 30 June 2017, the Group had long-term borrowings denominated in US dollars, MYR, GHS, and RMB. The borrowings were as follows: USD1,489,000,000 (equivalent to RMB10,088,075,000) in the form of a CIMB Financing Note; USD2,000,000 (equivalent to RMB13,550,000) in the form of a CIMBVL; SD352,157,000 (equivalent to RMB2,385,719,000) in the form of a CIMB note; CIMB HK note of SD248,114,000 (equivalent to RMB1,680,822,000); borrowings denominated in Hong Kong dollars of HK\$5,787,000 in the form of a Tinja Hong Kong note; and borrowings denominated in RMB of RMB518,000 in the form of a CIMB note.

(2) No amount due to the shareholders who hold 5% or more of the voting rights of the Company or due to related parties is included in the above balance of long-term borrowings. (31 December 2016: Nil).

(3) As at 30 June 2017, the interest rate of long-term borrowing ranged from 1.20% to 6.37% (31 December 2016: 1.45% to 6.77%).

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Debentures payable

	31 Dec 2016	30 June 2017

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Financial statements for the period ended 30 June 2017
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(English text and Chinese text are original and equally valid)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Long-term payables

	30 June 2017	31 December 2016
Financial lease liabilities	303,625	323,920
Less: Less than one year	(41,174)	(34,723)
Financial lease liabilities	262,451	289,197
Payable within one year	120,789	120,789
Payable beyond one year	100,635	117,922
Others	21,034	1,464
Total	504,909	529,372

(1) Details of financial leasing payables

As at 30 June 2017, the financial lease payables are mainly related to the lease of land, buildings and equipment. The lease term is generally 3 years. The lease payments are made at the end of each year. The lease payables are classified as long-term payables if the lease term is longer than 12 months. Otherwise, they are classified as current liabilities.

Financial lease payables	30 June 2017	31 December 2016
Within 1 year (1 year)	114,537	136,571
Over 1 year but within 2 years (1 year)	251,829	287,267
Over 2 years but within 3 years (1 year)	12,352	3,564
Over 3 years	39,444	33,089
Sub-total	418,162	460,491
Less: Less than one year	(50,000)	(50,549)
Current liability	368,162	409,942

The Group has no other long-term payables as at the end of the reporting period.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Deferred income (Continued)

(1) Government grants

Particulars	31 December 2016	Current year	Other changes	30 June 2017	Accounting policy
Yunnan National Petroleum Administration Construction of oil pipelines	200,000	-	-	200,000	Accounting policy
Enterprise Development Research	184,253	-	3,566	180,687	Accounting policy
Enterprise Development Research	80,396	-	1,735	78,661	Accounting policy
Shanghai CIMC Heavy Industry Group	54,052	-	651	53,401	Accounting policy
Ningbo Manganese	38,000	-	-	38,000	Accounting policy
C&T Group	30,000	-	-	30,000	Accounting policy
TAS Group	28,291	4,220	803	31,708	Accounting policy
Yunnan State Oilfield	26,504	-	-	26,504	Accounting policy
Shanghai Dilling Petroleum (Beijing) International	-	-	-	-	Accounting policy
Tianjin CIMC Shipbuilding Engineering	11,396	-	152	11,244	Accounting policy
TCCIMC	9,862	-	131	9,731	Accounting policy
CQLE L	8,021	-	100	7,921	Accounting policy
Zhuhai Gas Distribution	7,844	-	450	7,394	Accounting policy
Shanghai Heavy Industry	8,000	-	917	7,083	Accounting policy
TAS Group	7,348	-	351	6,997	Accounting policy
MEA	6,301	-	-	6,301	Accounting policy
Enterprise Development Research (FPSO)	6,000	-	-	6,000	Accounting policy
MEA	5,520	-	460	5,060	Accounting policy
KGR R&D	4,270	-	112	4,158	Accounting policy
Tianjin Heavy Industry	2,256	-	113	2,143	Accounting policy
TAS Group	886	-	48	838	Accounting policy
Guangzhou CIMC	17,362	-	17,362	-	Accounting policy
Guangzhou Manganese	10,764	-	10,764	-	Accounting policy
Others	82,416	40,480	6,909	115,987	Accounting policy
Total	829,742	44,700	44,624	829,816	

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(English text has prevailed in case of discrepancy)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Share capital

	31 Dec 2016 '000	Change during the period '000	30 June 2017 '000
Shares subject to trading restriction			
- Held by non-residents	699	29	728
Shares not subject to trading restriction			
- RMB-denominated shares	1,261,301	1,747	1,263,048
- Foreign-denominated shares	1,716,577	-	1,716,577
Total	2,978,577	1,776	2,980,353

	31 Dec 2015 '000	Change during the period '000	31 Dec 2016 '000
Shares subject to trading restriction			
- Held by non-residents	866	21	699
Shares not subject to trading restriction			
- RMB-denominated shares	1,260,377	736	1,261,301
- Foreign-denominated shares	1,716,577	-	1,716,577
Total	2,977,820	757	2,978,577

The above figures are in RMB1.00.

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Financial Statements for the period ending 30 June 2017
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other equity instruments

	31 Dec 2016	Other Comprehensive Income	Profit or Loss	30 June 2017
Other equity instruments	2,049,035	35,908	(103,800)	1,981,143

	31 Dec 2015	Other Comprehensive Income	Profit or Loss	31 Dec 2016
Other equity instruments	2,033,043	119,792	(103,800)	2,049,035

At 16 Jan 2015, the Group had issued 2,000 million RMB ordinary shares with a par value of RMB1,000,000,000. The shares were listed on the Shanghai Stock Exchange on 16 Jan 2015. The shares were issued at a premium of 5.19% to the par value. The shares were issued in three tranches. The first tranche of 1,000 million RMB shares was issued on 16 Jan 2015. The second tranche of 500 million RMB shares was issued on 16 Jan 2016. The third tranche of 500 million RMB shares was issued on 16 Jan 2017. The shares were issued at a premium of 5.19% to the par value. The shares were issued in three tranches. The first tranche of 1,000 million RMB shares was issued on 16 Jan 2015. The second tranche of 500 million RMB shares was issued on 16 Jan 2016. The third tranche of 500 million RMB shares was issued on 16 Jan 2017. The shares were issued at a premium of 5.19% to the par value.

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Capital surplus

	31 December 2016	Change during the period	30 June 2017
Share premium	3,590,421	29,310	3,619,731
Other capital surplus:			
• Exchange difference on translation			692
• Derivative financial instruments	692		257
• Exchange difference on foreign currency translation	257		414,679
• Capital loss on disposal of subsidiaries	420,004	6,778	16,037
• Capital loss on disposal of subsidiaries	15,967	70	438,529
• Capital loss on disposal of subsidiaries	435,101	3,428	900,031
• Capital loss on disposal of subsidiaries	900,031		(42,696)
• Capital loss on disposal of subsidiaries	(42,696)		(324,772)
• Capital loss on disposal of subsidiaries	(246,669)		(58,964)
• Capital loss on disposal of subsidiaries	(58,964)		(406,795)
• Capital loss on disposal of subsidiaries	(406,795)		(51,925)
• Capital loss on disposal of subsidiaries	(51,925)		(1,549,826)
• Capital loss on disposal of subsidiaries	(1,549,826)		120,987
Other	120,987		3,075,965
Total	3,126,585	39,586	(90,206)

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Capital surplus (Continued)

	31 2015	C n	C n	31 2016
Sh n m	3,577,648	12,773	.	3,590,421
O n f l :				
. E h ng n gn				
. E n l	692	.	.	692
. D n n h	257	.	.	257
. E n h -b n	402,887	22,316	(5,199)	420,004
. C f l n				
. C f l b	14,275	1,692	.	15,967
. C f l n				
. h h n b	207,660	227,441	.	435,101
. n n n				
. n n				
. (n)				
. n h g h n				
.)	899,128	903	.	900,031
. C f l n				
. n g	(42,696)	.	.	(42,696)
. C f l n				
. n n h h	(224,430)	.	(22,239)	(246,669)
. C f l n				
. h h n b	(58,964)	.	.	(58,964)
. E n n				
. h ng	(406,795)	.	.	(406,795)
. C f l n				
. b h n	(51,925)	.	.	(51,925)
. g n -g h				
. g n h h	(1,249,826)	.	(300,000)	(1,549,826)
O :	113,952	7,035	.	120,987
T	3,181,863	272,160	(327,438)	3,126,585

Notes to the Financial Statements

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Financial statements for the year ended 30 June 2017
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Surplus reserve

	31 December 2016	Change	Change	30 June 2017
Surplus reserve	1,489,287	.	.	1,489,287
Distribution of surplus reserve	1,790,092	.	.	1,790,092
Total	3,279,379	.	.	3,279,379

	31 December 2015	Change	Change	31 December 2016
Surplus reserve	1,413,486	75,801	.	1,489,287
Distribution of surplus reserve	1,790,092	.	.	1,790,092
Total	3,203,578	75,801	.	3,279,379

In accordance with the Company's Articles of Association, the Company shall allocate 10% of its profit after tax for the year to the surplus reserve until the cumulative amount reaches 50% of the registered capital. The Company has not allocated any amount to the surplus reserve for the year ended 30 June 2017.

The Company's Board of Directors has proposed to allocate the surplus reserve for the year ended 30 June 2017 to the surplus reserve, which is subject to the approval of the shareholders at the general meeting.

49. Undistributed profits

	30 June 2017	31 December 2016
Undistributed profits	17,495,053	17,805,808
Allocated to the surplus reserve	796,898	539,660
Allocated to the undistributed profits	(35,908)	(119,792)
Allocated to the undistributed profits	-	(75,801)

Notes to the Financial Statements

For the period from 1 January to 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English Text is Original)

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Undistributed profits (Continued)

(1) Dividends of ordinary shares declared during the period

	30 June 2017	31 December 2016
Dividends payable to shareholders	-	-
Total	179,835	654,822

In accordance with the Company's Articles of Association, the Board of Directors proposed on 9 June 2017, that the Company should distribute a cash dividend of RMB0.06 per share for the period from 1 January to 30 June 2017 (2016: RMB0.22 per share), amounting to RMB179,835,000 (2016: RMB654,822,000).

50. Revenue and cost of sales

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Revenue from sales of products	32,656,928	22,828,212
Revenue from sales of services	730,224	714,631
Total	33,387,152	23,542,843
Cost of sales from sales of products	26,911,617	18,795,869
Cost of sales from sales of services	329,947	330,627
Total	27,241,564	19,126,496

The Company has adopted the cost of sales method of the first-in, first-out (FIFO) method. The Company has adopted the FIFO method for the period from 1 January to 30 June 2017.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Revenue and cost of sales (Continued)

(1) Revenue and cost of sales from main operations by industries and by products

In	For the Period from 1 January to 30 June 2017		F 1 J n 30 J n 2016	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations
C R	9,596,787	7,944,171	4,403,976	4,028,151
R	9,456,259	7,813,816	6,807,849	5,586,799
E a g n				
O h	4,825,819	4,021,439	4,180,940	3,372,051
A	500,245	461,813	950,752	822,464
L g	1,147,629	932,468	1,096,364	886,690
F n	3,725,556	3,242,929	3,149,543	2,763,476
R	1,145,113	498,703	1,113,604	366,336
H	268,322	160,685	203,751	100,269
O h	1,238,678	1,166,396	790,779	771,101
T	752,520	669,197	130,654	98,532
T	32,656,928	26,911,617	22,828,212	18,795,869

(2) Revenue and cost of sales from main operations by locations

	For the Period from 1 January to 30 June 2017		F 1 J n 30 J n 2016	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations
P R Ch n	27,745,363	22,723,465	19,344,042	15,845,823
E	2,752,566	2,371,653	1,244,670	1,041,609
A h	1,649,559	1,394,104	1,803,907	1,515,328
A (P R Ch n)	378,592	317,409	308,619	282,794
O h	130,848	104,986	126,974	110,315
T	32,656,928	26,911,617	22,828,212	18,795,869

The above information is for the purpose of providing a general overview of the company's operations and is not intended to be a comprehensive analysis of the company's performance.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Revenue and cost of sales (Continued)

(3) Revenue and cost of sales from other operations

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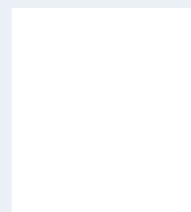
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. General and administrative expenses

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Employee benefits	1,004,200	783,266
Depreciation and amortization	288,459	230,097
Provision for doubtful accounts	165,200	49,872
Office expenses	134,408	149,922
Advertising	113,415	99,409
Agency fees	110,796	97,258
Rent	75,806	63,119
Lease of fixed assets and intangible assets	49,006	30,969
Transportation and communication	34,293	127,122
Share-based payment	9,583	19,889
Other general and administrative expenses	382,873	331,378
Total	2,368,039	1,982,301

54. Financial expenses-net



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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Expenses by nature

Costs incurred in the ordinary course of business, including depreciation, amortization, impairment losses, etc.

