CIMC

(a c. c a c ,a ed e Pe e Re b c f C a ed ab)

TRANSFORMATION

UPGRADING

转型升级

NEW

创新

ANNUAL REPORT 2017

A S a,e S c. C de: 000039 I H S a,e S c. C de: 2039


CIMC
TRANSFORMATION
UPGRADING
转型升级

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The Board of Directors (the "Board") is pleased to present the annual report of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2017 (the "Year").

The Report has been prepared in accordance with the requirements of the Listing Rules. The Board has established an audit committee (the "Audit Committee") and a remuneration committee (the "Remuneration Committee") for the purpose of supervising and advising on the financial reporting process and internal control procedures of the Group and reviewing the remuneration policy and structure of the Group, respectively.

The Board is pleased to present the annual report of the Company for the year ended 31 December 2017. The Board has established an audit committee (the "Audit Committee") and a remuneration committee (the "Remuneration Committee") for the purpose of supervising and advising on the financial reporting process and internal control procedures of the Group and reviewing the remuneration policy and structure of the Group, respectively.

The financial statements of the Group for the year ended 31 December 2017 have been audited by Ernst & Young, Certified Public Accountants, in accordance with International Standards on Auditing. The Board has established an audit committee (the "Audit Committee") and a remuneration committee (the "Remuneration Committee") for the purpose of supervising and advising on the financial reporting process and internal control procedures of the Group and reviewing the remuneration policy and structure of the Group, respectively.

Mr. Wang Hong, Chairman of the Board, Mr. Ma Bing, CEO and Mr. Zeng Hao, General Manager of the Company

F , e ! , e f Re , ! e ec e e , e , e ! , e , ef g e , a a e e ea g e ! be :

Items	Definitions
A S a , e ( ) (, RMB-de a ed O , d a , S a , e ( ))	d e c , d a , a , e ( ) a a L a ! e f RMB1.00 eac e a , e ca a f e C a , c a , e ed e S e e S c. E c a ge a d , aded Re b.
A S a , e ( ) S a , e O I ce L e Sc e e	a , e ce L e c e e f C al e , a a Ma , e C a e , (G , !) C ., L d. c de , ed a d a , L ed a e e , a , d a , ge e , a ee g f e C a 17 Se e be , 2010.
A , c e f A ca	T e A , c e f C al e , a a Ma , e C a e , (G , !) C ., L d. .
B a , d	e B a , d f e C a .
C&C T ! c.	C&C T ! c. C ., L d. (集瑞聯合重工有限公司), a c a c , , a ed e PRC ed ab 2009 a d a - - ed ! b da , f e C a .
CASBE	Acc ! g S a da , d f , B e E e , , e Ba c S a da , d a d 38 S ec f c Acc ! g S a da , d ! ed b e M , f F a ce f e PRC, a d a ca g da ce a d e , , e a CASBE a d e , e a ed , eg a .
CFE	C a F , e Safe E e , , e G , ! L ed, a c a c , , a ed e Ca a l a d ed ab , e a e f c a e ed e a b a , d f e H g K g S c. E c a ge (S c. C de: 445).
CIMC , C a	C al e , a a Ma , e C a e , (G , !) C ., L d. (中國國際海運集裝箱(集團)股份有限公司), a c. c a c , , a ed e PRC ed ab , e A a e f c a e ed e S e e S c. E c a ge a d e H S a e f c a e ed e a b a , d f e H g K g S c. E c a ge.
CIMC E , c	CIMC E , c H d g L ed (中集安瑞科控股有限公司), a c a c , , a ed e Ca a l a d ed ab 2004, e a e f c a e ed e a b a , d f e H g K g S c. E c a ge (H g K g c. c de: 3899) a d a - - ed ! b da , f e C a .
CIMC F a ce C a	CIMC F a ce C ., L d., a c a c , , a ed e PRC 2010 a d a - ed ! b da , f e C a .
CIMC F a ca Lea g C a	CIMC F a ca Lea g C ., L d., a c a c , , a ed e PRC 2007 a d a - ed ! b da , f e C a .

CIMC HK	C a l e a a Ma e C a e (H g K g) L ed (中國國際海運集裝箱(香港)有限公司), a c a c a ed H g K g 1992 a d a - ed b da f e C a .
CIMC I e e	S e e CIMC I e e C ., L d * (深圳市中集投資有限公司), a c a c a ed e PRC 2011 a d a - ed b da f e C a .
CIMC M d a	CIMC M d a B d g I e e C a L ed (中集模組化建築投資有限公司), a c a c a ed e PRC 2013 a d a - ed b da f e C a .
CIMC Off e	CIMC Off e H d g L ed, a c a c a ed H g K g 2009, a d a - ed b da f e C a .
CIMC Off e E g ee g	CIMC Off e E g ee g C ., L d., a c a c a ed e PRC 2016 a d a - ed b da f e C a .
CIMC Q a a Lea g	CIMC Q a a F a c a Lea g (S e e) C ., L d., a c a c a ed e PRC 2014 a d a - ed b da f e C a .
CIMC Raff e	

Shareholder(s)	The holder(s) of Share(s) registered in the Register of Members of the Company
Share Registrar	Computershare Hong Kong Investor Services Limited
Stock Exchange	The Stock Exchange of Hong Kong Limited
Supervisor(s)	The supervisor(s) of the Company
Supervisory Committee	The supervisory committee of the Company
SESKYC	Shenzhen Sunkingdee Co., Ltd. (深圳天億投資有限公司), a company established in the PRC on 2011 and a wholly-owned subsidiary of the Company
US$ or U.S. dollar	United States dollar, the lawful currency of the United States of America
Zegen	Abeking Zegen GmbH, a company established in Germany and a wholly-owned subsidiary of the Company
%	percentage

ONE M de	O a Ne e E d g ea a age e e f eG .
QHSE	A a age e e a g de a d c , a , ga a , e ec f Q a , Hea , Safe a d E , e a a ec .
Se - b e, be D, gPa f,	A e - b e, bed, g a f, a b e , g; e e, a f e , c , e e , . g dec a d e e, a c , e e, , e a c ec ed b , c . W e e, a , e e, a e b e, ged e a e, . A e - b e, be a f, ge e, a ed dee ea a e, de , a g g f, 600-3,600 . T e a f, ca e ad a c g e f, g.
TEU	T e - f e, ae , a a a da d (ac a e, a e g f 20 fee , a e g f 8 fee a d 6 c e a da d f 8 fee), be g ed ea , e e, e fac a e, .

C a e l

T e C a a c , a ed S e e , G a gd g P , l ce, e PRC de, e PRC C a La 14 Ja a 1980 a d a a ed a C al e a a Ma e C a e C ., L d. (中國國際海運集裝箱股份有限公司) c , a . Af e be g e , c , ed a a c ed c a Dece be 1992, a d b c ffe ed A a e a d B a e c e e ed e S e e S c. E c a ge 1994, e C a c a ged a e C a l e a a Ma e C a e (G) C ., L d. (中國國際海運集裝箱 (集團) 股份有限公司) 1995. T e A a e f e C a e e ed e S e e S c. E c a ge 8 A , 1994 a d H a e e e ed b , d c e a b a d f e H g K g S c. E c a ge 19 Dece be 2012. T e C a e f , e e , e C a B a e c l e ed H a e ed e a b a d f e H g K g S c. E c a ge.

T e G a , d ead ge e a d , l de e g c a de e g d , e a d , c a e gaged e a fac , e f c a e , , ad , a , a l e ce , e e g , c e ca a d d f de e , ff , e e g ee g e a da , fac e e a e a e , l f , ee a e ce , c d g e de g a d a fac , e f e a a a da dd c a e , , eefe c a e , , eg a ec a c a e , a . c a e , , ad a . , c , a , a ga e e a d a ca . , , ad , a , a l e ce , ea , c , ac . d g a f , , e - b e bed g a f , , ec a l e e , a e ge b a d g b dge , a , ca g a d g e , g d e ce ec f c , e a da ac a g e a d e , l f , ee a e ce . I add , e G a e gaged g c e ce , ea e a e de e e , f a ce a d e b e e . T , g b e e a a d ec g de e e , e a ef , ed a d , c e f c g e e e a d , l ded f , e g c a de e g d , e .

A A

Lega Na e C e e:	中國國際海運集裝箱 (集團) 股份有限公司
Abb e a ed C e e Na e:	中集集團
C a Na e E g :	C al e a a Ma e C a e (G) C ., L d.
Abb e a ed E g Na e:	CIMC
Lega Re , e e a l e:	Wa g H g
A , ed Re , e e a l e :	Ma B a g, Y
Reg e ed Add e a d Add e f Head Off ce:	8 F , , CIMC R&D Ce , e, 2 Ga g a A e e, S e , Na a D , c , S e e , G a gd g, PRC
P a C de:	518067
P , c a P ace f B e H g K g:	3101-2 I f P a a, 199 De V e R ad Ce , a, H g K g
C a Web e:	:// .c c.c
E a Add e :	a e de @c c.c

C a e, l

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Sec e a e B a d, C a Sec e a :	Y Y
C ac Add e :	CIMC R&D Ce e, 2 Ga g a A e e, S e , Na a D c, S e e , G a gd g, PRC (P a c de: 518067)
C ac Te e e:	(86 755)2669 1130
Fac e:	(86 755)2682 6579
E a Add e :	a e de @c c.c
Re e e a e f Sec e Affa :	Wa g X
C ac Add e :	CIMC R&D Ce e, 2 Ga g a A e e, S e , Na a D c, S e e , G a gd g, PRC (P a c de: 518067)
C ac Te e e:	(86 755) 2680 2706
Fac e:	(86 755) 2682 6579
E a Add e :	a e de @c c.c
A a C a Sec e a :	S e Ya g : Y Y

CORPORATE INFORMATION

Stock Exchange on which Shares are Listed:	The Stock Exchange of Hong Kong Limited
Abbreviated Stock Name of A Shares:	CIMC
Stock Code:	000039
Stock Exchange on which H Shares are Listed:	The Stock Exchange of Hong Kong Limited
Abbreviated Stock Name of H Shares:	CIMC, ZJHD (Note)
Stock Code:	02039, 299901 (Note)

Note: The abbreviated stock name and stock code were used by the Company prior to the establishment of the H Share Offering and Listing.

CORPORATE INFORMATION

H Share Registrar:	Computershare Hong Kong Investor Services Limited Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
H Share Agent:	Pan Hang 21-22/F, Bank of China Tower, 1 Garden Road, Central, Hong Kong
PRC Legal Advisor:	Commerce & Finance Law Office 6/F, NCI Tower, A12 Jianguomenwai Avenue, Beijing, PRC
Auditor:	PricewaterhouseCoopers Zhong Tian LLP 11th Floor, PricewaterhouseCoopers Center, 2 Lujiazui West Avenue, 202 Huangpu District, Shanghai, PRC
The Certified Public Accountant engaged:	Zhong Wei Jian Zhong Zi [2016] No. 0010

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Re, ec, e ad e , , e a e e f e acc ! g da a f, , , ea, b e C a d e
c a ge facc ! g ce a d c , , ec facc ! g e, , ,

☐ Ye ✓ N

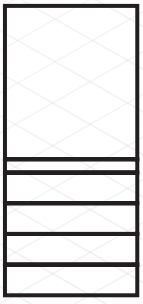
U : RMB ! a d

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Unit: RMB'000

Items	For the year ended 31 December 2017	2016	(Decrease)/ increase (%)	2015 (Restated)	2014	2013
Revenue	76,299,930	51,111,652	49.28%	58,685,804	70,070,855	57,874,411
Operating profit	4,171,685	1,202,884	246.81%	3,039,854	3,297,874	3,370,835
Profit before income tax expense	4,409,241	1,702,051	159.05%	3,302,470	3,570,416	3,562,720
Income tax expense	1,250,826	967,068	29.34%	951,825	536,488	928,222
Profit for the year	3,158,415	734,983	329.73%	2,350,645	3,033,928	2,634,498
Including:						
Net profit attributable to shareholders of the Company	2,509,242	539,660	364.97%	2,026,613	2,477,802	2,180,321
Profit attributable to non-controlling shareholders	649,173	195,323	232.36%	324,032	556,126	454,177
Net profit attributable to shareholders of the Company after deducting non-recurring gains or losses	1,367,068	511,420	167.31%	1,751,645	2,142,682	1,343,090

Unit: RMB'000



Unit: RMB '000 unless otherwise stated

	For the year ended 31 December					
			Change from previous year			
Cash flow	2017	2016		2015	2014	2013
Net cash flows generated from operating activities	4,275,379	2,341,619	82.58%	(3,610,223)	6,434,477	2,749,926
Net cash flows used in investing activities	(1,580,105)	(6,854,655)	76.95%	(12,584,781)	(11,553,782)	(6,504,459)
Net cash flows (used in)/generated from financing activities	(3,537,153)	7,511,046	(147.09%)	16,505,663	3,940,986	3,632,937