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Financial expenses	(741,628)	(244,984)
Cost of sales	24,492,423	16,685,627
Selling expenses	3,216,847	2,129,005
Administrative expenses	1,152,911	1,242,346
Shareholding expenses	560,202	411,149
Financial income	594,251	304,944
Other income	130,874	130,385
Provision for doubtful accounts	288,459	230,097
Provision for inventory obsolescence	294,912	211,604
Provision for employee benefits	283,549	180,553
Depreciation and amortization	149,651	57,393
Other non-current assets impairment losses	164,295	234,324
Other non-current liabilities impairment losses	209,567	291,869
Other non-current assets impairment losses	663,795	585,558
	31,460,108	22,449,870

56. Profit/(Loss) from changes in fair value

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Financial assets at fair value through profit or loss		
1. Change in fair value of financial assets	29,834	944
2. Provision for doubtful accounts	(73,769)	(136,647)
3. Provision for inventory obsolescence	1,830	141,409
Sub-total	(42,105)	5,706
Financial liabilities at fair value through profit or loss		
1. Change in fair value of financial liabilities	9,479	131,398
Total	(32,626)	137,104

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Investment income

Investment income by categories

	For the Period from 1 January to 30 June 2017	F 1 J n 30 J n 2016
(L)/A	(1,830)	(141,409)
Investment income from equity investments	4,106	8,855
Investment income from debt investments	533	7,714
Investment income from other investments	2,538	13,800
Investment income from other investments	(25,460)	23,712
Other	9,485	-
T	(10,628)	(87,328)

58. Asset impairment losses

	For the Period from 1 January to 30 June 2017	F 1 J n 30 J n 2016
Asset impairment losses	25,988	14,445
A	6,675	-
Other	141,923	343,501
Loan	(3,521)	6,962
Contract	97,401	153,029
Long-term	(35,563)	(129,164)
Other	-	178,634
For	1,534	94
Other	-	700,000
T	234,437	1,267,501

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Other Income

	For the Period from 1 January to 30 June 2017
Financial income	57,088
Transportation	27,472
Others	6,472
Total	91,032

60. Non-operating income

(1) Non-operating income by categories:

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FINANCIAL STATEMENTS (CONTINUED)

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17,388	9,485	17,388
17,388	9,485	17,388
—	—	—
352	393	352
1,699	380	1,699
11,486	989	11,486
679	664	679
800	2,234	800
32,404	14,145	32,404

For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
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(All figures in RMB'000 unless otherwise specified)

(English Text and Chinese Text are Original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Income tax expenses (Continued)

The following table shows the reconciliation of income tax expense to accounting income:

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Prior period adjustment	1,576,142	(165,844)
Income tax expense	395,233	338,676
Deferred income tax	(63,499)	(46,248)
Income tax expense	20,714	32,243
Other income tax	(90,621)	(74,525)
Income tax expense	739,621	168,146

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For the period from 1 January to 30 June 2017
(All in RMB'000)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Earnings per share (Continued)

(2) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to common shareholders by the weighted average number of diluted shares outstanding during the period.

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Net profit attributable to common shareholders	796,898	(378,034)
Interest expense on bank deposits	(35,908)	(51,900)
Interest expense on financial instruments	(1,371)	-
Net profit attributable to common shareholders	759,619	(429,934)
Weighted average number of shares outstanding ('000)	2,986,410	2,978,120
Diluted earnings per share (RMB/h)	0.2544	(0.1444)

() represents the diluted earnings per share calculated by dividing the net profit attributable to common shareholders by the weighted average number of diluted shares outstanding during the period.

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Weighted average number of shares outstanding ('000)	2,979,059	2,978,120
Interest expense on bank deposits ('000)	7,351	-
Weighted average number of shares outstanding ('000)	2,986,410	2,978,120

The basic and diluted earnings per share are calculated based on 60,000,000 shares (2.01% of the total shares of 2,980,352,786) issued by the Company in the period.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Notes to the consolidated cash flow statement (Continued)

(4) Cash received related to other financing activities

	For the Period from 1 January to 30 June 2017	F 1 J n 30 J n 2016
Cash received from bank loans	81,616	22,272
Cash received from other financing activities	-	98,104
Total	81,616	120,376

65. Information to cash flow statement

(1) Supplementary information to the consolidated cash flow statement

	For the Period from 1 January to 30 June 2017	F 1 J n 30 J n 2016
At the beginning of the period	1,066,509	(541,160)
Adjusted for non-cash items	234,437	1,267,501
Depreciation and amortization	916,498	1,056,717
Financial income	175,734	121,062
Financial expense	60,679	64,902

Notes to the Financial Statements

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(English Text is Original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Information to cash flow statement (Continued)

(1) Supplementary information to the consolidated cash flow statement (Continued)

(2) Information to cash flow statement (Continued)

	For the Period from 1 January to 30 June 2017	F 1 J n 30 J n 2016
Cash and cash equivalents	5,940,423	4,310,559
Other cash and cash equivalents	6,338,667	3,259,123
Other cash and cash equivalents	(398,244)	1,051,436

(2) Information on acquisition of subsidiaries and other business units during the period

	For the Period from 1 January to 30 June 2017	F 1 J n 30 J n 2016
I. Information on acquisition of subsidiaries and other business units		
Cash and cash equivalents	5,000	965,028
Other cash and cash equivalents	-	200,451
Other cash and cash equivalents	5,000	764,577

(3) Cash and cash equivalents

	For the Period from 1 January to 30 June 2017	F 1 J n 30 J n 2016
I. Cash		
Bank deposits	155,947	3,420
Cash and cash equivalents	4,686,435	4,074,994
Other cash and cash equivalents	77,875	232,145
II. Other cash and cash equivalents	1,020,166	
III. Cash and cash equivalents	5,940,423	4,310,559

Other cash and cash equivalents

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Monetary items denominated in foreign currency

	30 June 2017		
	Functional currency (in thousands)	Exchange Rate	in RMB
M			
USD	120,552	6.7744	816,665
HKD	289,640	0.8679	251,384
AUD	15,237	5.2099	79,381
THB			
Monetary fund –			
USD		0.8679	Monetary fund – 65

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All in RMB'000 unless otherwise specified)
(English text and Chinese text are original and equally valid)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Monetary items denominated in foreign currency (Continued)

	Functional currency (in thousands)	30 June 2017 Exchange Rate	in RMB
Short-term monetary items			
USD	1,430,476	6.7744	9,690,618
EUR	95,026	7.7496	736,415
GBP	1,999	8.8144	17,621
AUD	63	5.2099	329
			10,444,983
Long-term monetary items			
USD	237,138	6.7744	1,606,467
HKD	49,007	0.8679	42,534
EUR	83,320	7.7496	645,695
AUD	8,929	5.2099	46,517
THB	2,532	5.0155	12,700
Others			709,653
			3,063,566
Other monetary items			
USD	190,769	6.7744	1,292,347
HKD	13,687	0.8679	11,879
JPY	98,008	0.0605	5,928
EUR	8,211	7.7496	63,630
AUD	1,004	5.2099	5,233
THB	367	5.0155	1,840
Others			257,379
			1,638,236
Long-term monetary items			
USD	3,267,834	6.7744	22,137,615
HKD	248,000	0.8679	215,244
Others			397,237
			22,750,096
Long-term monetary items			
USD	29,264	6.7744	198,246

Notes to the Financial Statements

For the period from January 1 to December 31, 2017
(All figures in RMB'000 unless otherwise specified)
(English text and Chinese text are original and authentic)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination

(1) Subsidiaries obtained through establishment or business combination

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
1	Shanghai Sinochem CIMC Chemicals Co., Ltd. (SCIMC)	Wholesale and retail trade	Shanghai, China	Shanghai, China	Wholesale and retail trade of chemicals			

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
9 Y ng h n ng L E n C. (YZRYL)	B n	Y ng h J ng	Y ng h J ng	M n n n n	USD20,000,000	.	100.00%
10 Sh ngh CIMC Y ng h n L E n C. (SHYSLE)	B n	Sh ngh	Sh ngh	M n n n n	USD29,480,000	.	100.00%
11 Sh ngh CIMC C n C. (SCRC)	B n	Sh ngh	Sh ngh	M n n n n	USD31,000,000	72.00%	20.00%
12 N n CIMC S IT n E n M n C. (NTCIMCS)	B n	N n J ng	N n J ng	M n n n n	USD10,000,000	.	71.00%
13 Xnh CIMC S IT n E n C. (XHCIMCS)	B n	J ng n, G ng	J ng n, G ng	M n n n n	USD65,499,000	19.01%	80.99%
14 N n CIMCT n E n C. (NTCIMCT)	B n	N n J ng	N n J ng	M n n n n	USD35,000,000	.	70.79%
15 D l n CIMC R l E n C. (DLCIMCS)	B n	D l n, L ng	D l n, L ng	gn, n n n	USD20,000,000	55.00%	45.00%
16 N n CIMCL ng T n C.	B n	N n J ng	N n J ng	gn, n n n	USD47,700,000	.	70.79%
17 Sh n n CIMC S n C. (CIMCSV)	B n	Sh n n, G ng	Sh n n, G ng	gn, n n n	RMB200,000,000	.	63.33%

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For the period ended 30 June 2017
(All figures in RMB'000 unless otherwise specified)
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Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
26 Xinhai CIMC C International Marine Engineering Co., Ltd. (XHCM)	Business	Jiangsu, Guangzhou	Jiangsu, Guangzhou	Production, processing, sales, installation, maintenance and repair of various types of ships, offshore platforms, etc.	RMB129,000,000	.	63.33%
27 Qinghai CIMC Engineering Co., Ltd. (QDHB)	Business	Qinghai, Shengli	Qinghai, Shengli	Design, construction, installation, maintenance and repair of various types of ships, offshore platforms, etc.	RMB137,930,000	.	63.33%
28 Shenghai CIMC Shipbuilding Co., Ltd. (SHCIMCV)	Business	Shanghai	Shanghai	Design, construction, installation, maintenance and repair of various types of ships, offshore platforms, etc.	RMB10,000,000	.	63.33%
29 CIMC Engineering Co., Ltd. (CIMCVL)	Business	Shanghai, Guangzhou	Shanghai, Guangzhou	Design, construction, installation, maintenance and repair of various types of ships, offshore platforms, etc.			

Notes to the Financial Statements

For the year ended 30 June 2017
(All figures in RMB'000 unless otherwise stated)
(English text and Chinese text are original and equally authoritative)

Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
51 CIMC Marine Engineering (Shanghai) Co., Ltd. (CIMCT Engineering)	Business	Shanghai, P.R.C.	Shanghai, P.R.C.				

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Name	Category	Registration Place	Main Premises
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Financial statements for the period ended 30 June 2017

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

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Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
69 CIMC CMAU H Kong Co., Ltd. (CMAU H Kong)	Wholly-owned subsidiary	Shanghai, PRC	Shanghai, PRC	Container leasing and related services	RMB2,736,915,400	100.00%	-
70 Guangzhou CIMC Logistics E Co., Ltd. (Guangzhou Logistics E Co., Ltd.)	Wholly-owned subsidiary	Guangzhou, PRC	Guangzhou, PRC	Container leasing and related services	RMB15,000,000	-	63.33%
71 Shenzhen CIMC Container Leasing Co., Ltd. (Shenzhen Container Leasing Co., Ltd.)	Wholly-owned subsidiary	Xinshui, PRC	Xinshui, PRC	Container leasing and related services	RMB80,000,000	-	63.33%
72 CIMC H Kong (B.V.I.) Ltd. (CIMC BVI)	Wholly-owned subsidiary	Jingjiang, PRC	Jingjiang, PRC	Container leasing and related services	RMB150,000,000	-	100.00%
73 CIMC Jiangyin Logistics & Container Co., Ltd. (Jiangyin Logistics & Container Co., Ltd.)	Wholly-owned subsidiary	Jingjiang, PRC	Jingjiang, PRC	Container leasing and related services	RMB50,000,000	-	87.40%
74 CIMC Luchuan Logistics Co., Ltd. (Luchuan Logistics Co., Ltd.)	Wholly-owned subsidiary	Qingdao, PRC	Qingdao, PRC	Container leasing and related services	RMB50,000,000	-	100.00%
75 CIMC Luchuan Logistics Co., Ltd. (Luchuan Logistics Co., Ltd.)	Wholly-owned subsidiary	Qingdao, PRC	Qingdao, PRC	Container leasing and related services	RMB979,000,000	-	100.00%
76 Shenzhen CIMC Container Leasing Co., Ltd. (Shenzhen Container Leasing Co., Ltd.)	Wholly-owned subsidiary	Shenzhen, PRC	Shenzhen, PRC	Container leasing and related services	RMB50,000,000	-	63.33%
77 Shanghai Tianjin CIMC Logistics Co., Ltd. (Shanghai Tianjin CIMC Logistics Co., Ltd.)	Wholly-owned subsidiary	Shanghai, PRC	Shanghai, PRC	Container leasing and related services	RMB60,000,000	-	54.70%

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Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
78 D n g n C n l n n l B n n D n g n, P n l n C . G n g n (D n n n n)							

							Share capital issued and information of bonds	Shareholding percentage (%)	
	Name	Category	Registration Place	Main Premises	Business scope			Direct	Indirect
87	Qingdao IMC Inn Management Co., Ltd. (Qingdao Ershilun P.)	Business	Qingdao, Shandong	Qingdao, Shandong	Hotel management, real estate management, etc.		RMB10,000,000	100.00%	82.00%
88	Anhui Urethane Chemical Co., Ltd. (Urethane Chemical Co., Ltd.)	Business	Xinhuang, Anhui	Xinhuang, Anhui	Production and sale of urethane products		RMB158,000,000	100.00%	66.24%
89	Zhangjiachang (Tianjin) Chemical Co., Ltd. (Zhangjiachang Chemical Co., Ltd.)	Business	Tianjin	Tianjin	Distribution and sale of chemicals		RMB85,761,300	100.00%	75.00%
90	Kunming CIMC Engineering Co., Ltd. (Kunming CIMC)	Business	Kunming, Yunnan	Kunming, Yunnan	Engineering design and construction		RMB80,000,000	100.00%	54.70%
91	CIMCT (Liaoning) Chemical Co., Ltd.	Business	Liaoning, Fujian	Liaoning, Fujian	Chemical production and distribution		RMB20,000,000	100.00%	32.82%
92	Alibaba Group Holding Ltd. (Alibaba Group Holding Ltd.)	Business	Hangzhou	Hangzhou	Internet services, e-commerce, etc.		EUR1,500,000	100.00%	60.00%
93	Shanghai CIMCY Engineering Co., Ltd. (Shanghai CIMCY Engineering Co., Ltd.)	Business	Shanghai, Guangdong	Shanghai, Guangdong	Engineering design and construction		RMB10,000,000	100.00%	54.72%
94	Shanghai CIMC Chemical Co., Ltd. (Shanghai CIMC Chemical Co., Ltd.)	Business	Shanghai, Guangdong	Shanghai, Guangdong	Chemical production and distribution		RMB137,844,600	100.00%	50.78%
95	Nanning CIMCS International Co., Ltd. (Nanning CIMCS International Co., Ltd.)	Business	Nanning, Yunnan	Nanning, Yunnan	International trade and logistics		RMB20,000,000	100.00%	70.73%

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For the period ended December 31, 2017
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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
96 D n C S W C . (D n C S W)	B	D n , G ng	D n , G ng	D n , W n : - s , ng s , s , s	RMB200,000,000	.	63.33%
97 G ng C W In G n (G n W In G n)	B	D n , G ng	D n , G ng	P s n s s l n n l n : n :	RMB30,000,000	100%	.
98 Zh nh (T njn n ng n . (Zh nh : P h n n ng n)	B	T njn	T njn	W h ; L G b n l ng, nl ng, h n lng :	RMB79,475,000	.	75.00%
99 C M hn C . (D ng n C M hn l)	B	J ng n , G ng	J ng n , G ng	l l g n n hn l s l n l n : l s n	RMB50,000,000	.	100.00%
100 S n n C W P l s n M ng n C . (S n n W P)	B	S n n , G ng	S n n , G ng	l s n n ng n , : n ng n	RMB152,500,000	.	63.33%
101 C M n L G D l n C . (M n L G)	B	T njn	T njn	l n n s gh h ng f g l n CIQ :	RMB1,049,226,700	100.00%	.
102 D ng S n C L G E n M n : ng C . (D ng S n C)	B	D n , G ng	D n , G ng	M n : n s s : s ng G n	RMB600,000,000	.	100.00%
103 N ng C M n : C . (N ng M n : M n :)	B	N ng	N ng	M n : , W n : s	RMB500,000,000	.	100.00%
104 S n n C P ngF ngW n l s n C . (D ngF ng W n l s n)	B	S n n	S n n	E s n	RMB50,000,000	.	100.00%

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

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Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
105 Sha n A n T h e r H Z h n A n C . , L T D (S h a n A n T h e r H Z h n A n)	B	Sha n A n	Sha n A n	l a s t e r n h l e n g	RMB30,000,000	.	66.24%
106 G n g n g H Z h n D L i n A n C . , L T D (G n g n g L i n E n)	B	J n g n g n	J n g n g n	M n , s , s n	RMB31,800,000	19.01%	80.99%
107 Y n g h C I M C H n g A l E n C . , L . (Y n g h A n g A l E n)	B	Y n g h	Y n g h	A n s s l A n , n n	RMB25,000,000	.	82.00%
108 Y n g h C I M C D A l E n C . , L . (Y n g h A l E n)	B	Y n g h	Y n g h	A n s s l A n , n n	RMB25,000,000	.	82.00%
109 Y n g h C I M C H n g A l E n C . , L . (Y n g h A l E n)	B	Y n g h	Y n g h	F n n s s l A n , n n	RMB35,000,000	.	82.00%
110 Y n g h C I M C S n L g n A n C . , L . (Y n g h S n L g n)	B	Y n g h , j n g	Y n g h , j n g	P n n n n s s l	USD20,000,000	50.00%	50.00%
111 Z h n g h C n n E n g l f h g A n C . , L T D (Z h n g h C n n E n g)	B	Z h n g h	Z h n g h	A n n n g n	RMB43,000,000	.	66.00%
112 C I M C E n l a s t e r n H l e n g (S h a n A n) L . (E n l a s t e r n H l e n g)	B	Sha n A n	Sha n A n	l a s t e r n h l e n g	USD80,000,000	.	70.73%
113 Z h n g l g n g C I M C S n n g A n C . , L . (Z h n g l g n g)	B	Z h n g l g n g	Z h n g l g n g	M n , s , s n n n	RMB30,000,000	.	63.66%

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					Share capital issued and information
Name	Category	Registration Place	Main Premises	Business scope	

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Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1)

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

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Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
137 Ch n R H l ng L r (Ch n R)	B A n	H n K n Ch n	H n K n Ch n	l a n h l ng	HKD10,000	.	70.73%
138 Ch n B E n L r (Ch n B)	B A n	B h V gn l n	B h V gn l n	l a n h l ng	USD50,000	.	63.33%
139 Sh V n l ng L r (Sh V n l)	B A n	H n K n Ch n	H n K n Ch n	l a n h l ng	HKD1	.	100.00%
140 S W n H l ng L r (S W n)	B A n	B h V gn l n	B h V gn l n	l a n h l ng	USD50,000	.	70.73%
141 G R L r (G R)	B A n	H n K n Ch n	H n K n Ch n	l a n h l ng	HKD1	.	100.00%
142 P l H l ng L . (P l)	B A n	B h V gn l n	B h V gn l n	l a n h l ng	USD10	.	100.00%
143 C W l U.A.	B A n	H l n	H l n	l a n h l ng	EUR75,000,000	.	70.73%
144 W l H l ng B.V.	B A n	H l n	H l n	l a n h l ng	EUR90,000	.	70.73%
145 CIMC F n l t ng (HK) C l .	B A n	H n K n Ch n	H n K n Ch n	F n l t ng	HKD500,000	.	100.00%
146 CIMC O h l ng L r (CIMC O h l)	B A n	H n K n Ch n	H n K n Ch n	l a n h l ng	HKD2,234,855,000	.	100.00%
147 C W CIMC U.A. (COOP)	B A n	H l n	H l n	l a n h l ng	EUR25,500,000	99.00%	1.00%
148 N S R g H l ng (NSR)	B A n	B h V gn l n	B h V gn l n	F n l t ng	USD6,000	.	91.50%

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Name

Category

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Name	Category	Registration Place	Main Pre2istration
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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(2) The Group does not have subsidiaries obtained through combination under common control

(3) Subsidiaries acquired through combinations under non-common control

(1) $\frac{1}{2} \leq \frac{1}{2} \leq \frac{1}{2}$

No.	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information	Shareholding percentage (%)	
						of bonds	Direct	Indirect
1	Ling CIMC Long An CO., LTD. (LYV)	Battery production	Ling, Hunan	Ling, Hunan	Production, processing, sales of lithium-ion batteries, lithium-ion battery components, and related products.	RMB122,745,700	0	45.26%
2	Wh CIMC RJingA CO LTD (WHVS)	Battery production	Wuwei, Anhui	Wuwei, Anhui	Design, production, processing, sales of lithium-ion batteries, lithium-ion battery components, and related products.	RMB161,786,100	0	45.76%
3	Lingh n Dng H C. (LSDYV)	Battery production	Lingh n, Shennong	Lingh n, Shennong	Production, processing, sales of lithium-ion batteries, lithium-ion battery components, and related products.	RMB90,000,000	0	44.39%
4	Qng IMC C M n C. (QDCC)	Battery production	Qing, Shennong	Qing, Shennong	Manufacturing, processing, sales of lithium-ion batteries, lithium-ion battery components, and related products.	USD27,840,000	0	100.00%
5	Qng IMC C M n C. (QDCCR)	Battery production	Qing, Shennong	Qing, Shennong	Manufacturing, processing, sales of lithium-ion batteries, lithium-ion battery components, and related products.	USD86,846,680	0	100.00%
6	T njn CIMC N C. (TJ CIMC)	Battery production	T njn	T njn	Manufacturing, processing, sales of lithium-ion batteries, lithium-ion battery components, and related products.	USD15,469,300	47.50%	52.50%
7	Sh ngh CIMC B L (SBWL)	Battery production	Sh ngh	Sh ngh	Manufacturing, processing, sales of lithium-ion batteries, lithium-ion battery components, and related products.	USD28,500,000	0	94.74%
8	CIMC H (G L) (KGR)	Battery production	Zh ng, Shennong	Zh ng, Shennong	Design, production, processing, sales of lithium-ion batteries, lithium-ion battery components, and related products.	USD18,930,100	0	55.10%