			Change from previous year			
Key financial data	2017	2016	(%)	2015 (Restated)	2014	2013
Basic earnings per share attributable to ordinary shareholders of the Company (RMB/share)	0.81	0.14	478.57%	0.74	0.93	0.82
Diluted earnings per share attributable to ordinary shareholders of the Company (RMB/share)	0.81	0.14				0.82

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Unit: RMB Thousand

	2017			
	The first quarter	The second quarter	The third quarter	The fourth quarter
Revenue	14,675,987	18,711,165	20,575,554	22,337,224
Net profit attributable to shareholders of the Company	509,681	287,217	512,482	1,199,862
Net profit attributable to shareholders of the Company after deducting non-recurring gains or losses	452,699	412,384	519,601	(17,616)
Net cash flow from operating activities	95,458	(763,674)	4,300,859	642,736

Significant differences between quarterly data which affect the Company's operating income or net profit attributable to shareholders of the Company or net profit attributable to shareholders of the Company after deducting non-recurring gains or losses and their significant differences with the relevant data disclosed in quarterly reports

☐ Yes ✓ No

Cash flow statement

Unit: RMB '000

Item	2017	2016 (Restated)	2015
Gain/(loss) before income tax	15,635	264,552	(17,588)
Gain on disposal of fixed assets, intangible assets and other long-term assets	472,626	497,336	298,893
Gain on change in fair value of financial assets at fair value through profit or loss, and gain on change in fair value of financial liabilities at fair value through profit or loss			
Impairment loss of financial assets at fair value through profit or loss, and impairment loss of financial liabilities at fair value through profit or loss			
Depreciation of fixed assets, depreciation of investment properties and depreciation of right-of-use assets	125,295	399,704	122,659
Net gain on disposal of subsidiaries	458,808	361,353	3,333
Reversal of accounts receivable previously provided for bad debt allowance	–		12,461
Other non-operating income and expenses	335,255	139,625	(18,689)
Other items of profit/loss	143,549	(1,362,915)	18,330
Effect of exchange rate	(326,880)	(422,180)	(101,996)
Effect of other items	(82,114)	150,765	(42,435)
Total	1,142,174	28,240	274,968

Reasons for the Company recognising the profit or loss from non-operating activities as recurring profit or loss and explanation on the Company's reasons for recognising the profit or loss from non-operating activities with significant nature or amount as recurring profit or loss in accordance with the provisions of Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public — Non-recurring Profit or Loss (Explanatory Announcement No. 1)

□ Applicable ✓ Not applicable

The Company did not recognise the profit or loss from non-operating activities as recurring profit or loss in accordance with the provisions of Explanatory Announcement No. 1.

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U : RMB a d

	Balance at beginning of the Year	Profit or loss arising from changes in fair value for the Year	Cumulative changes in fair value recognised in equity	Impairment provisions accrued for the Year	Balance at end of the Year
F a c a a e :					
1. F a c a a e a fa a e g f e Re g Pe d (e c d g de a e f a c a a e)	138,072	56,175			183,303
2. De a e f a c a a e	326,969	20,202			328,751
3. Hedg g e	1,306		3,734		1,360
4. A a ab e-f - a e f a c a a e	33,244		(2,776)		440,656
5 b- a ff a c a a e	499,591	76,377	958		954,070
I e e e	1,752,608	5,344	446,976		1,679,189
T a	2,252,199	81,721	447,934		2,633,259
F a c a ab e	(203,041)	29,595			(40,832)
T a	2,049,158	111,316	447,934		2,592,427

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1. D ffe ce e f a d e a e ed de I e a a Acc g S a da d a d CASBE

☐ A cab e ✓ N A cab e

2. D ffe ce e f a d e a e ed de f eg acc g a da d a d CASBE

☐ A cab e ✓ N A cab e

3. Rea f d ffe ce acc g da a de d e ca d f eg acc g a da d

☐ A cab e ✓ N A cab e

C a e III



Dear Shareholders,
I am pleased to submit to you the annual report of the Group for the year ended 31 December 2017, and would like to express my sincere gratitude for your long-term support on behalf of the Board.

I 2017, g ba ec ,ed a d , e a a ,ade a d d ,a , d c ,e ed g a c ea e f 3.8%. T e ec c ,e d d e e d ec e c a e U ed S a e , Ja a , e c., a ,e a ,e, a d e ec a ,e e g a . e a d d e g ec e , e ead . D , g e ea , e a a ,ce a ce ded af e , e a d , e ead e ,d a e, a d e ,ce f , e a , c d e a ,eb ded. I 2017, C ac ed dee e - de , c ,a ,ef , , e g e ed f a c a ,e g a a d e a a ec c ed ab e ,e a d e a ed , ac e g a e a a g a GDP g ,a e f 6.9%.

Be ef g f e ,ec e e g ba a d d e c ec , e G , a , b e e g e ac e d fa , abe , e d , g e Re , g Pe d, e, a a , e e ead , f c ea g a c a ed e a e e d f e , e ea. T e G , e ed ,a e g c g f Ma fac , g + Se ce + F a ce , a d ,e ed ca e e , e b g b a e c a g e b ea f g , , ad a c g , a e g c g ade a d b e , a f , a , ad e e , d c ca ac a ca , a ec g e a d b e de a d a age e f e a a c a ce , . T e G , e a ded c e age e e g g d , e a d a b e , ea ed a g a abe , d c a d e a , ac e ed f , e a g , e , e g , f , g c , a e ca , e b e. De a a e g e a f :


MAIN
SEGMENTS
主要業務板塊

C a e ll

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I 2017, e G ' e e a ed RMB76.300 b (2016: RMB51.112 b), e e g a ea- - ea c ea e f 49.28%; e e f a b abe S a e de a d e e de f e C a a ed RMB2.509 b (2016: RMB0.540 b), e e e g a ea- - ea c ea e f 364.97%; a d e ba c ea g e a e a ed RMB0.81 (2016: RMB0.14), e e e g a ea- - ea c ea e f 478.57%.

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I 2017, e face f e ec e ed e g ba a d d e c ec , e c a b e eg e f e G e ed e , a e a d ade g f ca b ea g c a ea a b e eg a , c a ad e , ec g ca g ade, g ba a e e e a a d d c f e e a f d :

D g e Re g Pe d, be ef g f ec ed ec e ed g ba ec a d e e ba e 2016, e G ' c a e a fac g b e ad a g f ca ea- Raea œd f a b a ea 8.1 ca b ec a e a e5.2(c 1 a e 37.1)]1J0.003 Tc 19-1.333 TD[(g ee ad .5(f 36 -6(-)5(d)0 e ba 0) (- 1( )]TJ0.003 Tc11 -1.333 TD[(a e c a ge -6(-)5(d) RM

A d e a a RMe a ce f a e g Pc e a g

I 2017, a e a a ce ec e ed, a d g a ga a a e a e f e ace ega ed a ac , e a e de a d f a ga age a d a e e gad a ec e ed. D g e Re g Pe d, e c a b e f e e g, c e ca a d df de e b e f eG e a ed ba ca abe. O 15 A g 2017, CIMC E c, a e e c g e c e ed ea f e e e e e fS Pac fc Off e & E g ee g C., L d. (SOE) a d c a ged a e Na g CIMC S Pac fc Off e & E g ee g C., L d. (南通中集太平洋海洋工程有限公司). N SOE a g ba eade f e a-a d ed - ed ef ed ga e a e eg e , a a ee e d e c ff e e g ee g a d c c d , a g g eg ba a e a e. T ea f SOE f e e a d e g ee g e ce ca ab e f CIMC E c' e e a ga d c a a da acc a egc de e b a da da ea, e eb c e g a eg a ed a d a d a e a e c a f a ga f fca , efac , age a d a e .

I 2017, e g ba ff e e g ee g a e e e e a ed a e e f eb d ce , e a e de a d f ff e e g ee g e e a e ea . T e G ' ff e e g ee g b e f d ed a egc d c a d ac e e ed a e e a, e e aged ad a age de g a d b d af , e e d g b e a a d e ca e ff e e g ee g e e ec . I e ec f e c c a dde e f af , B e W a e W a e a 6d a ee 6 . e 6 6 0.5E &E 0.5E 0.5E & E & 63 & E



A A A A

I 2017, e G c ed ad a ce b e a f a ad g ade a d a f a f a age e de. W Ma fac g + Se ce + F a ce a a eg c g, e G a f ed a d c e a g e a a ea . e. g c a d e e g , a d de e ed e a b e ec e ab ed d - ead g ad a age a d g d de e e ec e e g a d de g e e e g g d e c e e e e , ad a age. I e ed e c e a d fe a a age e ea ab e de a . e e a eg c a age e a d b e e a f a b e ec . D g e Re g Pe d, a be f g ade e e ade a fac g e a . F e a e, 龍騰計劃 a e e ed e a a e c a e, b e eg e . CIMC Ve c e (G) a ed e c c f e de a e Z ad a Pa a d Ya g Pa e e a e be d ced b a g d a ed, d g a ed, a a ed a d a a fac g. A a ed g c e a c ed be ceeded e a b e eg e . Re d g e ce a g e e ca f a e e e e a d a , e G , a g acc e g , a d ca ed 雙創項目, e ed a d ceeded b d a f f a e e e e a d a b e e d f 2017. T e a de f a d de e a g f e b e e a e a de e a d f e a g f e e e e e . I e e a a g f e a f a a d g ade f CIMC b e g b g e de a d e b e e a a d ec e G ' t e de e e be de c b g g a g f e G . A e a e e, f5TDa(fa e e a)17.Zeade a d e de ed g

21 a e e ade . F f e e e g

Case III

A A

In 2017, the Company received the administrative penalty decision issued by the China Securities Regulatory Commission Guangdong Bureau (the "CSRC Guangdong Bureau") on the Company and relevant persons in charge, pursuant to which the Company was ordered to rectify and was imposed a fine of RMB600,000, and the chairman of the Company was imposed a fine of RMB200,000. In November 2017, the Company obtained the certificate of ISO 37001:2016 Anti-bribery Management System, which was issued by China Quality Certification Centre & A-Cert Limited. CIMC Tianda, its subsidiaries and affiliates obtained the certificate of ISO 37001:2016 Anti-bribery Management System.

A A

In 2017, the Group established and improved the anti-corruption system, and continued to promote the construction of anti-corruption culture, and carried out anti-corruption training and education to enhance the anti-corruption awareness of employees. The Group established and improved the HSE management system, and carried out HSE risk identification and assessment, and formulated corresponding risk control measures. We actively carried out various activities to promote the construction of safety culture, and continuously improved the safety awareness of employees.

A

Based on the Group's 2017 annual general meeting resolution, the Company proposed a final dividend of RMB0.27 per share (tax included) for the year of 2017. The proposed dividend will be paid in 2018. The final dividend for the year 2017 will be paid in accordance with the Company's Articles of Association.

A

In addition, the Company has also established long-term cooperative relationships with the U.S. Department of Energy, the Federal Aviation Administration, the Japan Civil Aviation Bureau, etc. The Company has been dedicated to the research and development of air traffic management technologies, and has been actively participating in the research and development of the next generation air traffic management system in the United States, Europe and Asia-Pacific region, and has been actively participating in the formulation of relevant standards, so as to promote the interconnection and interoperability of air traffic management systems in different regions.



COUNTER MANUFACT

集装箱



TURING

BUSINESS



C a e IV

A

T e G , c a e gaged e a fac , e f de , a , a e e , e e g , c e ca a d d f d e e , ff , e e g ee g e e a d a , , fac e , a e a e , f , e a e ce , c d g e de g , a fac , e a d e ce f e a a a da d d c a e , , eefe c a e , , eg a ec a c a e , a . c a e , de c a e f , b a d , , ad a . c . , a , a ga e e a d a c a . , , ad , a , a e c

Unit: RMB

	2017	2016	Percentage change
Revenue	76,299,930	51,111,652	49.28%
Operating profit	4,171,685	1,202,884	246.81%
Net profit attributable to shareholders of the Company	2,509,242	539,660	364.97%
Net cash flows from operating activities	4,275,379	2,341,619	82.58%
Net (decrease)/increase in cash and cash equivalents	(895,810)	3,079,544	(129.09%)

2.

The Group's operating profit increased mainly due to increase in revenue. The Group's revenue increased mainly due to increase in sales volume of 53-foot dry containers, refrigerated containers, special containers, container leasing business and container manufacturing business. Please refer to Note 1 to the financial statements for details of segment information.

In 2017, the global economy showed a moderate recovery. The growth momentum of the global trade was strong. The Group's container manufacturing business and container leasing business benefited from the growth of the global trade. Meanwhile, the Group continued to implement asset-light strategy. As at 31 December 2017, the proportion of asset-light container fleet increased to 53.6%. The asset-light strategy helped the Group to reduce capital expenditure and investment risk, and affected the depreciation charges of the Group. Please refer to the section headed "Management Discussion and Analysis" for details of the effect of asset-light strategy on the Group's depreciation charges. The Group's operating profit increased mainly due to increase in revenue and gross profit margin. The increase in gross profit margin was mainly due to increase in average selling price of containers as compared with 2016 and the effect of asset-light strategy. Please refer to the section headed "Management Discussion and Analysis" for details of the effect of asset-light strategy on the Group's depreciation charges in 2017.

In 2017, the Group was affected by the implementation of the Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution (《大氣污染防治法》), which came into effect on 1 January 2018. The Group's container manufacturing business was mainly affected by the implementation of the law. The Group's container manufacturing business mainly produced dry containers, refrigerated containers and special containers. Before 2017, the Group gradually increased the production of asset-light container fleet. In order to comply with the requirements of the law, the Group gradually increased the production of asset-light container fleet. Meanwhile, the Group actively participated in the formulation of the Self-Discipline Rules on Container Leasing Companies (《集裝箱行業自律公約》), and actively implemented the asset-light strategy.

C a e IV

D g e Re g Pe d, affec ed b e c ed ec e g ba ade a d e e ba e 2016,
e G ' c a e a fac g b e ad a g fca ea- - ea c ea e e be f de .
Re e ea d e f a e b g fca g , a g c , e acc a ed a e e f
d a d c a e eac ed 1,308,900 TEU (2016: 587,300 TEU), e e e g a ea- - ea c ea e
f 122.87%; e acc a ed a e e f eefe c a e eac ed 109,100 TEU (2016: 79,700 TEU),
e e e g a ea- - ea c ea e f 36.(3)00.6( )6e6( )6%0.5(.(7.5(36.8(T18.54)0.5(e)0.5(ac0.5( )0.5( )0.5(- 0.5(a)0.5
R2016: eae g a ea f 13(230%.]TJ0.005 T 0 -12.667 D[(RI 20167,36( ) e c e a fac g) e f 1 e G
af

7 ac a e, [illegible] T18.(e a e]TJ0.008 1Tc 0.086 Tcd0 [(eg '55487 Da a a e d e 36.9(Y)6487 a g a e de g)18797 a 2 a)18797 a f
e G ede de g f 1 e G
e G cd e C e l d]7.1(A c a e ge e f e 18.1(eage f 1 e G ed)75.21- a
Reageaee e ea c 111120 1 g 20167,36(1(S e CIMC(2a)) - ed b d df 1 e GC a)G
ee G e c f e G d 225548( ) f a a e d add e G a de a e c a e d b G 18795e e ae f a

In 2017, the global economy maintained its growth momentum. The U.S. economy recovered. The European economy was generally stable. The Japanese economy continued to improve. The Chinese economy remained stable. The Chinese government effectively implemented the policy of supply-side structural reform, and the economy maintained a stable and healthy development trend. The Company's management seized the opportunity of economic recovery to further consolidate the foundation for development, and continued to improve its operating results.

During the Reporting Period, the Company recorded a total contracted sales of approximately RMB163,000 million (2016: RMB123,100 million), representing a year-on-year increase of 32.41%. The total gross floor area sold was approximately 19.521 million sq.m. (2016: RMB14.695 million sq.m.), representing a year-on-year increase of 32.84%, and the average selling price was approximately RMB1,018 per sq.m. (2016: RMB767 per sq.m.), representing a year-on-year increase of 32.78%. The growth rate of the Company's contracted sales was higher than the growth rate of the sales of commodity housing in China, which was mainly attributable to the Company's continuous optimization of its product structure and the increase in the proportion of high-quality projects.

During the Reporting Period, CIMC Vehicles (Group) continued to implement its strategy of "focusing on the main business, expanding the industrial chain, and developing new business". According to the development requirements of the industrial chain, it accelerated the development of new energy vehicles, aluminum alloy lightweight vehicles, special vehicles, intelligent logistics equipment and other businesses, and continued to improve the overall competitiveness of the industrial chain.

Case IV

The Group's subsidiary CIMC E, a company engaged in the design, manufacture and sale of various kinds of equipment for the natural gas industry, has been engaged in the design and manufacture of various kinds of equipment for the natural gas industry for many years. In the design and manufacture of various kinds of equipment for the natural gas industry, CIMC E has established a brand image of "CIMC (地方智慧，全球營運)" based on its local knowledge and global operations.

In 2017, in the context of increasingly strict environmental protection requirements, the natural gas industry has become a key area for the development of energy industry in China. The People's Republic of China has successively issued a number of policies to support the development of natural gas industry, including the Opinions on Accelerating the Utilization of Natural Gas (《加快推進天然氣利用的意見》) issued by the National Development and Reform [illegible]

e e f SOE a d c a ged a e Na g CIMC S Pac f c Off e & E g ee g C ., L d. (南通中集太平洋海洋工程有限公司). N SOE a g ba eade f e a - a d ed - ed ef ed ga e e a e eg e , a a ee e ff e e g ee g a d c c d . T e a f SOE e f e e a d e g ee g e ce ca ab e f CIMC E c' e e a a ga d , c a a d a acc g a eg c de e b a d a d a ea, e eb c e g a eg a ed a d a d a e a e c a f a a ga , f ca , efac , age a d a , e . Ba ed a d c222 e c a a e , ded b SOE' ba c a age a d e a a ab c22f a . D g d cRe g Pe d, a e a e f RMB105,549,000 a ade b CIMC E c f a d e f SOE. T e a e a c ded e 2017 c da ed f a c a e f e G . F e e a c22f a , ea e efe e e a ca ce e b ed b e C a C a Se e J , a , S a g a Se e Ne , Se e T e , C 22f eb e (.c 22f .c .c), e eb e f e H g K g S c E c a ge (. e e . .) a d e C a ' eb e (.c c.c) 4 A g 2017, 16 A g 2017 a d 28 A g 2017.

Chemical equipment business segment: d g d cRe g Pe d, CIMC E c e ed a d g e f a ce a d e e a e c e . Sa e f a e f a c a e ac ed e ce e e . Mea e a a ea d e a e a ac ed c ea g a ce e e e f c a e ' a ge e g eg , a d e a d c , e eg e a c ea ed e e f e de e e f d c f d e ec a e e , a ea - - ea c ea e f ea 50% d c f e ec a a c a e 2017. I add , d e e U ed S a e e ea g C a' a -d g ce ef ge a , a d C a' c e d e c e e a g e a ce a d e e e a f da ed a d , d c ca ac e , e de a d f ga a c a e f CIMC E c a g f ca c ea ed, a ea - - ea g f ca c ea e d c 2017. D g d Re g Pe d, e eg e ac e ed e ge e a a ca f afe a d e eff c e e a d ec ge f c a e ed age a d a a de c da e ead g e g ba a e . I Ma 2017, X a g e ed d c e ca d c E e g e C a- E e Ra a E e ' Ne E e (X a g E e Med e a ea eg) f e f e , a f e a c a e ed d g e a f e e c e ca d c a fac ed b CIMC E c. T e a c a e f CIMC E c e e ab ed a a d-ba ed c a e f C a-E e a c a e d c e ca a a , c e e ce a g a d ec c de e e f e c e a g e e.

Liquid food equipment business segment: g e .5([(:)37(g ba ,)dTJ0.( )0e Z a g]TJ. a(X a222)55( )0

C a e IV

E ab ed de CIMC Raffe , a b da f e G , a e 4 R&D a dde g c a e , 3 c c ba e ad 6 e a ad a age e c a e , e eg a ed e a de c , e de g , , d , e e , a fac , e, c , c a d e a , a d e e eca e e . T e a e a e f e ead g c , ac , f g -e d ff , e e g ee, g e e ad e eca e e . T e a c a ed e a a c e e ff , e e g ee, g a e . T e , a , b e e c de e de g a d c , c f e - b e, be d g af , , e - b e, be acc da af , , ac d g af , , ac acc da af , , ga c , e ac , fba , f a g , d c , age e e , c a e e , e-a g e e , OSV, cea g , d- - g -e d ac a d e e , d c c e, ga a , f ff , e e g ee, g , d c .

S ce 2000, d e e , d c b OPEC , ce , a e , d c a g f ca c ea ed a d ed a b a a c a ge -de a d , f e f , c de a d e , d . T e , c g a e, f c de a bee f ed f , a g a de a d-de e da a g a c -de e de . Mea e, e a a ge ca ca e , e a ed a d a c f a e a a c de , ce , c , e ed e g ba ff , e e g ee, g d , e e g a e, d f -de a d e , a e c , ac a d d , . Off , e a d ga , ec a e a ed e g f , ec e e de e f a e a a abe f , g b e a d , d c . S ce 2017, e a a , ce a e , e a f e , g b 2016 a d ff , e e e a e , eb ded.

U de e g f ca ac f e c ed d , e d , a dd e e g f ca , e , de a , ed, e , e e e f CIMC Raffe dec ea ed g f ca , e c ea ed d , g e Re , g Pe , d. I 2017, e ff , e e g ee, g b e f e G , ec ded a e , e e e f RMB2.485 b (2016: RMB4.306 b), , e , e e g a ea - - ea dec ea e f 42.28%; e e a ed RMB1,039 (2016: f RMB213), , e , e e g a ea - - ea c ea e f 388.82%.

Faced e e e e e e , e e e a a ff , e e g ee, g a e , CIMC Raffe a bee ac e , g b e , a f , a a d c , e e d g , e e a d e fed b e e a d ga d , a e c , e b e , e ab g a b e , c , e ab e , d c t c a , a g a b ea , , g f ca ab eg a e ead g de g /c , e e e , ea , a dd e e g e g ee, g e a a d g -e d e ce d , ea , de ac e e e , a f , a f ac a a a fac , e , g e e e a , e de c e ff , e e g ee, g b e . CIMC Off , e E g ee, g e e aged a d a age de g a dd d af , , e e d g b e , a a d e ca e ff , e e g ee, g e e c , . F , ec , a ead e gaged, CIMC Off , e E g ee, g added , d c c a FLNG, FSRU, d a e b af , , , c e , ff , e c e a d , ec ea a f g af , . I a e a d b e e e e c , ca e e d , a d e e e e g d , , c c de , d c c a ff , e d , b e a d f a g e ba ge .

I , e ec f e c c a dd e e f a f , : 2017 B e W a e N . 1 f CIMC Raffe cce c e ed e a a-e e ea e f , d g c b e ce e S C a Sea. CR600 a ed , ed e Pe , b a ea e bef , e e d f e ea . O e , ec de c c e e ba ca ea c e , de , e a , a d a e a ce . T ea , 2 a f , -ba ed , ec a d 9 , ec f e e a c a d a , e a c g a f , e ec e e d c c a dd e e , a g e , e V c , (S e g) 90 e e d g a f , a d HYSY 162 e d g a f , c c ed f , C a Na a Off , e O C , , a (CNOOC) , e ec e e ec e e d e a d b dge a d e e g acc a ed b d e . W , ega d e , ec c b e , a ge , e a , a d d fca , ec c a HYSY 981 a d e X g a g d g a f , e e c e e d.

I e ec f e de : g e g e g e de e e f d ffe e a ed d c a d e ce , e ad e e ac ca ed b a d e d e e ga ed. I A 2017, CIMC Raff e e e ed a e e f e f e c c f dee ea b eed g e a e a f USD250 Ocea A afa AS C a N a a e C a-N a G e e C e a S . I Ma , e B e W a e P ec ac e ed g ea cce f e c b be ce ea e e S C a Sea. T e B e W a e a f g a ed b P e e L Ke a g a a a abe ece f e f a g ea a , e a d ec d ga d c c e e e ab f CIMC Raff e' e e b a d ca e a CIMC Raff e ac e ed a f a f be g a e e a fac g c a a ea d g c a . I Dece be , CIMC Raff e e e ed a c c c ac Pe b a f e EPC f a FPSO e Ne e a d , e a f c a a e RMB1.1 b , ac e g a cce a f a f f c d g e a f d g a d g . I add , d g e ea , CIMC Raff e c ac ed f 15 ac a e a c g a f a d 2 dee a e e cage a c c e S a d g P ce, c a e b ea g f g -e d cea f e e .

I e ec f R&D ca ab e : Ba e Tec g , B e . E g ee g, Ocea E g ee g De g & Re ea c I e f CIMC a d CIMC Ma e E g ee g Acade e C ., L d., f de g c a e de e G caed S ede , N a , S a g a a d Ye a e ec e , e a a ff e d g a f R&D ce e a d a a e g ee g ab a e f ge e a a e b e ea c a d de e e f ff e e g ee g. C e , e ec ca e e e f e 7 -Ge e a U a-dee a e P a f , e BT5000 Ec ca M d-dee a e P a f , e FPSO, e c e , a d e de e e e e a d d a g e e f ff e f e d a e bee c e ed.

T e g c e ce b e f e G ad e e e de e e c ce f e e c a ge g c , ad a c g a e g c f d , e a c g e . de e , a d c ce a g f e a b e d ec , a e c a e e ce, a e a e ce a d ec g c , da a , e e g c a d c ac g c .