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(3) Subsidiaries acquired through combinations under non-common control (Continued)

() , , , , (,)

No.	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
17	Shijie Engineering Group Limited (Shijie Engineering)	Business	Shanghai	Shanghai	Manufacturing of machinery	USD32,000,000	100%	70.73%
18	Ermen (Leng, ng) Group Limited (Ermen Group)	Business	Leng, ng	Leng, ng	Manufacturing of machinery	HKD115,000,000	100%	70.73%
19	Ermen (Jing) Group Limited (Ermen Group)	Business	Jing	Jing	Manufacturing of machinery	HKD40,000,000	100%	70.73%
20	CIMC Engineering Group Limited (CIMC Engineering)	Business	Jing, ng, H	Jing, ng, H	Manufacturing of machinery	HKD50,000,000	100%	70.73%
21	Jing, ng H Limited (Jing, ng H)	Business	Jing, ng, H	Jing, ng, H	Manufacturing of machinery	RMB100,000,000	100%	56.58%
22	Ningbo MCW (Ningbo MCW)	Business	Ningbo	Ningbo	Manufacturing of machinery	RMB9,884,600	100%	60.00%
23	Yan CIMC R (Yan CIMC R)	Business	Yan, Sh	Yan, Sh	Manufacturing of machinery	RMB2,291,190,000	100%	97.89%

						Share capital issued and information of bonds	Shareholding percentage (%)	
Name	Category	Registration Place	Main Premises	Business scope	Direct		Indirect	
24	Y n CIMC R h C .(YCRS)	B	Y n , Sh n	Y n , Sh n	C r n ; n l ; r n ; n n h n i n s l n	RMB125,980,000	.	83.47%
25	H ng CIMC R h L . (HCRO)	B	H ng, Sh n	H ng, Sh n	C r n ; gn n ; n n n n h n	RMB200,000,000	.	97.89%
26	L ng CIMC R h n ng C . (LCRO)	B	L ng Sh n	L ng Sh n	C r n ; n n ; n n	RMB290,000,000	.	97.89%
27	Sh n M S W H M n ng C . (SDMV)	B	J ng, Sh n	J ng, Sh n	M n ; n ; n g n ; n n n	RMB66,000,000	.	44.39%
28	X n, A n L .(X n, A)	B	n jng	n jng	M n ; n ; n h n n	RMB25,000,000	.	38.29%
29	Y ngj ngSh ng F I E n C . (YJFR)	B	Y ngj ng, G ng	Y ngj ng, G ng	r n ; n n n l nn ng n l ng n n n n n n h n n n	RMB10,000,000	.	49.20%
30	N njngY ng & Eng ng C . (Y ng n)	B	N njng, J ng	N njng, J ng	P n ; n l n	RMB88,000,000	.	70.73%

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All n RMB'000
(Eng h T l Onl)

Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
31 Zh nh L G C . (Zh nh G)	B n	T njn	T njn				

Notes to the Financial Statements

For the year ended 31 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text is authoritative)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
40	Zhahong Dingling (Tianjin) Co., Ltd. (Zhahong Dingling (Tianjin))	Business	Tianjin	Tianjin	Container manufacturing and sales	RMB50,000,000	-	75.00%
41	Tianjin Zhahong International Trade Business Wharf (Tianjin Zhahong Trade Business)	Business	Tianjin	Tianjin	Container leasing and sales	RMB5,628,800	-	75.00%
42	Bugong Sheng (Shanghai) Co., Ltd. (Shanghai Bugong)	Business	Shanghai, Guangdong	Shanghai, Guangdong	Production and sales of containers and related products	HKD7,500,000	-	70.00%
43	Bugong Sheng (Shanghai) Co., Ltd. (Shanghai Bugong)	Business	Shanghai	Shanghai	Production and sales of containers, related products	USD513,000	-	70.00%
44	Tianjin International Container							

Notes to the Financial Statements

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F 1 J n 30 J 2017
(All n RMB'000
(English T I Onl)

Name	Category	Registration Place	Main Premises
Ruiji Lo.41217f(Wuhu) Co., Ltd (WARRJL)	truck special-use vehicles, engd(ering)J.5 93Td(Re1ET65 2.824Tj0 -MB1,100,000,000(Re12.14		
Premi2 Td(Reg/ntitytion.5 931siness scoeSY.4(Wuhu,37(Anhui))ss scoeSY.4(Wuhu,37(Anhui))J(B)T043ss sc	Manufacture and sale of agricultur0 1vehicles agricultur0 1machd(Td and)TJ. i8 337 1(r)18(ele		
Henan,			

F 1J n 30 J.A 2017
(All n RMB'000)
(Eng: hT l Onl)

Notes to the Financial Statements

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Financial statements for the period from January 1, 2017 to December 31, 2017
(All figures in RMB'000 unless otherwise specified)
(English text is for reference only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(3) Subsidiaries acquired through combinations under non-common control (Continued)

						Share capital issued and information of bonds	Shareholding percentage (%)	
Name	Category	Registration Place	Main Premises	Business scope			Direct	Indirect
68 BGS B.V.	Business	Holland	Holland	Trading in oil and gas products	EUR150,000	.	70.73%	
69 LAGT N.V.	Business	Belgium	Belgium	Manufacturing	EUR3,245,000	.	63.33%	
70 Zing N.V.	Business	Belgium	Belgium	Production of oil and gas	EUR991,600	.	70.79%	
71 Zing N.V.	Business	Belgium	Belgium	Production of oil and gas	EUR248,000	.	63.33%	
72 Zing A/S	Business	Denmark	Denmark	Production of oil and gas	DKK1,000,000	.	70.73%	
73 DCEC LLC (DCEC)	Business	USA	USA	Manufacturing of oil and gas	USD10,000,000	.	63.33%	
74 CIMC TGE Group SA (TGESA)	Business	Spain	Spain	Manufacturing of oil and gas	EUR50,000	.	60.00%	
75 TGE Group GmbH (TGE)	Business	Germany	Germany	Production of oil and gas, production of oil and gas, production of oil and gas	EUR1,000,000	.	60.00%	
76 CIMC Rongsheng (Singapore) Ltd. (Rongsheng)	Business	Singapore	Singapore	Production of oil and gas, production of oil and gas, production of oil and gas	SGD594,416,915 USD303,122,013	.	100.00%	

Notes to the Financial Statements

Financial statements for the period ending 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text is the authoritative version)

Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
77 CIMC R. & L. Co., Ltd.	B. & L.	H. K. & C. n.	H. K. & C. n.	Int. & h. l. & g.	HKD2	.	100.00%
78 CIMC R. & L. Co., Ltd.	B. & L.	S. n. g.	S. n. g.	Int. & h. l. & g.	SGD2	.	100.00%
79 C. n. D. & L. Co., Ltd.	B. & L.	S. n. g.	S. n. g.	Int. & h. l. & g.	USD30,000,000	.	100.00%
80 J. h. n. & L. Co., Ltd. (J. h. n. & L.)	B. & L.	U. a. & K. n. g.	U. a. & K. n. g.	Int. & h. l. & g.	GBP100	.	60.00%
81 G. & AB.	B. & L.	S. n. g.	S. n. g.	Int. & h. l. & g.	SEK1,000,000	.	100.00%
82 J. h. n. & L. Co., Ltd. (J. h. n. & L.)	B. & L.	H. K. & C. n.	H. K. & C. n.	Int. & h. l. & g.	USD1	.	100.00%
83 Z. i. n. n. & L. Co., Ltd. (Z. i. n. n. & L.)	B. & L.	G. i. n. n.	G. i. n. n.	Int. & h. l. & g.	EUR16,000,000	.	70.73%
84 A. & Z. i. n. n. & L. Co., Ltd. (A. & Z. i. n. n. & L.)	B. & L.	G. i. n. n.	G. i. n. n.	Int. & h. l. & g.	EUR13,543,000	.	60.00%
85 B. & L. Co., Ltd. (B. & L.)	B. & L.	S. n. g.	S. n. g.	Int. & h. l. & g.	SEK1,000,000	.	90.00%
86 CIMC MBS LIMITED (CML)	B. & L.	U. a. & K. n. g.	U. a. & K. n. g.	Int. & h. l. & g.	GBP3,884,303	.	100.00%
87 Z. i. n. n. & L. Co., Ltd. (Z. i. n. n. & L.)	B. & L.	H. K. & C. n.	H. K. & C. n.	Int. & h. l. & g.	USD6,600,000	.	75.00%

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Financial statements for the year ended 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English text is the authoritative version)

VI.

Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect
88 CIMC A* I R *T *H * E *n P L (CARTE)	B* *n	A* I	A* I	la* *n h l*ng	AUD8,300,000	.	63.33%
89 B g n * l * n * H l *ng L r * (B g n * l * n * H l *ng)	B* *n	H *K * Ch n	H *K * Ch n	la* *n h l*ng	HKD10,000,000	.	70.00%
90 B g n * s * L r * (H *K * B g n * s *)	B* *n	H *K * Ch n	H *K * Ch n	C r * n * n * l * l * s	HKD5,000,000	.	70.00%
91 R * G l * L	B* *n	Sng *	Sng *	la* *n h l*ng	SGD322,947,152	.	78.14%
92 * b * l * n * L r * (VIL)	B* *n	Ua *Kng i * Ua *Kng i *	Ua *Kng i * Ua *Kng i *	la* *n h l*ng	GBP1,108	.	100.00%
93 CIMC * l * r * L r * (CDL)	B* *n	Ua *Kng i * Ua *Kng i *	Ua *Kng i * Ua *Kng i *	P * l * g	GBP1	.	100.00%
94 * b * S * i * L (VSL)	B* *n	Ua *Kng i * Ua *Kng i *	Ua *Kng i * Ua *Kng i *	M * l *	GBP1	.	100.00%
95 B g * G * L r *	B* *n	Ua *Kng i * Ua *Kng i *	Ua *Kng i * Ua *Kng i *	* , * l l * h r * l , * , * l l * n * * n g * n g * g n * * n	GBP3,385,000	.	70.73%
96 * l n M * *ng L r *	B* *n	Ua *Kng i * Ua *Kng i *	Ua *Kng i * Ua *Kng i *	P * l * i * - *	692,041 * * h *	.	63.33%

Notes to the Financial Statements

For the period from January 1 to December 31, 2017

(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(4) There is no significant partial disposal of subsidiary equity in current period (not losing control).

(5) There is no acquisition of significant minority interests in the current period.