I 2017, e de e e f e d e c g c d e a ed e ba c e d f de a g g a abe a d e . . T e S a e ed e Ra a C a e M da T a , De e e P a f e T ee F e-Yea P a , e g de e e f d e c da a , a d e f d e e d a a e a d , f ee ade e a d b ded . T e e f c a e a ed a a a e a a a e a e a e f e C a-E e Ra a E e c ed c ea e. T e e f a da d ed ba c ad g , c a a e a d c a e , ed, a d c ec e I e e a e ab ed g e e f e . T ad a a , a e g c a e e e e c aged e e d e e ce a d a d d a d a g e c a , e a d e a a a e ce a d d a e ce- a g g c a f a eg a e e I e e + fe a g c .

I 2017, e G ' g c e ce b e ec ded a e e e f RMB8.195 b (2016: RMB7.129 b), e e e g a ea - - ea c ea e f 14.95%; e f a RMB86 (2016: RMB359), e e e g a ea - - ea dec ea e f 75.95%. T e dec ea e e f a d e e f f e a e e d f a ea c d g c e f d a fe e e b d a e .

A

T e G ' a , a e a e a , fac e e e b e , ' g ' b da e P e , CIMC Ta da a d Zege. T e G ' a eg a e a d ac ę e e g CFE ł e , ea d a age f e ' , ce , f c , c a b e c de b a d g b dge a d e , e a b e , g ' d ' , e e (GSE) b e , f , ea d , e d e ł e ce b e , a a ed g c e a d a a , g b e .

I 2017, e a , , b e c ' ed g a a , e ' f c ' g e c ' , c a d e a f d e c a , , ; e f , e , c a d , e d e ł e ce b e be ef ed f , ' , ba a a d ac ę ed , a d g , ; fa d ę e e e , e de ł e , a d e - c e , ce d , e , ł ded g d , ' e f , e a a ed g c e b e d , . T e a a bee c e a g c ce , ed e ' e f , ba a . g a d ce e d g O C ce g Pa . g Fac C ' c U ba A ea (Fa Ga J C ' [2015] N . 1788), d ę e e ce f , e a . g d , ę e bee e c ' , aged a d a ' c ed ' cce ł e , b g ga ł e ac e a , a . g fac e d , .

I 2017, e G ' ' a , , fac e e e b e , ec , ded , ę e ' e f RMB3.597 b (2016: RMB3.213 b), , e , e e g a ea - - ea , c ea e f 11.93%. I ac ę ed e , f f RMB146 (2016: RMB131), , e , e e g a ea - - ea , c ea e f 11.74%. T e c ea e , ę e ' e a d e , f e , e a d e e ' , e , c ea e e e , ce age f e f , ea d , e d e ł e ce b e ' c , b , e f , e e a ce e ba g a g ca ab e f e b a d g b dge a d e , e a e ' e b e , a e a afe , e ac ę e e a d a e ' , e e f a ed , g ec ge f , a ed g c , , ec c , ac g c e ł e e a ' , e , e g e ed.

D , g e Re , g Pe d, e G ' ' , e , e g e ed ca ab e e a , , fac e e e b e , a d e , f ę e a , ł ed:

- T e b a d g b dge a d e , e a b e : c ' ed , ec , d ead g b e , ę e ' e a d , f ab . I b a d g b dge b e ed e d , a c ' ed e de ' cce , a e ę e f ł e 95% f , ed e c , ec b d f , d , g e ea . Sa e g f e b , dge ad g a d a , c d g b e e a ac ę ed , ' g e e g ge e , a ed f c ab , a e a , , b e .

- T e g ' d ' , e e (GSE) b e : 2017, e - a ' e fe , e a d e ec , c - e ed , d c f X fa A , , E e L d ., a ' b d a , f e C a , ga ed ' , e d e , ec g a d , e ' a e g g ' ead . T e a fac ' , g ff d e ce a d f g a f , ł e ce a g ad a bee ł ed C a , e eb ' , e , ł g , d c a a d ec , g - e de ł e .

- T e f , e a d , e d e ł e ce b e : d , g e ea , Zege , b a e c e a d a a e ' e E , e c , e g e ed e , ce ca ab e f e E , ea a . e . I add , Zege , a effec ł e afe g a ded ' , ' f adde ec ge a d , ed ced c b a f , a eg c ł e e a l a a c a , Ce a S , . W , e g e ed ec g ' ade b CFE, c e e ' , e e ed, de ł e ca ab a e a ced ad e b e ac ę ed ead g .

- T e a aed g c e b e : d , g e ea , e G ' a e ' , ed Z e g ' J e L g c A a S e C . L d . a d ga ed a aed , g ca ab e a e a ' a fca a a ge e a c , ac , , e eb ' , e e a c g c e e c .

- T e a , a . g b e : a a effec ł e a ł e a . g , be c e , e G ' a bee , ceed g e , ec f e G ' f , e c ' c f ' - , e ' b c a . g ga age .

W a a eg a e eG ' a , , fac e e e b e a d eca e ce b e e , 4 Dece be 2017, eG , CFE a d, e a a e e ed ag ee e , , a c CFE ae , ed e e e P e a d e e Ta da f eG a d e, e a a e ag ee e .

C a e IV

I ec f e d a a de e e a d e a b e : a de e ed a d ad a ced
ead . D g e Re g Pe d, e ec d a e f e CIMC I e ge ce Va e ec
S g a La e, D gg a, C a gd g a c eed e e a a d e e a c a e
a e e e b e e e a . T e b e c ba ece ed a e f e g e e ,
ce a d ee . T e b e de f e d a a f e G ad a d a d ead
de e e . A a e e d f e Re g Pe d, a a f e CIMC I e ge ce Va e ec
D gg a, e e e ed d a a ec c ded: CIMC Da aba e X , C a gd g a d
Q gda Reefe I C ba Pa Ja , Q gda . A e e , e G ac e eg a a d
e ec f e e e a ec e e a eg .

I e ec f e ad a e de a b e : ad ed e de e e a eg . Ce a
ec 4 ec e]TJfg P e ca e6(e ec 5( ) a 18.3(ad) C)0. Gac e

D , g e Re , g Pe, d, , e ec f e f a ca b e , e G ac ¢ ed, ¢ e e f RMB2.341 b (2016: RMB2.302 b), , e , e e g a ea - - ea, c ea e f 1.66%, a d e , f f RMB992 (2016: RMB824), , e , e e g a ea - - ea, c ea e f 20.46%.

I 2017, c e , e d f d e c ec a d d , , e , c , g, CIMC F a ca Lea g C a g a ed a , e , e , a d c , e g e ed e eg a f d , a d f a ce ac, d ffe, e b e eg e f e G . A f , e a e de, e c a c ea ed ¿ e e c c ca - a d , . b e e , c ed e d , - , f , , ¿ ed a e a , ¿ a ed a a ge, ca e a d c ea ed c e ¿ ea ¢ a age , d c d ffe, e a . A e a e e, c ea ed, . c , ¿ e, g , . d , e , , c c , ed a f e ¿ e ed a e , f , e , ed e e ab e f a e a age e e a d , c ed, . A f , f d , c dee e ed a e, e e a

Chapter IV

Modular Building Business: CIMC Modular Building Co., Ltd. (hereinafter referred to as "CIMC Modular") is dedicated to the manufacturing, sales and service of modular buildings. Its products and services are widely applied in the fields of education, healthcare, commerce, residence, tourism, etc. and have been exported to Europe, America, Asia, New Zealand, Africa and other countries and regions. CIMC Modular has been engaged in the research and development of modular building technologies for many years and has established a complete modular building technology system. CIMC Modular has been awarded the Class A Qualification for Steel Structure Engineering Construction and the Class A Qualification for Light Industry Engineering Construction in China, and the Class A Qualification for Building Construction in New Zealand. CIMC Modular has established a complete quality management system and has been awarded the ISO9001 quality management system certification, the ISO14001 environmental management system certification, the OHSAS18001 occupational health and safety management system certification, the CE certification and other certifications.

2.

In respect of the container manufacturing business, acc d g e a e ed c ade b CLARKSON (a g ba ead g a a), e g f g ba c a e ade eac ed 5.0% 2017 a d d c e g a ae 2018. I e ec ed a g f g ca ac be e a e g f ade, be g 3.6% a d 4.0%, f 2017 a d 2018, e ec e , e e e f g ca ac c e be e ed, a d c ea g g ade ead g ea e a. e de a d f c a e . I e f e f e eab e c d a ce 2018, e ec ed a d e a a a ea e eage g e c a e c a e . Te ef e, ed c ed a e de a d f c a e 2018 e a a a fa ab e e.

In respect of the logistics services business, 2018, ec , de e f ec c g de cab age ca ce , ec ge ad de , effec e ega ga e ce ade ac g ega ad eg be ee d e.I ge ca e be e ab ed e , f bgdaa, e , a gad a c ab a .I de ee de ad a gf e a f a ad , e e f ea fac , g d , , g c b e e be edef g e, b e , ced e ade ab ga ega ed ad e ge ca e ce e ee e eed f e, c e .M da a , ad e ad a ced a , de c e be de e ed, ec c be acce e a ed f da a , e ad bac - e a , b (g c a). F , e f c be aced e , fe a a ad a da d a f a , e e a ec a ca f e c a e , b - e e - a e ad e a da d ed a , e ce.

In respect of the heavy truck business, 2018, e ac ec e ec ed ab e af e e e a d , g 2017 a d ad , e a e e ec ed. I ce a e , e e c ea g de a df , e e de e , a a , ca ca e , c d c a ad a e a , a , e de a d e ec ed fa d a ca e c a e , a d , eb df , a a d c e ca , a e f , ba c c , g a d c , ge e a e - a ad g, a e a d ce a e a a e . T e e be c ea g de a d e , ad a , a a e a e a e e de e , e - a c ad a d f c ad g a e . I e ec ed a e a e , e a d g eff ce c , e , g a d ega , e e a da d a , e e a e e ec ed , gge de a d f E , ea a e , a dde a d f , ac , ce , a - a e e ce c ea e g f ca d e e , ad , eg a .

In respect of the airport facilities equipment business, 2018, e g ba a , , b e g ead , a d e ec ed a e b a d g b dge a d e , e a d e a d e GSE b e be ef a e M , f Defe e e , e a , ace. T e f , e a d , e d e e e b e a g ead a e e a e be , e d e ega ega e g ba f , e a d afe d , , f g a d ec a - e e ce a e a , f abe f e e . T e a aed g c b e c e g , e , e e a ec g a ca . T ega age b e fa , ab bac ed b c - , . I , e ec f - c c , e de a , a de e , a . g a a add e a . g e be fea b e a d effec e. I add , e e e f a a ca a d , e a a bee g ad a , e g.

In respect of the industrial city development business, 2018, e d e c ac ec e ec ed ab e, a d , ad g e f , e , ea e a e a . e c e be ac ed b de e, ag g a d g e g f d e f a ca a . e . I e ec ed a g e g ce . e c e c e affec a . e a , d a d f , - e c e f , a d a ea . A e a d e e e a a g , d a d f , - e c e , g - e d e e e a f e , ea e a e a . e be de e, ed b e c ' d , , , a , a a dde g a c . F , e, eg e a f , e de a ea g ce a e a , e , c a e a d ea e ce be e e ed , ge e . W ec , e e e g e g f , ea e a e e ca a a d , e g e ed, eg a g f a ce, e ec ed a a e e a c b e , e a . e a d , e a a . e a e ac e e e g g a d e e a f g - e , e ce be acce e a ed.

In respect of the financial business, ...

3. ...

In respect of the container manufacturing business, ...

In respect of the road transportation vehicle business, ...

In respect of the energy, chemical and liquid food equipment business

In respect of the heavy truck business, 2018, C&C T c ca ce g e a a c e f a e- e ed, effce c f, a age e, a age e a da d a ad eg - ce c g ef ea e ac ec a e g e f ae, eG , e e ca e g, e g e ec e e dc a f a ad e e fab feac f e .TeG a fac ae b e e b ec, gf a ca e ce c e e e .T g c d a a dc ab a a e de, eG a ea e e ce a g a d - a .I e f dc, eG f c e a e cea a ge, c ea e fag dc a de a ce dc c e e e .TeG a e e a f dc .I e ec f e ce, eG a a e e e effce c f e a e ce b ae .I e ec f e a a age e, eG ee e a ce e effce c f c e a e, b da fa - e e e a ec a a e a a ae a de e e a dc e e e e ee ' ca ab e .TeG a ea e e a g a ge a a e g c e SBU de (d a c g).

In respect of the airport facilities equipment business, 2018, eG ' a b e f c ad a age a d e ce a d eg a e e ga b e .F ea d e c eb e ac ce e a eg c dea c ge e a e f eG gG ba a eg e c a ged b e a e, a d e ce f eg a . a d fac e ed e c a e b g ade C a e da de e a ea e a g .TeG f e a ce ae a f ca ab e ee c c de a S7a 7.8(ea)]TJ de e e

Audited financial statements

1. Statement of Management Responsibility

Statement of Management Responsibility for the financial statements.

2. Auditor's Report

☐ Audited ✓ Not Audited

Management Discussion and Analysis

Financial Overview

The Fund's financial performance is mainly affected by the changes in the net asset value of the Fund's investment portfolio. The Fund's investment portfolio is managed with a long-term investment horizon and is subject to market risks. The Fund's investment portfolio is managed by professional fund managers who are responsible for making investment decisions in accordance with the Fund's investment objectives and guidelines. The Fund's investment portfolio is diversified across different asset classes, geographies and currencies to reduce the risk of loss.

The Fund's investment portfolio is managed by professional fund managers who are responsible for making investment decisions in accordance with the Fund's investment objectives and guidelines. The Fund's investment portfolio is diversified across different asset classes, geographies and currencies to reduce the risk of loss. The Fund's investment portfolio is managed by professional fund managers who are responsible for making investment decisions in accordance with the Fund's investment objectives and guidelines.

Asset Management

The Fund's investment portfolio is managed by professional fund managers who are responsible for making investment decisions in accordance with the Fund's investment objectives and guidelines. The Fund's investment portfolio is diversified across different asset classes, geographies and currencies to reduce the risk of loss. The Fund's investment portfolio is managed by professional fund managers who are responsible for making investment decisions in accordance with the Fund's investment objectives and guidelines. The Fund's investment portfolio is diversified across different asset classes, geographies and currencies to reduce the risk of loss. The Fund's investment portfolio is managed by professional fund managers who are responsible for making investment decisions in accordance with the Fund's investment objectives and guidelines.

We accredit a fully-certified, integrated management system that ensures the safety and quality of our services, the satisfaction of our customers, the safeguarding of the environment and the health and safety of our employees. This system is based on the ONE Management and QHSE Manual and is regularly reviewed.

Awards

In recognition of our commitment to excellence, we have received a number of awards, including the Gold Award for Excellence in Customer Service and the Silver Award for Innovation in Technology.

3.

A f 31 Dece be 2017, e e e f e G e RMB23,016,029,000 (2016: RMB20,774,432,000), a d e d b abe e e e RMB19,734,494,000 (2016: RMB17,495,053,000). M e e e e e a d e d b abe e e f e G d g e Re g Pe d a e e IV. 48, 49 C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE Re .

4.

D g e Re g Pe d, e C a dd e e a c ac c ce g e a age e ad a f e a b e a f ae a b e , dda c c ac e .

5.

I 2017, e agg ega a e c a ea b abe e f e f e a ge e f e G a e a 30% f e G ' a c a e, e agg ega e e e de ed f e f e f e a ge d e a e a 30% f e G ' a ae. F dea f e f e f e a ge d e a d e f e G , ea e efe (8) I f a f e a d e a d a e f 2. I c ea d C f II. A a f P c a B e e f C a e V O e a D d a d A a P e a ed Acc da ce e D e c Sec e Reg a R e Re .

N e f e D ec , S e a d e a ca e a S a e de (e edge f e D ec e e d g 5% e f e C a ' a e ca a) ad a e e a f e ab e e ed f e f e a ge e a d f e f e a ge d e .

6.

T e C a a f b da e dd e c a e, e edee a ed ed e f e C a b da e d g e Re g Pe d.

7.

A a 31 Dece be 2017, e C a dd a ea de ec e abe e d e ede .

8.

T e A ce f A ca C e e a ad e ega d g e-e e g de c e C a e e a e a aba e g S a e de .

9.

P ea e efe e IV. 39 f C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE Re f dea f e a ce f ed - e e b e C a .

10.

15.

Ba ed e G ' 2017 e a e a d a g acc e G ' e a f a ca a d ca f a , e B a d ec e ded a f a d de d f RMB2.70 e e a e (c d g a cab e a e) f e ea f 2017. T e d de d a e a f e ea f 2017 ' bec Sa e de ' c de a a da a e ge e a ee g f e C a . F de a f e G ' ca d de d c a d d de dd b f ece ee ea , ea e efe I. P f D b f O d a Sa e a d Sa e Ca a I c ea e b Wa f T a fe f Ca a Re e e f e C a f C a e VIII Sg f ca E e a d e IV. 49 C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE .

16.

D g e Re g Pe d, ec a ge f D ec a d S e f e C a a e ed IV. C a ge f D ec , S e a d Se Ma age e f e C a f C a e XI f a D ec , S e , Se Ma age e a d E ee Re .

17.

T e G ' a ac e g ea a ce e b ee e a d e ce a d e c ea e e G ' e e a, ca a d g e a ce ca ab g a ' ea e . T e C a ' b ed e 2016 E e a, S ca a d G e a ce Re a d e 2017 S ca Re b & E e a, S ca a d G e a ce Re C f eb e (.c f .c .c), e C a ' eb e (.c c.c) a d e eb e f e H g K g S c E c a ge (. e e .) 30 e 2017 a d 27 Ma c 2018, e ec e acc da ce e G de e f C a e L ed e S e e S c E c a ge S ca Re b , R e 13.91 a d E e a, S ca a d G e a ce Re g G de f A ed 27 f e H g K g L g R e .

18.

F de a f e e f e G ' af e eba a ce ee da e f e Re g Pe d, ea e efe e XII C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE Re .

C a e V



F , e , f e f e G , ' b e e d , g e R e , g P e d , e a e , e f e 1 . Q e e f II . R e e
f P , c a B e e D , g e R e , g P e d ' d e , C a e , I V R e , f e B a d R e , .

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Industry classification

U : RMB a d

Id ca fca	le	2017 Amount	2017 % of cost of sales	2016 A	2016 % fc fae	Yea- - ea A cage
C ae	Dec aea	17,344,980	82.03%	7,610,009	76.95%	5.08%
Rad a a ece	Dec aea	14,082,366	88.35%	10,565,729	88.56%	(0.21%)
Off eeg ee g	E e	1,464,155	58.14%	2,961,039	76.56%	(18.42%)

Product classification

U : RMB a d

Id ca fca	le	2017 Amount	2017 % of cost of sales	2016 A	2016 % fc fae	Yea- - ea cage A
C ae	Dec aea	17,344,980	82.03%	7,610,009	76.95%	5.08%
Rad a a ece	Dec aea	14,082,366	88.35%	10,565,729	88.56%	(0.21%)
Off eeg ee g	E e	1,464,155	58.14%	2,961,039	76.56%	(18.42%)

(6)

✓ Ye ☐ N

D g e Re g Pe d, f de a f ec a ge f ec da c e f e G , ea e, efe eV f C a e, XIII F aca Sae e P, e a ed Acc da ce CASBE Re .

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☐ A cabe ✓N A cabe

(8)

Information of the major customers of the Company

T a ae a f e ed e (U : RMB a d)	12,489,770
% f e a ae a f e ed e ea a a ae a	16.37%
% f e a ae a f,ea ed a ea g e ed e e a a a ae a	0.00%

Information of the top five customers of the Company

✓A cabe ☐N A cabe

U : RMB a d

No.	Name of customer	Sales amount	% of the annual total sales amount
1	T C a e l e a a L ed	3,953,720	5.18%
2	Med e,a ea S g C . SA	3,865,260	5.07%
3	C ag e Ma e D'Aff,e e e	2,372,859	3.11%
4	Te a e, E e Ma age e L ed	1,194,748	1.57%
5	C a e, A ca l e, a a	1,103,183	1.44%
T a		12,489,770	16.37%

Other information of major customers

☐A cabe ✓N A cabe

T e,e a ,ea be ee e C a a d e ed e, a d e D,ec , , S e , , e , a age e , c,e ec ca , S a e de, d g ,e a 5% f a,e , de fac c , e, a d e,ea ed a, e f e C a dd d,ec , d,ec e,e e a , c e .

Chapter V

Information of the major suppliers of the Company

Total purchase from the top five suppliers (Unit: RMB Yuan)	5,570,997
% of the total purchase from the top five suppliers to the total annual purchase	8.94%
% of the total purchase from related parties to the total annual purchase	0.00%

Information of the top five suppliers of the Company

✓ Applicable □ Not Applicable

Unit: RMB Yuan

No.	Name of supplier	Purchase amount	% of the annual total purchase amount
1	Shanghai Baosteel Industry Trading Co., Ltd.	1,457,491	2.34%
2	Rizhao Steel Holding Co., Limited.	1,255,155	2.01%
3	Angang Steel Co. Limited	1,149,757	1.85%
4	China National Heavy Duty Truck Group Co. Limited and its subsidiaries	916,558	1.47%
5	Shougang Jingtang United Iron and Steel Co. Limited	792,036	1.27%
Total		5,570,997	8.94%

Other information of major suppliers

□ Applicable ✓ Not Applicable

The above suppliers have no connected relationship with the Company, the directors, supervisors, senior management, shareholders holding more than 5% of the shares, de facto controllers and their respective associates.

3.

Unit: RMB Thousand

	2017	2016	Year-on-year change
Sales expenses			

Chapter V

R&D investments of the Company

	2017	2016	Percentage
Number of R&D personnel (person)	3,389	3,385	0.12%
Percentage of R&D personnel	6.69%	6.60%	0.09%
Amount of R&D investment (RMB thousand)	725,386	563,792	28.66%
Percentage of R&D investment to revenue	0.95%	1.10%	(0.15%)
Capitalised amount of R&D investment (RMB thousand)	73,657	44,352	66.07%
Percentage of capitalised R&D investment to R&D investment	10.15%	7.87%	2.28%

Reasons for the significant change to the proportion of total R&D investments in revenue as compared with the previous year

☐ Applicable ✓ Not applicable

Reasons for the substantial change to the capitalisation rate of R&D investments and explanations for its reasonableness

☐ Applicable ✓ Not applicable

5.

Unit: RMB Yuan

Item	2017	2016	Year-on-year change
Subtotal of cash inflow	80,479,933	52,132,383	54.38%
Subtotal of cash outflow	76,204,554	49,790,764	53.05%
Net cash flow	4,275,379	2,341,619	82.58%
Subtotal of cash inflow	11,439,481	2,010,159	469.08%
Subtotal of cash outflow	13,019,586	8,864,814	46.87%
Net cash flow	(1,580,105)	(6,854,655)	76.95%
Subtotal of cash inflow	62,750,173	64,307,817	(2.42%)
Subtotal of cash outflow	66,287,326	56,796,771	16.71%
Net cash flow	(3,537,153)	7,511,046	(147.09%)
Net (decrease)/increase in cash and cash equivalents	(895,810)	3,079,544	(129.09%)

Reasons for the major factors affecting significant changes in relevant information as compared with the same period of previous year

✓ Applicable □ Not applicable

During the Reporting Period, the cash inflow from operating activities and cash outflow from operating activities increased by 54.38% and 53.05% respectively as compared with the corresponding period of last year, mainly due to increase in cash received from sales of goods and cash paid for purchase of goods during the Reporting Period. Cash inflow from investing activities and cash outflow from investing activities increased by 469.08% and 46.87% respectively as compared with the corresponding period of last year, mainly due to increase in cash received from disposal of investments during the Reporting Period.

Reasons for major differences between the net cash flows of operating activities of the Company and the net profit of the Year during the Reporting Period

□ Applicable ✓ Not applicable

C a e V

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U : RMB ' a d

	A '	P , a , f E a a e f , a	S a ab e ,
I , e e c e	510,351	11.57% Ma d e e , e e c ege e , a ed f , ed a f e a , e f CIMC E ec , c C e , ce f e ea , .	N
P , f , f , c a ge fa , , a ' e	111,316	2.52% Ma d e c a ge fa , , a ' e fe ' , e edf , ad g a dde , , a ' e f a ca , ' e f e ea , .	N
A e a , e e	671,341	15.23% Ma d e e , , f , bad deb f acc ' , ece , abe a d L f , d ' , a ' e f , e , e f e ea , .	N
N - e , a g c e	622,421	14.12% Ma d e e c e , ece , ed f , e ca c e a f P , ce Ba La d f e ea , .	N
N - e , a g e e e	384,865	8.73% Ma d e e e e f , e ca c e a f P , ce Ba La d f e ea , .	N

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1. A

U : RMB ' a d

	As at the end of 2017		A a e e d f 2016		C a ge f , e ' ea , ea c a ge	De c , f a e , a
	Amount	% of total assets	A '	% f a a e		
Acc ' , ece , ab e	16,396,726	12.55%	11,526,075	9.25%	42.26%	Ma d e e c , ea e a ' , ece , abe a , g f , c ea ed , e e ' e f e G ' f , e Yea , a c a ed a f a ea , .