2. Equity in associates and joint ventures

(1) Basic information of major associates and joint ventures

	Main Premises	Registration Place	Nature of business	Strategic for the group or not	Shareholding ratio-Direct	Shareholding ratio-Indirect
Joint ventures -						
NKY Zhong	Taiwan	Taiwan	Logistics and warehousing	No	-	38.25%
Y&C Eng	Wuhan, Anhui	Wuhan, Anhui	Manufacturing and trading of various types of machinery and equipment	No	-	33.12%
Associates -						
LH Group	Bahamas	Bahamas	Global shipping and logistics	No	-	15.58%
Shanghai F&G	Shanghai	Shanghai	Wholesale and retail trade	No	-	40.00%
TSC	Hong Kong (USA)	Cayman Islands	Investment holding and management	No	-	13.42%
Jin Sheng	Hong Kong	Hong Kong	Logistics and warehousing	No	-	30.00%
China Shipping	Guangdong	Cayman Islands	Freight forwarding	No	-	30.00%
Shanghai Logistics	Shanghai	Shanghai	Logistics and warehousing	No	-	45.00%

The above information is for reference only and does not constitute an offer.

(2) Excess deficit of major associates and joint ventures

The above information is for reference only and does not constitute an offer.

VII. EQUITY OF THE STRUCTURED BODY NOT INCLUDED IN THE CONSOLIDATION RANGE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The above information is for reference only and does not constitute an offer.

Notes to the Financial Statements

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(All in RMB'000)
(English Text Only)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. The company does not have any holding company.
2. For the information on the subsidiaries of the company, refer to Note VI.1.
3. For the information about the joint ventures and associates of the Company, refer to Note VI.2.

In accordance with the requirements of the Accounting Standards for Joint Ventures and Associates, the following table provides information about the joint ventures and associates of the Company:

	Main place of business	Registered Address	The nature of the business	The group activity is strategic	Shareholding percentage – direct	Shareholding percentage – indirect
Joint ventures -						
G'ng S n L g	N nng	N nng	L g	N	.	50.00%
'K' L n h L g	T njn	T njn	L g	N	.	38.25%
Qng ng B g n	Qng	Qng	C n n n n n n n	N	.	35.00%
Sh ngh W B g n	Sh ngh	Sh ngh	C n n n n n n n	N	.	35.00%
T njn J h B g n	T njn	T njn	C n n n n n n n	N	.	35.00%
Associates -						
X h W	X h	X h	W	N	.	35.00%
R n Y L g	Zh nj ng	Zh nj ng	R n Y	N	.	16.40%
Q ng n B n	F j n	F j n	B n	N	.	30.00%
Xn ng W n	H n K n	H n K n	W	N	.	20.00%
Sh ngh Sh n	Sh ngh	Sh ngh	A	N	.	15.83%
Zh j ng Xn n B n	Zh j ng	Zh j ng	B n	N	.	30.00%
D l n J L g	D l n	D l n	L g	N	.	30.00%
T njn S n n n ng	T njn	T njn	An n l h n	N	.	39.22%
An n l H n						
X n n CIMC	X n	X n	C n n n	N	.	45.00%
N ng l n	N ng	N ng	C n n n	N	.	21.00%

Notes to the Financial Statements

For the year ended December 31, 2017

(All figures in RMB'000)

(English text has legal effect over Chinese text)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Information of other related parties

Company name	Relationship with the Group
SUMITOMO CORPORATION	Major shareholder
Shanghai D.A. International	Major shareholder
On Iron and Steel	Subsidiary
FML	Subsidiary
Golden	Subsidiary
Ashington C.	Major shareholder
Shanghai F.	Major shareholder
China Merchants Steel Holding Group Co., Ltd.	Subsidiary
Fluor Chemical Co., Ltd.	Subsidiary
China COSCO Shipping Co., Ltd.	Subsidiary
Fluor Chemical Co., Ltd.	Subsidiary

None of the related parties holds more than 5% of the shares of the Company.

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F 1 J n n 30 J A 2017
(All n n RMB'000)
(Eng h T h l Onl)

VIII.

		For the Period from		1 J n 30 J A 2016
N A		Amount		A n
63,809	S t g 66,874	93,174	38,242	
R n ng		20,078	10,352	

(3) Financing

Interest income

Note			
Financing received	45,571 19 S n b 2008 R n n	522	Sh n F 27,215 72,786
			Financing provided 503,568 254

Notes to the Financial Statements

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F (All in RMB'000) (English Only)

VIII.

Notes to the Financial Statements

F 1 J n n 30 J A 2017
(All n RMB'000)
(Eng h T I Onl)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

()

n n g n : n m l n , n n 30 J A 2017 : :

Name	Emoluments for other management service of the Company or subsidiaries							Total
	Remuneration	Salary and allowance	Pension	Bonus	Entry Bonus	Housing allowance	Others	
D. H.	-	-	-	-	-	-	-	-
W ng H	-	-	-	-	-	-	-	-
W ng Y h ng	-	-	-	-	-	-	-	-
M B l ng	-	1,350	42	-	-	-	223	1,615
W ng Zh n	-	-	-	-	-	-	-	-
L Ch ng	-	-	-	-	-	-	-	-
P n G ng	100	-	-	-	-	-	-	100
W ng G n	100	-	-	-	-	-	-	100
P n Zh ng	100	-	-	-	-	-	-	100
T	300	1,350	42	-	-	-	223	1,915
S. .	-	-	-	-	-	-	-	-
X ng B	-	86	21	-	-	-	6	113
L n L N()	-	-	-	-	-	-	-	-
Zh ng M ng n	-	-	-	-	-	-	-	-
L Sh ng h N()	-	-	-	-	-	-	-	-
T	-	86	21	-	-	-	6	113
O. n .	-	-	-	-	-	-	-	-
W F	-	661	55	-	-	-	16	732
L Y nh	-	401	54	-	-	-	16	471
L X b n	-	688	55	-	-	-	16	759
Zh ng B ng	-	661	-	-	-	-	-	661
Y Y	-	375	-	-	-	-	-	375
G ng	-	718	45	-	-	-	11	774
J n J nl ng N()	-	330	-	-	-	-	-	330
Z ng H n N()	-	170	22	-	-	-	8	200
Y ng R ng	-	568	48	-	-	-	16	632
Y Y n	-	660	42	-	-	-	16	718
S b-	-	5,232	321	-	-	-	99	5,652
T	300	6,668	384	-	-	-	328	7,680

N(): A 20 m b 2016, b 2016 n g a l ng, M. L n L g a n b M. L Sh ng h : : h : h l, h h , n g h b : (A 7):

Notes to the Financial Statements

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F 1 J n 30 J n 2017
(All in RMB'000)
(English text is for reference only)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

()

Notes to the Financial Statements

F (All (Eng) h T n l n RMB'000 n n n 30 J n 2017))) Onl)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

[illegible]

Notes to the Financial Statements

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F (All in RMB'000) (English Text Only)

Notes to the Financial Statements

F 1 J n 30 J A 2017
(All n RMB'000)
(Eng h T I Onl)

IX. SHARE-BASED PAYMENTS

1. Information about share-based payments

T n n g n	Ta n mb h g b A C n n
T n n g	Er : 0 h
T n n g	Ta n mb h g b A C n n
T n n g	n Er 1,776,000 n 1,676,000
T n n g	Ta C n h n n n n Er : 294,000
Ta n n g	1. E h g b Er n 2009,2011
Ta n n g	n 2014: HKD4, HKD2.48 n HKD11.24
Ta n n g	6.93
Ta n n g	2. E h g b A C n
Ta n n g	n 2010 n 2011: RMB10.49 (j n) n
Ta n n g	RMB16.02 h (j n), b
Ta n n g	3.24
Ta n n g	Nl
E g g n g, h b n n	
	For the Period from
	1 January to
	30 June 2017
E h b n	9,583
	19,889

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F    1 J n n n 30 J A 2017
(All m  n RMB'000   )
(Engl h T i l   Onl)

IX. SHARE-BASED PAYMENTS (CONTINUED)

2. Information on equity-settled share-based payment

(1) Information on equity-settled share-based payment of Eric

[illegible]

Erp n h l n (Pl n ll), h : b h h' ng
n280 2011. ng Pl n ll, b C r n h g n h
m n g n : n l n m l Erp n n g b
h Er .Th n 40% bt , l h g n n ,70% bt
2 : l h g n , n h n 100% bt 3 : l h g n .E h g
h h gh g b n : h n Er .Th n mb h ng a
38,200,000, h : HKD2.48 h .

ErP, 5 C in, h n (PI n III), h b
h h ng n 5 J 2014. ng PI n, m ng n n l n
n l n ErP g h n n n b, h Er. Th
40% b n, 70% b h n 100% b n. ErP h g h gh
b n h n Er. Th n b h g 38,420,000, h
HKD11.24 h.

M  n   :

	30 June 2017 '000	31 March 2016 '000
Begun ng b l	83,572	86,599
G n n	-	-
E n n	(1,676)	(1,211)
C n n	(162)	(1,776)
F n n	(132)	(40)
En ng b l	81,602	83,572

Notes to the Financial Statements

F 2017 30 J 2017

(All in RMB'000)

(English T R Onl)

IX. SHARE-BASED PAYMENTS (CONTINUED)

2. Information on equity-settled share-based payment (Continued)

(2) Information on equity-settled share-based payment of the Company

A h C (S) : n h h ' ng C i n 28 2010. ng S h b C i n : h g n h C i n . h n n : n l n m l : h h C i n . h n S h : n : g n h C i n . h n 25% b l h n 24 m n g n h l h 48 m n g n . h n ng 75% b l h h 48 m n g n h l h S h . h r g h h gh h h n C i n . In h h m l h : h l h h :

() h h h : h h : h h l n

(b) h h h h b b h n : h h h : h C i n n ng n ng h h n l h n 6% n h n ng n n h h ng n ng h h n l h n 10% , h h h h h h :

(c) D ng h ng h h b b h n : h h h : h C i n n h h b b h n : h h h : h C i n n ng n ng h h n l h n h n h n g : h h h h g n h g .

h n m h h g h : 60,000,000, 54,000,000 m ng h h , h n l g n h h h 2.39 h h h n ng 6,000,000 h h h h :

h C i n : b h h n , 0.35 h , 0.46 h , 0.23 h , 0.27, 0.31 h , 0.22 h n 0.06 h : 31 M 2011, 21 J 2012, 28 J 2013, 27 J 2014, 29 J l 2015, 20 J l 2016 n 20 J l 2017 h h l h n : h h h : . In h h S h h , h h m h n h h n : b n l n , 2010, 2011, 2012, 2013, 2014, 2015 n 2016, h B h h h h h h 54,000,000 h h g h 28 2010. A h h h h , h h h h : 10.49 h .

ng h h l h h b h h h ' ng 22 2011, h h h n h 6,000,000 h h h h h S h h 28 2010 g h h h h 17.57 h . W h h m h n h h n : b n l n , 2011, 2012, 2013, 2014, 2015 n 2016 h n : h h h : h h n , 0.46, 0.23, 0.27, 0.31, 0.22 n 0.06 h h h h , h h h h h h h h h h : 6.02 h .

Notes to the Financial Statements

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Financial statements for the year ended 30 June 2017
 (All amounts in RMB'000 unless otherwise specified)
 (English text is for reference only)

IX. SHARE-BASED PAYMENTS (CONTINUED)

2. Information on equity-settled share-based payment (Continued)

(2) Information on equity-settled share-based payment of the Company (Continued)

Measurement of share-based payment cost:

	30 June 2017 '000	31 Dec 2016 '000
Beginning balance	25,229	25,986
Expenses recognized	(1,776)	(757)
Cost of shares issued	-	-
Forfeiture of shares	-	-
Ending balance	23,453	25,229

(3) Basis of the best estimate of the number of equity instruments expected to vest is as follows:

At the end of the reporting period, the Company has issued 414,679 restricted shares to its employees. The restricted shares are subject to a three-year vesting period. The Company estimates the number of restricted shares expected to vest based on the historical experience of the employees who have left the Company during the vesting period. On 30 June 2017, the Company has estimated that 9,583 restricted shares are expected to vest.