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✓ A cable ☐ Not applicable

Unit: RMB Yuan

Securities	Stock code	Abbreviation of stock name	Initial investment cost	Modes of accounting measurement	Book value at the beginning of the Reporting Period	Profit or loss arising from changes in fair value during the Reporting Period	Cumulative changes in fair value recognised in equity	Purchases for the Reporting Period	Sales for the Reporting Period	Profit or loss during the Reporting Period	Book value at the end of the Reporting Period	Classification in accounting	Source of funds
Shares	6198	Qingdao Port	128,589	Fair value	133,400	54,001					177,020	Financial assets measured at fair value through profit or loss	Self-funded
Shares	368	Sinoship H	20,742	Fair value	3,860	1,421					4,985	Financial assets measured at fair value through profit or loss	Self-funded
Others disclosed in the Reporting Period					812	753				767	1,298		
Total			149,331		138,072	56,175				767	183,303		
Any securities disclosed in the beginning of the Reporting Period but not disclosed in the end of the Reporting Period			N										
Any securities disclosed in the end of the Reporting Period but not disclosed in the beginning of the Reporting Period			N										

(2)

Unit: RMB Yuan

Stock code	Abbreviation of stock name	Initial investment amount	Number of shares held (thousand shares)	Shareholding percentage (%)	Book value at the end of the year	Profit or loss during the Reporting Period	Change in equity during the Reporting Period	Classification in accounting	Source of shareholding
Australia Sec. Exchange: OEL	OneEgg	13,480	13,521	1.19%	3,995		568	Available-for-sale financial assets	Subscription
HongKong Sec. Exchange: 206	TSC Offshore Ltd	167,591	92,800	13.12%	193,066	(6,614)	(13,225)	Long-term equity investment	Subscription
HongKong Sec. Exchange: 00445	CFE	467,498	1,223,571	30.00%	532,763	(2,109)	49,597	Long-term equity investment	Subscription

Chapter V

(3)

✓ Applicable ☐ Not applicable

Unit: RMB'0000

Name of derivatives investment operator	Relationship with the Group	Related party transaction or not	Type of derivatives investment	Initial investment amount of derivatives investment	Date of commencement	Date of termination	Investment amount at the beginning of the Reporting Period	Purchase during the Reporting Period	Sale during the Reporting Period	Provision for impairment (if any)	Investment amount at the end of the Reporting Period	Proportion of investment amount at the end of the Reporting Period to the net assets of the Company at the end of the Reporting Period	Actual profit or loss during the Reporting Period
HSBC, Standard Chartered Bank	N	N	Foreign exchange forward contract		2017/2/23	2018/12/7	219,820				314,821	0.97%	17,470
HSBC, ANZ and other banks	N	N	Foreign exchange swap		2017/10/17	2018/11/15					270,588	0.83%	1,316
China Construction Bank, Deutsche Bank and other banks	N	N	Interest rate swap contract		2011/1/6	2021/6/28	10,302,060				9,491,309	29.24%	15,580
ING	N	N	Currency option contract		2017/8/3	2018/6/29					65,359	0.20%	(1,351)
Total							10,521,880				10,142,077	31.24%	33,015

Specific explanation on the Company's accounting policies and principles for derivatives investment during the Reporting Period	Described
Description on the actual operation of hedging business	N/A
Description on the materiality of derivatives investment and its risk control during the Reporting Period	28 March 2017
Description on the changes of accounting policies and principles for derivatives investment during the Reporting Period as compared to the previous Reporting Period	N/A
Description on the investment income and fair value of derivatives investment during the Reporting Period (including but not limited to the explanation on the methods and relevant assumptions for the analysis of the fair value of derivatives investment)	As at 31 December 2017, the fair value of foreign exchange forward contracts and foreign exchange swap contracts was calculated by discounting the future cash flow. The fair value of interest rate swap contracts was calculated by discounting the future cash flow. The fair value of currency option contracts was calculated by the Black-Scholes option pricing model.
Capital source of derivatives investment	For the year ended 31 December 2017, the Group's capital source of derivatives investment was RMB33,015 million.
Description on the risk analysis of derivatives investment and risk control measures adopted during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	
Description on the significant changes of the Company's accounting policies and principles and specific principles for derivatives investment as compared to the previous Reporting Period	N
Specific opinions of independent directors on the derivatives investment	The Group's derivatives investment was mainly for the purpose of hedging, which was in line with the Group's risk management strategy. The Group has established relevant internal control system for derivatives investment and risk control.

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✓ A cab e ☐ N a cab e

U : HK$

Year of raised proceeds	Method	Total proceeds raised	Total proceeds used in the Reporting Period	Total proceeds accumulatively used	Total proceeds raised with changes in usage during the Reporting Period	Accumulative proceeds raised with changes in usage	Proportion of accumulative total proceeds raised with changes in usage	Total amount of remaining proceeds raised	Use and direction for remaining proceeds raised	Raised proceeds not used in more than 2 years
2015	I e f add a H S a e	3,856,575,428 (L ae RMB3,227,639,131)	571,793 (L ae RMB511,475)	3,856,575,428 (L ae RMB3,227,639,131)			0.00%			
T a		3,856,575,428 (L ae RMB3,227,639,131)	571,793 (L ae RMB511,475)	3,856,575,428 (L ae RMB3,227,639,131)			0.00%			

Description of overall utilisation of proceeds raised

S c ceed a ed f e e f add a H S a e a e bee f ed f e e g e g ca a f e G .

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☐ A cab e ✓ N a cab e

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☐ A cab e ✓ N a cab e

1.

☐ Applicable ✓ Not applicable

2.

✓ Applicable ☐ Not applicable

Unit: RMB thousand

Counterparty	Sold equity	Date of signing the sales agreement	Transaction price	Net profit contributed by the equity to the listed company from the beginning of the Period to the sale date	Influence on the Company by the sale	Proportion of the net profit contributed by the equity sale to the listed company to the total net profit	Pricing principle of equity sale	Connected transaction	Relationship with the counterparty	The involved equity has been transferred completely	Whether the schedule plan has been implemented; if not, describe the reason and the measures adopted by the Company	Date of disclosure	Disclosure index
Shenzhen Hengbo Technology Co., Ltd.	CIMC ELECTRICITY COMMERCE	2017.9.30	633,715	(144,711)	483,588	15%		N	N	Yes	Yes	2017.9.30, 2017.10.30	www.cninfo.com.cn www.hkexnews.hk

✓ Applicable ☐ Not applicable

Please refer to relevant contents of "II. Report Period Business Overview" and "IV. Report of the Board of Directors" in this annual report. The date of obtaining control is determined according to the date when the Company actually obtains the control over the net assets and operating policies of the acquiree. Other relevant information is prepared in accordance with the requirements of Chapter XIII Financial Statements Prepared in Accordance with CASBE in this report.

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

Unit: RMB thousand

Company name	Company type	Principal activities	Registered capital	Total assets	Net assets	Revenues	Operating profits	Net profits
CIMC Energy	Subsidiary	Energy equipment and related business	17,793	14,167,219	5,860,978	10,671,276	481,090	420,181

Details on obtaining and disposing subsidiaries during the Reporting Period

✓ A cable ☐ N a cable

Company name	Method of obtaining and disposing subsidiaries	Impact on overall production and operation and performance
S e e CIMC Eec, c C eceadLg c Tec g C., Ld.	d a f ae d g	N aea ac eG' Lea , dc ad ea .TeG' Le e ga f, eRe , gPe d RMB483,588,000.
Hg fed Dee e C, .	d a f ae d g	N aea ac
SOE	ae f ae d g	N aea ac
Zeg J eLg c A a S e C., Ld.	ae f ae d g	N aea ac
Q gda Leda, C e ca C., Ld	ae f ae d g	N aea ac
青島力達新橡塑製品有限公司	ae f ae d g	N aea ac

☐ A cable ✓ N a cable

F, dea f ' f, e' , ede e e f eG , ea e, efe, III. R , e De e e ad O f C a e, IV Re , f e B a, d Re ,

Register of reception of research, communications and interviews during the Reporting Period

Date of reception	Venue of reception	Mode of reception	Type of party received	Party received	Brief description on research
9 January 2017	Company	Telephone conference	Investment bank	Wells Fargo Securities, LLC	Proposed changes, legislative, regulatory and policy developments and industry trends
13 February 2017	Company	Face-to-face	Investment bank	People's Insurance Company (Group) of China Limited, Credit Suisse Securities (Hong Kong) Limited	Sales and marketing
13 February 2017	Company	TF Securities Telephone conference Shanghai Company Management	Investment bank	TF Securities	Sales and marketing
14 February 2017	Company	Bank of China Macau Branch Telephone conference	Bank	Bank of China Securities	Sales and marketing
15 February 2017	Company	Face-to-face	Investment bank	GF Securities, Sino-Wealth Securities, Jiantou Capital (建投資本), Pingan Securities, Zhongtai International, Shenwan Hongyuan Securities, China Merchants Securities, Penghua Fund, Yuanta Fund, Huatai Innovation (紅土創新), Pacific Securities, Haitong Securities, Yunqi Capital (雲崎資本) and Huaxia Real Estate (懷真資產)	Sales and marketing
16 February 2017	Company	Face-to-face	Investment bank	Bernard	Sales and marketing
17 February 2017	Hong Kong Stock Exchange	Telephone conference	Asset management company, Investment bank	Aviva Asset Management, Hong Kong Asset Management, Deutsche Asset Management (HK), Templeton Asset Management, LBN Advisors, Value Partners	Sales and marketing
20 February 2017	Company	Telephone conference	Fund company	Fund Company	Sales and marketing

Date of reception	Venue of reception	Mode of reception	Type of party received	Party received	Brief description on research
20 Feb a 2017	C a	Ha gSec e Mac e S aege Tee e C fe ce	I	Ha gSec e	Sa ea ab e
21 Feb a 2017	C a	Fed ea c	I	Ze ag d	Sa ea ab e
22 Feb a 2017	S a g a Ya g a L g c	V a S a g a	I	M ga Sa e	B e c d a d d a de e e c a e d e
24 Feb a 2017	S a g a Ya g a L g c	V a S a g a	I	GF Sec e	Sa ea ab e
24 Feb a 2017	Z a g aga g Sa c C ge c	V a Z a g aga g	I	E ece Sec e	B e c d a d d a de e e e g a dc e ca d e
11 A 2017	C a	Fed ea c	I	O e D Ca a	P c a d e c d e e ge ece d a de e e a d d
28 A 2017	C a	Tee ec fe ce	I	CICC a d C e	E c a ge Q1 e
17 Ma 2017	C a	Fed ea c	I	E ece Sec e	P c a d e c d e e ge ece d a de e e a d d

Date of reception	Venue of reception	Mode of reception	Type of party received	Party received	Brief description on research
18 Ma 2017	K aad V a Saga	K aad Saga	I !		

Date of reception	Venue of reception	Mode of reception	Type of party received	Party received	Brief description on research
15 Se e be, 2017	C a	Fed,e ea,c	I '	C aS ' e H d, H ac ' a g H d	P, c a d e c d , ' e e , ge , ,ece d , a de e e a d d , ' .
20 Se e be, 2017	C a	Fed,e ea,c	I '	Ta. a g A e , TF Sec ' e , Seaa d Sec ' e	Sa ea ab ' e
14 N ' e be, 2017	S e e	Fed,e ea,c	I ' a d d, d a	Ba g H d, P g Y Ca a, GF Sec ' e , 長城財富, CITIC Sec ' e , E e ce Sec ' e , TF Sec ' e , C aS ' e H d, CICC, UBS, Z g a, I d , a Sec ' e , C a O, e A e Ma age e , 亞商投資, C a L fe I ' , a ce, Ha g Sec ' e , a d Seaa d Sec ' e	V c a e, a d ' e ce a
1 Dece be, 2017	S e e	Fed,e ea,c	I '	C a Me, c a Sec ' e a d c e,	P, c a d e c d , ' e e , ge , ,ece d , a de e e a d d , ' .
5 Dece be, 2017	S e e	Fed,e ea,c	I '	N , ea Sec ' e a d c e,	Sa ea ab ' e
8 Dece be, 2017	S e e	Fed,e ea,c	I '	F ' de, Sec ' e a d c e,	Sa ea ab ' e
20 Dece be, 2017	S e e	Fed,e ea,c	I '	Seaa d Sec ' e a d c e,	Sa ea ab ' e
22 Dece be, 2017	S e e	Fed,e ea,c	I ' a d d, d a	BOC I e a a, Ta. a g AMC, Z g a Mac e , 景泰利豐	c e,

TRANSPORT

ROAD

道路運輸車輛業務

IATION

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BUSINESS



Chapter VI

Management Discussion and Analysis

The following discussion and analysis should be read in conjunction with the Group's consolidated financial statements and the notes thereto contained in this annual report. The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards.

Overview

During the Reporting Period, the Group recorded revenue of RMB76,299,930 (2016: RMB51,111,652), an increase of RMB2,509,242 (2016: RMB539,660), representing a year-on-year increase of 49.28% and 364.97%, respectively. For details, please refer to the section headed "Chapter IV Report of the Board — Analysis of Principal Operations" in this annual report. For the Group's financial statements prepared in accordance with International Financial Reporting Standards, please refer to the section headed "Chapter XIII Financial Statements" in this annual report.

Gross Profit

For details of the Group's gross profit during the Reporting Period, please refer to the section headed "Chapter IV Report of the Board — Analysis of Principal Operations" in this annual report. For the Group's financial statements prepared in accordance with International Financial Reporting Standards, please refer to the section headed "Chapter XIII Financial Statements" in this annual report.