The following table shows the number of restricted shares expected to vest:

At 30 June 2017, the number of restricted shares expected to vest	414,679
Termination of restricted shares during the year:	
- by the Company	-
- by employees	9,583
	9,583

Notes to the Financial Statements

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Financial Statements for the year ended 30 June 2017
(All figures in RMB'000 unless otherwise specified)
(English Text is for Reference Only)

X. CONTINGENCIES (CONTINUED)

3. Notes payable issued but not accounted for, outstanding letter of credit issued but undue and outstanding performance guarantees

The Group's contingent liabilities at the end of the reporting period are as follows: CNY 330,227,000, of which RMB330,227,000 is notes payable issued but not accounted for. At 30 June 2017, the Group's contingent liabilities are as follows: RMB88,443,000, of which RMB418,670,000 (31 December 2016: RMB1,143,013,000).

At 30 June 2017, the Group's contingent liabilities are as follows: RMB915,000,000 in USD20,000,000 (equivalent to RMB135,501,000) and RMB1,050,501,000.

At 30 June 2017, CIMIC RMB's contingent liabilities are as follows: RMB53,753,000 (equivalent to RMB364,183,000), of which RMB216,802,000 (equivalent to USD32,000,000) is outstanding performance guarantees, and RMB147,381,000 (equivalent to USD21,753,000) is outstanding letters of credit. (31 December 2016: RMB905,730,000).

At 30 June 2017, CIMC EPC's contingent liabilities are as follows: RMB698,752,000, of which RMB342,096,000 is outstanding performance guarantees, and RMB356,656,000 (31 December 2016: RMB779,018,000).

At 30 June 2017, TLC's contingent liabilities are as follows: USD115,000 (equivalent to RMB799,000). (31 December 2016: RMB2,844,000).

At 30 June 2017, QDCRC's contingent liabilities are as follows: RMB32,537,000 (31 December 2016: RMB10,478,000).

At 30 June 2017, TAS's contingent liabilities are as follows: RMB684,748,000, of which RMB375,133,000, RMB20,540,000, RMB32,669,000 and RMB256,406,000 (31 December 2016: RMB682,818,000).

At 30 June 2017, CIMC Financial's contingent liabilities are as follows: RMB23,493,000, RMB1,593,000, RMB5,600,000 and RMB9,000,000 (31 December 2016: RMB28,396,000).

At 30 June 2017, Zhenhe's contingent liabilities are as follows: RMB12,970,000 (31 December 2016: RMB42,125,000).

Notes to the Financial Statements

F 1 Jun 30 Jun 2017

(All in RMB'000)

(English T I Onl)

X. CONTINGENCIES (CONTINUED)

3. Notes payable issued but not accounted for, outstanding letter of credit issued but undue and outstanding performance guarantees (Continued)

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F (All in RMB'000) (English Text Only)

Notes to the Financial Statements

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(All n RMB'000)

(Eng h T I Onl)

XII. EVENTS AFTER THE BALANCE SHEET DATE

- On 5 J I 2017, EIHL (Sh n A n) n n A n . n g n h SOE n SOE B n n L n (南通太平洋破產清算組) A h h j SOE h ng n n n SOE. On 4 A g 2017, A SOE R ng Pl n A ng SOE n b h . On 16 A g 2017, SOE h n n h h CMC Er n n n h h G . SOE h n n 南通中集太平洋海洋工程有限公司 (N n CMC Sn P O h & Eng ng C .L). F n n n n 6 J I 2017, 4 A g 2017 n 16 A g 2017 n Ch n J n l, Sh ngh n n T n, Cn n, (n n, n), A C n n (n: P: I) (N n : CMC]2017-036, CMC]2017-047 n CMC]2017-054) n h n H n K n S n E h ng (.h A : h).

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n h CGRE n n RMB926,322,300 n I CMC S : R I E n n A I : 5% n n n h C I n A I 61.5% n CMC S : R I E n h CMC Sh n . F n n n n n n 17 J I 2017 n Ch n J n l, Sh ngh n n T n, Cn n, (n n, n) n, A C n n (n: P: I) (N n : CMC] 2017-040) n h n H n K n S n E h ng (

Notes to the Financial Statements

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(All n RMB'000)
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XIII. SEGMENT REPORTING

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1. Segment profits, losses, assets and liabilities

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Notes to the Financial Statements

For the period from January 1 to December 31, 2017

(All figures in RMB'000 unless otherwise specified)

(English Text and Chinese Text are Original)

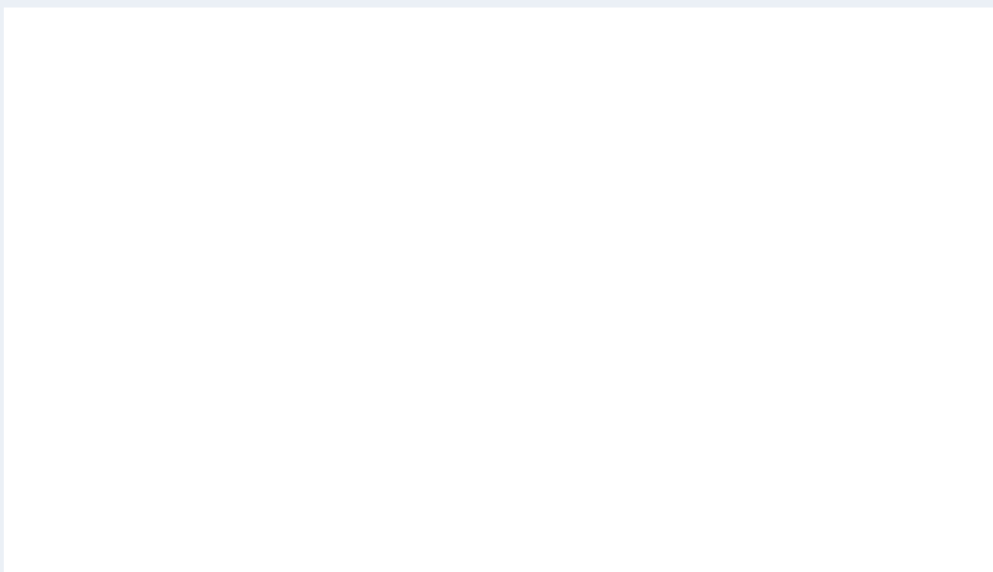
XIII. SEGMENT REPORTING (CONTINUED)

1. Segment profits, losses, assets and liabilities (Continued)

In the period, the Group has no segment information. The Group's management has no segment information. The Group's management has no segment information.

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XIII. SEGMENT REPORTING (CONTINUED)

1. Segment profits, losses, assets and liabilities (Continued)

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Notes to the Financial Statements

For the period from January 1 to December 31, 2017
(All figures in RMB'000 unless otherwise specified)
(English text is the original text)

XIII. SEGMENT REPORTING (CONTINUED)

2. Geographic information

The following table shows the revenue and profit of the Group by geographical area. The revenue is derived from the sale of goods and services to customers in the respective geographical area. The revenue is recorded in the financial statements of the Group in the respective geographical area. The revenue is recorded in the financial statements of the Group in the respective geographical area.

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Notes to the Financial Statements

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For the period from January 1 to December 31, 2017
(All amounts in RMB'000 unless otherwise specified)
(English text is for reference only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

1. Credit risk

The Company's credit risk is primarily concentrated in its accounts receivable. The Company has established a credit management system to monitor and control the credit risk. The Company's credit risk is primarily concentrated in its accounts receivable. The Company has established a credit management system to monitor and control the credit risk.

The Company's credit risk is primarily concentrated in its accounts receivable. The Company has established a credit management system to monitor and control the credit risk. The Company's credit risk is primarily concentrated in its accounts receivable. The Company has established a credit management system to monitor and control the credit risk.

In addition, the Company's credit risk is primarily concentrated in its accounts receivable. The Company has established a credit management system to monitor and control the credit risk. The Company's credit risk is primarily concentrated in its accounts receivable. The Company has established a credit management system to monitor and control the credit risk.

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017

(All figures in RMB'000 unless otherwise stated)

(English text is the authoritative version)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group monitors its liquidity risk by ensuring that it has sufficient cash and cash equivalents to meet its obligations as they fall due. The Group also monitors its liquidity risk by ensuring that it has sufficient cash and cash equivalents to meet its obligations as they fall due. The Group also monitors its liquidity risk by ensuring that it has sufficient cash and cash equivalents to meet its obligations as they fall due.

The following table shows the Group's liquidity risk as at 30 June 2017. The Group's liquidity risk is measured by the Group's cash and cash equivalents, which are classified as current assets. The Group's liquidity risk is measured by the Group's cash and cash equivalents, which are classified as current assets. The Group's liquidity risk is measured by the Group's cash and cash equivalents, which are classified as current assets.

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Financial statements for the period ending 30 June 2017
(All amounts in RMB'000)
(English text is for reference only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk (Continued)

31 December 2016						
Unaudited						
	When maturity	1 year	2 years	3-5 years	Total	Contractual cash flows
Financial assets						
Cash and bank balances	6,325,998	.	.	.	6,325,998	6,325,998
Financial investments						
Held for sale	141,160	.	325,187	.	466,347	466,347
Available for sale	24,619,828	.	.	.	24,619,828	24,619,828
Contractual cash flows	5,513,253	.	.	.	5,513,253	3,941,689
Available for sale	.	.	36,803	412,240	449,043	442,726
Held for sale	9,250	.	.	.	9,250	9,250
Derivatives	41,959	.	.	.	41,959	41,959
Long-term investments	.	3,997,923	5,268,322	12,907,684	22,173,929	13,220,242
Subtotal	36,651,448	3,997,923	5,630,312	13,319,924	59,599,607	49,068,039
Financial liabilities						
Financial liabilities						
Held for sale	199,225	.	3,816	.	203,041	203,041
Short-term borrowings	15,729,787	.	.	.	15,729,787	15,729,787
Notes payable	1,551,582	.	.	.	1,551,582	1,551,582
Derivatives	189,000	189,000	8,175,500	.	8,553,500	7,986,500
Available for sale	15,315,024	.	.	.	15,315,024	15,315,024
Held for sale	303,375	.	.	.	303,375	303,375
Derivatives	16,746	.	.	.	16,746	16,746
Contractual cash flows						
Long-term investments	3,667,872	.	.	.	3,667,872	3,667,872
Other non-current liabilities	1,666,966	.	.	.	1,666,966	1,687,762
Long-term borrowings	1,056,608	10,819,611	16,387,132	3,464,214	31,727,565	27,023,222
Long-term investments	.	520,988	4,767	23,220	548,975	529,372
Other non-current liabilities	314,210	314,210	314,210	1,685,812	2,628,442	2,037,458
Subtotal	40,010,395	11,843,809	24,885,425	5,173,246	81,912,875	76,051,741
Total	(3,358,947)	(7,845,886)	(19,255,113)	8,146,678	(22,313,268)	(26,983,702)

Bank and other borrowings are classified as follows:

	30 June 2017		31 December 2016	
	Bank borrowings	Other borrowings	Bank borrowings	Other borrowings
When 1 year	23,546,054	-	19,255,497	.
1-2 years	4,773,878	-	9,763,003	.
2-5 years	15,472,650	-	14,362,508	.
Over 5 years	2,709,669	-	2,897,711	.
Total	46,502,251	-	46,278,719	.

Notes to the Financial Statements

For the period from January 1 to June 30, 2017

(All figures in RMB'000 unless otherwise specified)

(English Text and Chinese Text are Original)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk

The Group is exposed to interest rate risk arising from its financial assets and liabilities. The Group uses derivative financial instruments to hedge its interest rate risk. The Group's policy is to use derivative financial instruments to hedge its interest rate risk. The Group's policy is to use derivative financial instruments to hedge its interest rate risk.