Selling and Distribution Expenses

The Group's selling and distribution expenses for 2017 increased by 18.36%, mainly due to the increase in staff costs. Staff costs mainly consist of salaries, bonuses, social insurance and housing provident fund contributions. The increase in staff costs was mainly attributable to the increase in the number of sales staff and the increase in staff costs as a result of the increase in the average salary level.

Administrative Expenses

The Group's administrative expenses mainly consist of staff costs, depreciation and amortization, office and travel expenses, rental expenses, auditor's remuneration, listing expenses and other miscellaneous expenses. The Group's administrative expenses increased by RMB4,377,615 from RMB9,629,635 for the year ended December 31, 2016 to RMB14,007,215 for the year ended December 31, 2017, representing an increase of 45.45%. The increase was mainly attributable to the increase in staff costs as a result of the increase in the number of administrative staff and the increase in the average salary level.

Finance Costs

The Group's finance costs mainly consist of interest on bank loans and other borrowings. The Group's finance costs increased by RMB1,177,195 from RMB2,764,281 for the year ended December 31, 2016 to RMB3,581,717 for the year ended December 31, 2017, representing an increase of 29.56%. The increase was mainly attributable to the increase in the Group's bank loans and other borrowings.

Income Tax Expense

The Group's income tax expense mainly consists of current income tax and deferred income tax. The Group's income tax expense increased by RMB423,551 from RMB1,290,337 for the year ended December 31, 2016 to RMB1,444,348 for the year ended December 31, 2017, representing an increase of 32.82%. The increase was mainly attributable to the increase in the Group's taxable income.

Net Profit

As a result of the foregoing, the Group's net profit increased by RMB83,527 from RMB341,309 for the year ended December 31, 2016 to RMB424,836 for the year ended December 31, 2017, representing an increase of 24.47%.

Gross Profit and Gross Profit Margin

The following table sets forth the Group's gross profit and gross profit margin by segment for the years indicated:

Unit: RMB and %

	2017		2016	
Segment	Gross profit	Gross profit margin (%)	Gross profit	Gross profit margin (%)
Car Radiator	3,901,500	15.58%	1,177,195	10.64%
Engine cooling module	3,581,717	18.35%	2,764,281	18.81%
Engine cooling module and fuel tank	2,198,743	18.56%	1,775,192	18.98%
Office equipment	(32,719)	(1.32%)	437,815	10.17%
Air conditioner	749,391	20.84%	639,110	19.89%
Logistics service	789,197	9.63%	778,894	10.93%
Facade	1,444,348	61.71%	1,290,337	56.04%
Real estate	424,836	42.20%	341,309	47.20%
Heating	132,473	5.16%	32,694	1.89%
Other	186,215	5.97%	252,046	11.36%
Combined offset	631,514	–	140,762	
Total	14,007,215	18.36%	9,629,635	18.84%

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F , de a f e ec g de e e c , a e c , a age e e e e a d f ace e e f e G ' d , g e Re , g Pe d, ea e, efe 3. E e e a d 4. I e e R&D f II. A a f P, c a B e e f C a e, V O e, a D c a d A a P, e a ed Acc , da ce e D e c Sec ' e Reg a , R e a d e IV. 52, 53, 54 a d 55 C a e, XIII F a c a Sa e e P, e a ed Acc , da ce CASBE Re , .

D , g e Re , g Pe d, e G ' - e, a g c e a ed RMB622.421 (2016: RMB761.241), , e , e e g a ea, - - ea, dec, ea e f 18.24%, a d e e G ' , ec a f g g e, e g a e, g a acc , da ce e , e ed Acc g Sa da d f , B e E e , e N . 16 G e, e G, a a d c a, ab e da a f 2016 be g, e a ed d , g e Re , g Pe, d. F , de a , ea e, efe e II. 33 a d e IV. 61 C a e, XIII F a c a Sa e e P, e a ed Acc , da ce CASBE Re , .

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D , g e Re , g Pe, d, e G ' ade , e f , a e a, e a g RMB880.764 (2016: RMB2,215.199), , e , e e g a ea, - - ea, dec, ea e f 60.24%, a d e e g f ca , e ade b CIMC E , c, a - - ed ' b da, f e G ' , f , e e, a f ea e, f e e, e e SOE 2016. F , de a , ea e, efe, e IV. 23 C a e, XIII F a c a Sa e e P, e a ed Acc , da ce CASBE Re , .

D , g e Re , g Pe, d, e G ' ' c e a e e e a ' ed RMB1,250.826 (2016: RMB967.068), , e , e e g a ea, - - ea, c, ea e f 29.34%. F , de a , ea e, efe, e IV. 63 C a e, XIII F a c a Sa e e P, e a ed Acc , da ce CASBE Re , .

A

I 2017, e G ' ' , f a , d ab e , S a e de, a ed RMB649.173 (2016: RMB195.323), , e , e e g a ea, - - ea, c, ea e f 232.36%, a d e e c a ge , f f b da, e , S a e de, .

T e G ' ca a ba . a d a d , a c f ca a d ba . de . A a 31 Dece be, 2017, e G ' ca a ba . a d a da ed RMB5,596.314 (31 Dece be, 2016: RMB6,325.998), , e , e e g a ea, - - ea, dec, ea e f 11.53%. De a a, e e e IV. 1 C a e, XIII F a c a Sa e e P, e a ed Acc , da ce CASBE Re , .

F , de a f e ca f da a f e G ' d , g e Re , g Pe, d, ea e, efe 5. Ca F f II. A a f P, c a B e e f A a, 2016: (d , g0.6 e G)2(20.5(

C a e VI

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A a 31 Dece be 2017, e G ' - e b g g- e b g debe e a abe a d e d e ab e (ace fc eca a e) agg ega e a ed RMB52,014.876 (31 Dece be 2016: RMB55,932.185). De a f ba a a d e b g f e G a a 31 Dece be 2017 a e e e IV. 25, 36, 37, 38 a d 39 C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE e .

U : RMB a d

	As at 31 December 2017	A a 31 Dece be 2016
S - e b g	15,317,347	15,729,787
N - d e b g de e ea	3,982,626	3,525,710
Debe e a abe d e e ea	–	
L g- e b g	24,140,168	27,023,222
Debe e a abe	7,986,500	7,986,500
O e d e ab e (ace fc eca a e)	588,235	1,666,966
T a	52,014,876	55,932,185

I e e ca a ed b e G 2017 a RMB517.890 (2016: RMB507.365).

T e G ' ba b g a e a de a ed U.S. d a , e e e a e c ed g f ed a e a df a g a e . A a 31 Dece be 2017, e G ' ba b g c ded f ed a e b g f a a e RMB8,728.021 (31 Dece be 2016: RMB8,123.960) a d f a g a e b g f a a e RMB34,712.120 (31 Dece be 2016: RMB38,154.759). T e g- e b g e e a d e f e ea . F de a , ea e efe e IV. 38 a d e XIV. 3 C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE e .

T e G ' ed b d a e a de a ed RMB, e e e a e c ed g f ed a e . A a 31 Dece be 2017, e e a g f ed a e b d ed b e G a ed RMB7,986.500 (31 Dece be 2016: RMB7,986.500). F de a , ea e efe e IV. 39 a d e XIV. 3 C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE e .

T e G ' ca a c e c f e a b ab e Sa e de a d ab e . A a 31 Dece be 2017, e G ' e e a b ab e Sa e de a ed RMB43,237.434 (31 Dece be 2016: RMB39,134.792); e a ab e a ed RMB87,366.945 (31 Dece be 2016: RMB85,479.956) a d e a a e a ed RMB130,604.379 (31 Dece be 2016: RMB124,614.748). F e g f ca c age e G ' a e a d ab e d g e Re g Pe d, ea e efe IV. A e a d Lab e f C a e VO e a D d a d A a P e a ed Acc da ce e D e c Sec e Reg a R e Re .

A e e d f e Re g Pe d, e G ' gea g a a 66.89% (31 Dece be 2016: 68.60%), e e e g a ea - - ea dec ea e f 1.71 e ce age . T e G c ed a a a a , ae c b a f e a dd deb , de a a a effec e ca a c e a d de a e f S a e de . (N e: e gea g a ca d a ed ba ed e G ' a deb d ded b a a e a a e ec e da e .)

Audit

The financial statements of the Company for the year ended December 31, 2017 have been audited by Ernst & Young Hua Ming LLP in accordance with China Standards on Auditing and Ernst & Young in accordance with International Standards on Auditing. Ernst & Young Hua Ming LLP and Ernst & Young have been re-appointed as the Company's domestic and international auditors, respectively, for the year 2017 at the annual general meeting of the Company held on June 30, 2017. The financial statements prepared by the Company for the year ended December 31, 2017 have been audited by Ernst & Young Hua Ming LLP and Ernst & Young, who issued unqualified auditors' reports thereon.

Risk Management and Internal Control

The Company has established a comprehensive risk management and internal control system to identify, evaluate and manage risks in the course of achieving its strategic objectives. The system is designed to provide reasonable assurance against material misstatement or loss, and to safeguard the assets of the Company and its shareholders as a whole. The Board of Directors is responsible for the overall risk management and internal control system and for reviewing its effectiveness at least annually. The Audit Committee assists the Board in this review. For details, please refer to Section XIV. 1 Chapter XIII Financial Statements Prepared According to CASBE Rules.

Profit Distribution

As at December 31, 2017, the Company had undistributed profits of RMB142.718 billion (December 31, 2016: 417.786 billion). The Company's profit distribution policy complies with the requirements of the Articles of Association and the resolutions of the shareholders' general meeting. The Company has established a clear and transparent profit distribution policy to ensure the protection of the legitimate rights and interests of minority shareholders. For details, please refer to Section XI. 1(1) Chapter XIII Financial Statements Prepared According to CASBE Rules.

Appointment and Removal of Auditors

For the appointment and removal of auditors of the Company as at December 31, 2017, please refer to Section IV. 13 and Section VI Chapter XIII Financial Statements Prepared According to CASBE Rules for details.

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A a 31 Dece be 2017, e a e ced a e f e G a ed RMB9,815.725 (31 Dece be 2016: RMB9,756.883). F de a f e G ' edge f a e , ea e efe e IV. 24 C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE Re .

A A

D g e Re g Pe d, e G c ee ed e ac f Z e g J e L g c A a S e C ., L d., Q gda Leda C e ca C ., L d, 青島力達新橡塑製品有限公司 a d SOE a a c de a f RMB849.139 . F de a , ea e efe e V C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE Re . D g e Re g Pe d, e G d ed f 78.236% e e ed CIMC E ec c C e ce. T e a a f e d a a RMB633.715 . F de a , ea e efe e V C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE Re .

T e G ' e a ga d ca a e e d e a e a f a ced b e f- ed f d a d e e a f a c g. C c e , e G a e a de a de de e a ce f e e a g ca f . Acc d g e c a ge ec c a a d e a g e , e , a e a e eed f e G ' a egc gade a d b e de e e , eca a e ed e f e G e ec ed be a , a e RMB9.1 b 2018, c be a ed f c a e a d c c ff ed a e , a g be a e a d e g-e a e . T e G c e c de a e ff a c ga a ge e .

A a 31 Dece be 2017, e G ad a c ge ab e f RMB125.286 (31 Dece be 2016: RMB83.248). F de a , ea e efe e X. 1 C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE Re .

A a 31 Dece be 2015, e C a a ed a a f 286,096,100 e H S a e COSCO C a e I d e L ed, B ad R de L ed a d P H d g L ed a HK$13.48 e H S a e, a d e ceed a ed e ea a e HK$3,857 (e a e RMB3,228). F de a f e e f a ed ceed e ea a a 31 Dece be 2017, ea e efe 5. U e f Ra ed P ceed f V. I e e de C a e V Ma age e D c a d A a P e a ed Acc da ce e D e c Reg a Sec e R e Re .

A a 31 Dece be 2017, e e ea a e 50,689 e ee f e G (31 Dece be 2016: 51,299 e ee) e PRC. F c f ee ee, ea e efe VII. E ee f e C a f C a e X I f a D ec , S e , Se Ma age e a d E ee Re . T e a aff c d g e Re g Pe d, c d g D ec ' e ea , c b e e e be ef c e e a d a e ce e c e e, a ed a e RMB7,402.385 (2016: RMB5,925.685). F de a , ea e efe e IV. 55 C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE Re .

T e G de a a d b a e e ee ba ed e, e f, a ce, a fca , e e ce a d a e c d . T e a e ce e c e e ea ec g e e e c b f D ec a d c e ee e G a d e a d e f e g-e e ce. O e be ef c de c b eg e e a e c e e a d ' a ce a f e ee a a d C a. T e G eg a e e e ea ce, c d g D ec ' e ea a abe, a d e f a ea ed ce e a d a e e ec a ba ed e e a g e f e G a d a e c d .