(1) As at 30 June 2017, the Group held the following interest-bearing financial instruments:

	30 June 2017		31 December 2016	
	Interest rate (%)	Amount	Interest rate (%)	Amount
Financial asset				
• Long-term debt	2.58%-17.53%	13,499,327	2.58%-17.53%	13,220,242
• Current debt	2.58%-17.53%	4,118,028	2.58%-17.53%	3,941,689
Financial liabilities				
• Short-term debt	1.30%-6.09%	8,103,587	0.65%-16.41%	6,280,953
• Long-term debt	3.07%-3.89%	7,986,500	3.07%-3.89%	7,986,500
• Current debt	2.38%-3.35%	995,408	2.65%-2.90%	800,000
• Long-term debt	1.20%-6.37%	1,936,946	1.45%-6.37%	1,043,007
• Other financial liabilities	0.01%-1.00%	2,583,959	0.01%-1.00%	1,666,966
• Other financial liabilities	4.99%-12.00%	2,037,458	4.99%-12.00%	2,037,458
TOTAL		(6,026,503)		(2,652,953)

	30 June 2017		31 December 2016	
	Interest rate (%)	Amount	Interest rate (%)	Amount
Financial asset				
• Cash and cash equivalents	0.30%-2.75%	5,737,102	0.30%-2.75%	6,325,998
Financial liabilities				
• Current debt	3M Libor+165bps~3M Libor+240bps	3,896,006	1.15%+1M Libor~3M Libor~240bps	2,725,710
• Long-term debt	1.15%+1M Libor~6M Libor+195bps	21,728,143	1.15%+1M Libor~6M Libor~310bps	25,980,215
• Short-term debt	1M Libor+150bps~6M Libor+70bps	9,842,161	1M Libor~180bps~6M Libor~230bps	9,448,834
• Long-term debt	8.02%~12.86%	504,909	8.02%~12.86%	529,372
• Current debt	8.02%~12.86%	124,087	8.02%~12.86%	138,312
TOTAL		(30,358,204)		(32,496,445)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk (Continued)

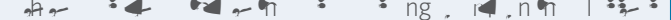
(2) Sensitivity analysis

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4. Foreign exchange risk

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Notes to the Financial Statements

For the period from 1 January to 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English Text and Chinese Text are Original)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

4. Foreign exchange risk (Continued)

(2) The following are the exchange rates for RMB against foreign currencies applied by the Group and the Company:

	Average exchange rate		Benchmark average exchange rate	
	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016	30 June 2017	30 June 2016
USD	6.8871	6.5359	6.7744	6.6312
EUR	7.4349	7.2993	7.7496	7.3750
HKD	0.8857	0.8418	0.8679	0.8547
JPY	0.0616	0.0590	0.0605	0.0645

(3) Sensitivity analysis

Assuming all other variables remain constant, a 1.00% increase/decrease in the exchange rates of RMB against USD, EUR, HKD and JPY for the period from 1 January to 30 June 2017 (2.80%, 2.80%, 2.70% and 1.90% respectively) would result in an increase/decrease in the RMB-denominated assets and liabilities of the Group and the Company of approximately RMB 1.0 million (2016: RMB 1.0 million) respectively. The sensitivity analysis is based on the exchange rates of RMB against USD, EUR, HKD and JPY for the period from 1 January to 30 June 2017 (2.80%, 2.80%, 2.70% and 1.90% respectively) and the exchange rates of RMB against USD, EUR, HKD and JPY for the period from 1 January to 30 June 2016 (2.80%, 2.80%, 2.70% and 1.90% respectively).

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(All in RMB'000)
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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

4. Foreign exchange risk (Continued)

(3) Sensitivity analysis (Continued)

The sensitivity analysis shows that if the exchange rate of the RMB against the US dollar increases by 1%, the profit after tax for the period ending 30 June 2017 will increase by RMB 1,234,567 (2016: RMB 1,234,567). The sensitivity analysis is based on the assumption that all other variables remain constant.

The sensitivity analysis shows that if the exchange rate of the RMB against the US dollar increases by 1%, the profit after tax for the period ending 30 June 2017 will increase by RMB 1,234,567 (2016: RMB 1,234,567). The sensitivity analysis is based on the assumption that all other variables remain constant.

5. Other price risks

On 30 June 2017, the Group's exposure to price risk is as follows: (a) Gold: 40,414,000; (b) Silver: 2,996,500; (c) Platinum: 1,234,567.

On 30 June 2017, the Group's exposure to price risk is as follows: (a) Gold: 40,414,000; (b) Silver: 2,996,500; (c) Platinum: 1,234,567.

The sensitivity analysis shows that if the price of gold increases by 1%, the profit after tax for the period ending 30 June 2017 will increase by RMB 1,234,567 (2016: RMB 1,234,567). The sensitivity analysis is based on the assumption that all other variables remain constant.

Notes to the Financial Statements

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(All in RMB'000)

(English Text is the Original)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates

The following table shows the hierarchy of the fair value measurements of the assets and liabilities measured at fair value at the end of the reporting period:

Table 1: Fair value measurements hierarchy

Table 2: In the hierarchy of fair value measurements, the assets and liabilities are classified into three levels based on the inputs used in the valuation techniques:

Table 3: In the hierarchy of fair value measurements, the assets and liabilities are classified into three levels based on the inputs used in the valuation techniques:

(1) Assets measured at fair value on a recurring basis

The following table shows the fair value measurements of the assets measured at fair value on a recurring basis at the end of the reporting period:

Assets	Level	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative financial assets					
Interest rate derivatives	IV.2	180,357	-	-	180,357
Foreign exchange derivatives	IV.2	-	251,402	-	251,402
Commodity derivatives	IV.2	-	4,392	-	4,392
Available-for-sale financial assets	IV.11	1,761	51,086	-	52,847
Financial assets measured at fair value		182,118	306,880	-	488,998
Non-financial assets					
Intangible assets	IV.14	-	-	1,722,065	1,722,065
Total		182,118	306,880	1,722,065	2,211,063
Liabilities	Level	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	IV.26	-	(6,359)	-	(6,359)
Hedging instrument	IV.26	-	(186)	-	(186)
Financial guarantee contracts	IV.26	-	-	(55,980)	(55,980)
Contingent considerations	IV.26	-	-	(129,965)	(129,965)
Total		-	(6,545)	(185,945)	(192,490)

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(1) Assets measured at fair value on a recurring basis (Continued)

The following table lists the number of people in the United States who are aged 65 and older, by race and sex, in 2016:

	Net	2011	2012	2013	Total
Financial assets					
Financial investments					
Government bonds	IV.2	138,072	.	.	138,072
Other financial investments	IV.2	.	326,969	.	326,969
Government securities	IV.2	.	1,306	.	1,306
Other financial assets	IV.11	2,441	30,803	.	33,244
Financial investments		140,513	359,078	.	499,591
Non-financial assets					
Non-financial investments	IV.14	.	.	1,752,608	1,752,608
Total		140,513	359,078	1,752,608	2,252,199

L	bl	N	1	2	3	T
Fn	ll bl	IV.26	(15,838)		(15,838)	
h	gh	IV.26	(4,244)		(4,244)	
Fn	lg	IV.26		(57,419)	(57,419)	
C	ng r	IV.26		(125,540)	(125,540)	
T			(20,082)	(182,959)	(203,041)	

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For the period from January 1 to December 31, 2017
(All figures in RMB'000 unless otherwise specified)
(English text and Chinese text are original and equally valid)

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Fair value measurement as at 30 June 2017
(All amounts in RMB'000)
(English text is the original text)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(1) Assets measured at fair value on a recurring basis (Continued)

The following table shows the fair value measurement of the assets measured at fair value on a recurring basis:

	Fair value as at 30 June 2017	Valuation method	Nature	Significant inputs		
				Discount rate	Reliability hierarchy	Observable inputs
Investment in equity instruments - Current investments	1,126,654	Market approach	Residual interest in subsidiaries	6%-8%		
		Cost method	Minority interest (RMB'000)	7-95	()	Unobservable
			Business combinations			
			(RMB'000)	650-4,600		
			Assets held for sale	9%-12%	()	Unobservable
Long-term debt	595,411	Discount method	Minority interest (RMB'000)	1.0019340008720.7826	1.001973.7010ISQ	1.00116740008720.7826

Notes to the Financial Statements

Financial statements for the period ending 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text is authoritative)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(1) Assets measured at fair value on a recurring basis (Continued)

Fair value estimates	31 June 2016	Value	Nature	Significant inputs		
				Inputs	Inputs	Inputs
Investment in equity instruments	1,139,285		Receivable	6%-8%		
Convertible bonds			Convertible bonds (RMB/USD)	7-95	()	Unsettled
			Bonds			
			(RMB/USD)	650-4,600		
			Assets	9%-12%	()	Unsettled
Loan	613,323		Loan (RMB/USD)	450-2200	()	Unsettled

(2) Assets measured at fair value on a non-recurring basis

The fair value of the assets measured at fair value on a non-recurring basis is determined by the fair value of the assets. At 30 June 2017, the fair value of the assets measured at fair value on a non-recurring basis is RMB26,401,000, which is RMB92,269,000 in net value. The fair value of the assets measured at fair value on a non-recurring basis is RMB85,177,000, which is RMB26,401,000 (Net IV.8). The fair value of the assets measured at fair value on a non-recurring basis is RMB26,401,000, RMB115,743,000 and RMB97,563,000, which are the fair value of the assets.

(3) Assets and liabilities not measured at fair value but for which the fair value is disclosed

The fair value of the assets and liabilities not measured at fair value but for which the fair value is disclosed is determined by the fair value of the assets and liabilities. The fair value of the assets and liabilities not measured at fair value but for which the fair value is disclosed is determined by the fair value of the assets and liabilities.

At 30 June 2017, the fair value of the assets and liabilities not measured at fair value but for which the fair value is disclosed is determined by the fair value of the assets and liabilities.

The fair value of the assets and liabilities not measured at fair value but for which the fair value is disclosed is determined by the fair value of the assets and liabilities. The fair value of the assets and liabilities not measured at fair value but for which the fair value is disclosed is determined by the fair value of the assets and liabilities.

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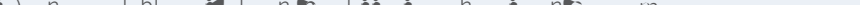
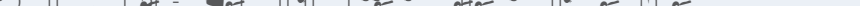
XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(4) Estimation and assumption of fair values

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Notes to the Financial Statements

Financial statements for the period ending 30 June 2017
(All amounts in RMB'000 unless otherwise specified)
(English text is authoritative)

XV. CAPITAL MANAGEMENT

The Group manages its financial resources to ensure that it has sufficient liquidity to meet its financial obligations as they fall due. The Group's financial management is aimed at ensuring that it has sufficient liquidity to meet its financial obligations as they fall due.

In 2017, the Group's financial resources were managed to ensure that it has sufficient liquidity to meet its financial obligations as they fall due. The Group's financial management is aimed at ensuring that it has sufficient liquidity to meet its financial obligations as they fall due.

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In 2017, the Group's financial resources were managed to ensure that it has sufficient liquidity to meet its financial obligations as they fall due. The Group's financial management is aimed at ensuring that it has sufficient liquidity to meet its financial obligations as they fall due.

Notes to the Financial Statements

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(All in RMB'000)
(English Text Only)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Dividends receivable

	30 June 2017	31 June 2016
CIMC Holding	3,333,084	3,435,198
SCIMC	592,706	592,706
SCIMCEL	462,372	462,372
SCRC	216,000	-
TJCMC	48,915	48,915
SCIMCEL	19,263	19,263
Ming L	29,146	29,146
CIMC W	-	874
CIMCVL	-	149,577
QDSV	2,468	17,356
Tianjin Kung Le E n C	411	411
	4,704,365	4,755,818

3. Other receivables

(1) Other receivables are analysed by categories of customers as follows:

	30 June 2017	31 June 2016
Amortisation	12,940,182	13,109,464
Depreciation	14,739	15,711
Other	18,233	10,821
Subsidiaries	12,973,154	13,135,996
Others	(4,580)	(4,580)
Total	12,968,574	13,131,416

Notes to the Financial Statements

Financial statements for the period ended 30 June 2017

(All amounts in RMB'000 unless otherwise specified)

(English text and Chinese text are original)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

(2) Other receivables are analysed by ageing as follows:

Ageing	30 June 2017	31 December 2016
Within 1 year (in millions)	9,525,395	9,642,304
1-2 years (in millions)	1,528,555	1,530,022
2-3 years (in millions)	587,541	574,631
Over 3 years	1,331,663	1,389,039
Sub-total	12,973,154	13,135,996
Less: Provision for doubtful debts	(4,580)	(4,580)
Total	12,968,574	13,131,416

The ageing analysis is based on the date of the receivables.

As at 30 June 2017 and 31 December 2016, the carrying amount of other receivables is not materially different from their fair value.

(3) Other receivables are analysed by categories as follows:

Nature	30 June 2017				31 December 2016			
	Ending balance		Provision for doubtful debts		Ending balance		Provision for doubtful debts	
	% of		% of		% of		% of	
	Amount	total balance	Amount	total balance	Amount	total balance	Amount	total balance
Other receivables arising from the sale of containers (4)	12,873,563	99.23%	-	-	13,066,919	99.47%	-	-
Other receivables arising from the sale of containers (5)	99,591	0.77%	4,580	4.60%	69,077	0.53%	4,580	6.63%
Total	12,973,154	100.00%	4,580	0.04%	13,135,996	100.00%	4,580	0.03%

The carrying amount of the financial assets is not materially different from their fair value.

Notes to the Financial Statements

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(All in RMB'000)
(English Full Text Only)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

- (4) Other receivables with amounts that are individually significant and that the related provision for doubtful debts is provided on the individual basis

At 30 June 2017, the Company has individually significant other receivables of RMB1,000,000, which are provided with a provision for doubtful debts of RMB1,000,000.

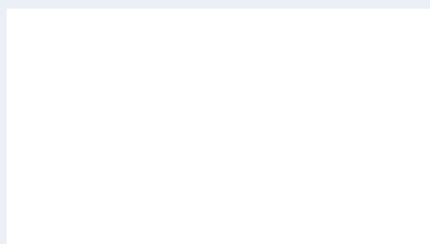
- (5) Other receivables with amounts that are not individually significant but that the related provision for doubtful debts is provided on the individual basis

At 30 June 2017, the Company has other receivables of RMB1,000,000, which are provided with a provision for doubtful debts of RMB1,000,000.

- (6) Other receivables that the related provision for bad debts is provided on grouping basis using the ageing analysis method are analysed as follows:

30 June 2017

31 December 2016



Notes to the Financial Statements

For the year ended 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text prevails over Chinese text)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

(9) As at 30 June 2017, the five largest other receivables are analysed as follows:

	Nature	Amount	Aging	% of total balance	Provision for doubtful debts
CIMC Heavy Equipment	Other receivables	3,612,395	Within 1 year	27.85%	-
C&C Technology	Other receivables	1,421,641	Within 1 year, 1-2 years, 2-3 years	10.96%	-
Heavy Equipment	Other receivables	1,098,758	Within 1 year	8.47%	-
CIMCVL	Other receivables	849,639	Within 1 year	6.55%	-
Tianjin Heavy Equipment	Other receivables	591,447	Within 1 year	4.56%	-
		7,573,880		58.39%	-

The Company's largest other receivables as at 30 June 2016 were RMB609,722,000, accounting for 67.93% of the total other receivables.

(10) Other receivables from shareholders holding more than 5% (including 5%) of the voting rights of the Company are analysed as follows:

As at 30 June 2017, the Company has no other receivables from shareholders holding more than 5% (including 5%) of the voting rights of the Company.

Notes to the Financial Statements

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F (All in RMB'000) (English) (Onl)
 1 Jun 30 Jun 2017

XVI.NOTES TO THE HOLDING COMPANY’S FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

(11) Other receivables from related parties

Relationship with the Company	Amount	% of total balance
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Notes to the Financial Statements

Financial statements for the period ended 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original and authentic)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Available-for-sale financial assets (Continued)

(1) Related information analysis of available-for-sale financial assets is as follows:

A. List of available-for-sale financial assets

	31 December 2016	Beginning of the period	End of the period	30 June 2017	Share holding (%)	Change in value
A. List of available-for-sale financial assets						
1. BOCM's share in Minghe	8,125			8,125	5.00%	

Notes to the Financial Statements

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(All in RMB'000)
(English is the original text)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

5. Long-term equity investments (Continued)

(2) Subsidiaries:

Item	31 June 2016	30 June 2017	Shareholding (%)	Voting (%)	Paid-up capital	Capital reserve
Cost method – Investment in subsidiaries						
SCIMC	110,831	110,831	100%	100%		
XHCIMC	36,500	36,500	100%	100%		
TJCIMC	77,704	77,704	100%	100%		
DLCIMC	48,764	48,764	100%	100%		
TCCIMC	131,654	91,424	100%	100%		33,642
CQVL	39,499	39,499	100%	100%		
SCRC	200,892	200,892	92%	92%		216,000
XHCIMCS	82,026	82,026	100%	100%		
CIMC HK	1,690	1,690	100%	100%		
CIMC SD	162,686	162,686	100%	100%		
HI	606,912	606,912	80%	80%		98,789
CIMC P h	41,526	41,526	100%	100%		
CIMCWD	54,817	54,817	100%	100%		
CIMC T n ng	48,102	48,102	100%	100%		
DLZH	182,136	182,136	100%	100%		
MEA	111,703	111,703	100%	100%		
CIMC W	3,472	3,472	100%	100%		

	31 March 2016	Cash in hand and bank balances	30 June 2017	Share holding (%)	Voting rights (%)	Paid-up share capital (% of authorised)	Issued share capital (% of authorised)	Called-up share capital (% of authorised)
SZ Investment								
Holding	72,401	.	72,401	100%	100%	.	.	.
Furniture & Car	482,590	.	482,590	100%	100%	.	.	.
CIMCVL	422,363	.	422,363	100%	100%	.	.	.
QDSV	26,912	.	26,912	80%	80%	.	.	.
SHOE	40,000	.	40,000	100%	100%	.	.	.
SZ Investment	140,000	.	140,000	100%	100%	.	.	.
SESKYC	90,000	.	90,000	100%	100%	.	.	.
DLCIMCS	69,806	.	69,806	100%	100%	.	.	.
Cash at H Holding	4,104,227	.	4,104,227	100%	100%	.	.	.
COOP	205,022	.	205,022	99%	99%	.	.	.
CIMC Management Limited Director								
Cash	803,904	.	803,904	100%	100%	.	.	.
C&CTrust	898,977	81,616	980,593	70%	70%	.	.	.
Orochim Holdings	35,000	.	35,000	100%	100%	.	.	.
Quintessence Holdings								
Investment	13,160	.	13,160	100%	100%	.	.	.
Ging P Investment Company	30,000	.	30,000	100%	100%	.	.	.
Tongsheng Enterprise		73,873	73,873	100%	100%	.	.	.
Subsidiaries	9,375,276	115,259	9,490,535			.	.	348,431

Notes to the Financial Statements

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(All n RMB'000)
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XVI.NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

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Notes to the Financial Statements

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F (All in RMB'000) (English) (Only)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

11. Current portion of non-current liabilities

- (1) The analysis of the Company's current portion of non-current liabilities by categories is as follows:

	30 June 2017	31 Dec 2016
Current portion of non-current liabilities		
Other payables	995,000	800,000

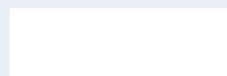
- (2) As at 30 June 2017, there were no overdue long-term borrowings of which the durations are extended (31 December 2016: Nil).

12. Long-term borrowings

- (1) The analysis of the Company's long-term loans is as follows:

30 June
2017

31 Dec
2016



Notes to the Financial Statements

Financial statements for the period ended 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original and authoritative)

XVI.NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

14. Deferred tax assets and deferred tax liabilities

- (1) The offsetting balances of deferred tax assets and liabilities offset and corresponding deductible or taxable temporary differences

	30 June 2017		31 December 2016	
	Deductible/ (taxable) Temporary differences	Deferred tax assets/ (liabilities)	Debit / (credit) amount	Debit / (credit) amount
Deferred tax assets:				
Entire amount of deferred tax assets	196,808	49,202	205,760	51,440
Minus: amount of deferred tax assets that is not deductible	1,738	434	3,360	840
Sub-Offsetting amount	198,546	49,636	209,120	52,280
Offsetting balances	198,546	49,636	209,120	52,280
Amount:				
Amount of deductible temporary differences		49,636		52,280

Notes to the Financial Statements

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(All in RMB'000)
(English is the original text)
30 June 2017

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

15. Capital surplus

	31 Dec 2016	1 Jan 2017	30 June 2017
Share premium	3,601,855	29,311	3,631,166
Other comprehensive income:			
• Exchange difference on translation of foreign operations	687	.	687
• Deferred income tax	87	.	87
• Employee share-based payment	253,012	(12,104)	240,908
Other	(568,492)	.	(568,492)
Total	3,287,149	29,311	3,304,356

	1 Jan 2016	1 Jan 2017	31 Dec 2016
Share premium	3,589,082	12,773	3,601,855
Other comprehensive income:			
• Exchange difference on translation of foreign operations	687	.	687
• Deferred income tax	87	.	87
• Employee share-based payment	258,211	(5,199)	253,012
Other	(568,492)	.	(568,492)
Total	3,279,575	12,773	3,287,149

Notes to the Financial Statements

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(All in RMB'000)
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Notes to the Financial Statements

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XVI.NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

18. Profit/(loss) from changes in fair value299



Notes to the Financial Statements

For the period from 1 January to 30 June 2017

(All figures in RMB'000 unless otherwise specified)

(English text and Chinese text are original)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

22. Non-operating expenses

	For the period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
Abnormal loss of assets	396	-
Losses on disposal of non-current assets	586	1
Others	764	248
Total	1,746	249

23. Income tax expenses

	For the period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
Change in income tax payable	2,644	27,968

The income tax expense is calculated based on the taxable income of the Company and its subsidiaries, and is calculated at the applicable tax rate.

	For the period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
Total income tax expense	31,304	153,333
Income tax expense on current income	7,826	38,333
Income tax expense on deferred income	803	1,878
Income tax expense on other income	82,123	17,498
Income tax expense on other income	(88,108)	(29,741)
Total	2,644	27,968

II. RETURN ON NET ASSETS AND EARNINGS PER SHARE

In 1998, the National People's Congress (NPC) adopted the *Law on the Protection of the Mother and Child* (2010), which stipulates that the state shall protect the mother and child, and shall take measures to improve the living conditions of the mother and child.

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304 Chapter X Documents Available for Inspection

- I. The *Journal of the Criminal Justice System*, 2017, published by the Criminal Justice System.
- II. The *Journal of the Criminal Justice System*, published by the Criminal Justice System, 30 Jan 2017, published by CASBE. The *Journal of the Criminal Justice System*, published by the Criminal Justice System, 30 Jan 2017, published by CASBE.

China International Marine Containers (Group) Co., Ltd.
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Nanshan Distri