T e C a a b a t -ę e a d c e a e
, a g e c , e t a , e t , c e
f e e- , e e d a d t a b e , c d g: e
e e e , a g , g e e , a . , a g , , f e a
, a g , e a d e , a g , g a e a d e , a a
a e , a g , g a e. M e a e , e G , t a a
, ι d e d e e e a e c a , e e , d ę e e
, t e . T e G , t , b a e d , e , t , e e
e a e a c c , d g , a e g c d ę e e , a
b e e e e ' c a , e e , d ę e e a a g e (t c a
a a g e e , e g e e g e c g , e a , f a c e a d
e c .) c d c e f f e c ι e c a , e e , a a g e e a d c a , f
c a , e e , d ę e e d , e c f , e e e a
ι e c , e a g e , c a b e .

T e G , t a , ι d e d e b a c e , a c e
f , e e e e a , , a g e d b c a b , a d c a
e d , b , e a . T e G , t a . e c , b
e e , a c e a e a c a b e , a e
b a e d e a t a e d b e g ι e e
, g a a . W e e e e , e , e , e c a b , a d
c a e d , b , e a a , e , e b e f , e a e
f e b a c e b e e f e , e , e d e e e .
T e a t f e , a c e a a b e c a d a e d
a c c , d g e a b ι e , e g a a , e , e c g e d a
a b e d , g e e d e e e e , e d e ,
e ę c e a d a , e c a , g e d , f , , c a a e d
c f , e a e d a e . F , d e a , e a e , e f e , e
ll. 24 a d e IV. 55 C a e , XIII F a c a S a e e
P , e a , e d A c c , d a c e C A S B E R e , .

T e e e a f a , e c e ι e c e e
e t e a b a e , e a , g a d , e , a
e c a a g e d , e c , , e a a g e e a d
e c , e e e e , b c e a a g e e c a
b e , b a a c e g - e , g a a d , - e , g a
a a , a c a d , e a t a d g a a g e e
c a d d a e a d . e e e e a d t a e t a a b e
ι a t e f c e ι e c e , e g a , a e e e
a b e d ę e e e f e C a e g e ,
a d e a c e c e ι e , e g . F , d e a f e
a , e c e ι e c e e f e C a a d
t b d a , e , e a e , e f e , X V . I e e a f e
C a ' S a , e O I c e ι e S c e e , E e e
S c . O e , S c e e , O e , E e e I c e ι e
M e a t , e f C a e , V I I I S g f c a Ę e
R e , .

ENERGY

CHEMICAL EQUIPMENT

AND LIQUID FOOD

能源、化工及液態食品裝備業務

BUSINESS



C a e, VII

Dea, S a,e de, ,

D, g e ea, f 2017, e S e, , C ee f e C a a e, f, ed a d d c a, ged d e a d , e b e c c e acc, da ce e, e e a , L f e PRC C a La a d e A, c e f A c a .

Session of meeting	Date	Supervisor attended	Name of proposal	Resolution	Searching index for the resolution published on designated websites	Disclosure date of the information cited in the resolution
T e 2 d ee g 2017 f e 8 e	2017.4.21	Z a g M g e L S e g X g B	1. P a , ega d g ead e f e be fA a e be ed, e a ce , ce, e , cedee, a da ea d e e e f e, a d e, d f e, e a d ea , a f e ge e, a ee g; 2. P a , ega d g e, e ed a f, e - b c a ce fA a e b ec a ; 3. P a , ega d g efea b , e , e e f , ceed , a ed f, e - b c a ce fA a e b ec a (2017 a e d e); 4. P a , ega d g e, e , e f , ceed f, , e d a gac, e b e C a ; 5. P a , ega d g e ac f			

Session of meeting	Date	Supervisor attended	Name of proposal	Resolution	Searching index for the resolution published on designated websites	Disclosure date of the information cited in the resolution
Te6 ee g 2017 f e 8 e (ead ee c fe e ce)	2017.8.28	Za gM g e L Se g ' X gB	1. P a egad g e 2017 e e ; 2. P a egad g e , f, a e a e f eC a f, ef, af f2017; 3. P a egad ga g e e Acc ' gSa da d f, B e E e, e; 4. Re , f e e ac , . f, ef, af f2017.	Ad e, ee a a e, egad g e 6 ee g 2017	.c f.c .c . .e e ..	2017.8.29
Te7 ee g 2017 f e8 e	2017.10.27	Za gM g e Wa gH g a X gB	Rega d g e , dWa e e, f2017	Ad e , d a e e, f2017	.c f.c .c www.hkexnews.hk	2017.10.28

A A A

A e be, f e S e, C ee a e a e ded e, eg a, ee g c e ed b eB a dd, g e, e , g e d.

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Te S e, C ee f eC a c ce ' e f, d e acc, da ce e a cabe , f e PRC C a La a d e A ce f A ca . D, g e ea, e e be, f e S e, C ee a e ded a b a d ee g . Te c d ced ' e ec e g a d dec - a g , ced , e f e S a e de, ' ee g a d eB a d ee g, ea c a e e a f e, e ' a e d a e S a e de, ' ee g b eB a d a e a e dec - a g , ce a dD e e a , ce f eC a acc, da ce e a cabe a a d, eg a . Te S e, C ee c de, ed a, d, g e ea, eC a a ade a dec acc, da ce ega , ced , e a d e a c , e ' d. Te a e f e e a e f eD, ec , , e CEO a d, e de a e a e , a age e f eC a e, a ed eC a ' A ce f A ca , e e de, e a e e e f eC a d, g e, ' a c ' e f , , , a e e ab ed e, e, da age e e e fS a e de, , e ee.

2. 3

D, g e Yea, e S e, C ee a e a ed eC a ' b e a d f a ca ' a , a d ed e a ' a , e , a d e , e , ' a e , e , a d e d d e ' b ed b eB a d. Te S e, C ee f e, e a e e f a ca a e e ' a d fa , e, e e eC a ' f a ca a d e a a , e' .

3.

Chapter VIII
Significant Events

F, ! a , e e a , ad e f , f d , b c f , d a, a e (e eca e ca d, de d c) d , g e Re , g Pe, d

✓ A cabe □ N a cabe

T e C a a ad ed a abe d, de d d , b c , c c a ce , e ¢ a c e A, ce f A ca . A , e e , e C a d , b e d, de d S a, e de, ce a ea, a e ef a d, de d, a d e a , f d , b ed ef, fca d, de d a be e a 30% f e a e, age a ! a d , b abe , f f e C a e a , ee ea . T e C a ' abe a d ac, ed, de d d , b c a , ec a, ed ec ef, S a, e de, a d ! , ec e e, e f , S a, e de, . T e A, ce f A ca ec fca ! a e e C a ' d, de d d , b : e C a ' f a d, de d be de e, ed a e g e e, a ee g b a f , d a , e ! . T e C a , c c a ce a , e ¢ a , ! de, e A, ce f A ca ! e, e ea f, dec - a g d, de d d , b . T e C a , e ac ¢ e ! a d g e, a g, e ! a da g d, e , f, S a, e de, .

B f e C a ' a f , f d , b a d a f , c ! e, fca a , e e ¢ e a , e ca a c e C a ' A, ce f A ca a d e, e ¢ a , ! d , g e Re , g Pe, d.

Particulars of Cash Dividend Policy

Wa c a ce e, e ! e e f e C a ' A, ce f A ca a d e, e ! f e g e e, a ee g:	Ye
Wa e d, de d d , b c, e a a d , , e -def ed a d c ea, :	Ye
Wa e, e a ed dec - a g , ce a d ec a ace:	Ye
D d de e de D, ec , ! f e, d e a d a e, , e :	Ye
We e e , S a, e de, g e , ! e ! ffc e ! ce e, a d a e, e ! e a d e, e e, ega e e ! , ec ed:	Ye
We, e c d a d , ced , e ega a d , a a e , e ec f e ca d, de d c ad e , c a g e :	Ye

Profit Distribution or Capital Reserves Transfer to Share Capital

✓ Applicable □ Not applicable

Number of bonus shares per 10 shares (share)	0
Amount of dividend per 10 shares (RMB) (tax included)	2.70
Number of shares converted per 10 shares (share)	0
Base of shares calculating dividend (share)	2,982,889,136
Total dividend (RMB) (tax included)	805,380,067
Distributable profit (RMB Yuan)	2,189,653
% of total dividend in profit distribution	100%

Description of cash dividend

We are Cayman Islands exempted company with limited liability, and pursuant to the Articles of Association, the annual dividend distribution ratio shall be 80% of the annual distributable profit of the Company. We are Cayman Islands exempted company with limited liability, and pursuant to the Articles of Association, the annual dividend distribution ratio shall be 40% of the annual distributable profit of the Company.

Description of details of profit distribution or share capital increase by way of transfer from capital reserves

Based on the 2017 annual general meeting of the Company, the Board proposed a final dividend of RMB0.27 per share (tax included) for the year ended 2017. The proposal for 2017 profit distribution will be submitted to the Shareholders' General Meeting for consideration.

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✓ A cab e ☐ N a cab e

Commitment	Promisor	Contents of commitment	Date of commitment	Commitment period	implementation
O e c e ade , Sa e de f eC a	TeC a	I acc da ce e ee a ed a d e c e de a e egbe ' c a e f eg c d ec , , d e c e de ca d e HSa e f e C a f c e ega e d e ec a ge f g ca f c f e C a , e a e egbe ' b c be e a e f e C a ad e H a e , e e ea c , a da afe e a e fH a e f eC a , e a e c e ' be e a fe ed e a a d.TeC a , e d e c e de a bef e e a e fee ' c a e e ea c , eC a f a ceb e ea f a e .	2012/8/15	Bef ed e c e de a e fee b e ea c.	I ge
	TeC a	Sa e de 'b ' e , a (2016 2018)	2016/4/8	2016 2018	I ge
Tec e ' f ed Ye a e a e ,					

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☐ A cab e ✓ N a cab e

C a e VIII

☐ A cab e ✓ N a cab e

T e e a a , a f f d f e ed C a f , - e a g , e b c , g S a e de a d e , e a ed a e d , g e Re , g Pe d.

☐ A cab e ✓ N a cab e

✓ A cab e ☐ N a cab e

Significant changes in accounting policy: government grants and non-current assets held for sale, disposal groups and discontinued operation

A c de ed a da , l ed b e B a d a d e S e , C ee f e C a 28 A g 2017, e C a dec ded c a ge acc g c acc , da ce e e f e N ce I g e Re ed Acc g S a da d f , B e E e , e N . 16 G e e G a (Ca k a [2017] N . 15) a d e N ce I g e Acc g S a da d f , B e E e , e N . 42 N -c , e A e He d f , Sa e, D a G a d D c ed O e a (Ca k a [2017] N . 13), b ed b e M , f F a ce. T e c a ge ca e f ce 12 J e 2017 a d 28 Ma 2017 , e ec e , a , e a ed , eg a .

S b e e C a ge Acc g P c , (1) e C a ad e Acc g S a da d f , B e E e , e N . 16 G e e G a (Ca k a [2017] N . 15) . T eg e e g a , ea g e , d a ac e f e e , e a be c ded e c e ba ed e a , e fec c b e ; eg e e g a , ea g e , d a ac e f e e , e a be c ded - e a g c e a de e e . F , g e e g a a a 1 Ja a 2017, e , ec e a ca e d a be a ed, a d f , e g e e g a c , ed f 1 Ja a 2017 e da e c e a da d ca e f , ce, ad e a be ade acc , d g e a da d . T e c a a e f a ca a e e f , e ea f 2016 e e , e a ed. (2) e C a , ea e e Acc g S a da d f , B e E e , e N . 42 N -c , e A e He d f , Sa e, D a G a d D c ed O e a . T e c a ge acc g c a a e a ac e G ' f a ca a e e f , e ea f 2017. P ea e, efe e e II. 33, e IV. 8, e IV. 42 a d e IV. 59 C a e XIII F a ca Sa e e P e a ed Acc , da ce CASBE Re , f , de a .

☐ A cab e ✓ N a cab e

D , g e Re , g Pe d, e e e , e , ec e , e a e e f g f ca acc g e , , c , ed e C a .

✓ A cab e ☐ N a cab e

P ea e efe e V C a e XIII F a ca Sa e e P e a ed Acc da ce CASBE a e
Re f e e e ge a d e e c a e.

The firms of accountants engaged currently

T e e gaged f f acc a e a a d	P ce a e eC e Z gTa LLP
Pa e f eacc a	RMB13,460,000
	(c d g: e a d g fee a g RMB11,660,000 a d e a d g fee f e e a c a g RMB1,800,000)
C g e ce ea f eacc a	6 ea
CPA f eacc a	Z We a , Ca Z fe g

Whether to appoint another accounting firm during the Reporting Period

☐ Ye ✓ N

T eC a dd c a ge a d e a e ea .

Particulars on recruitment of accounting firms, financial consultants or sponsors for internal control and auditing purposes

✓ A cab e ☐ N a cab e

D g e Re g Pe d, eC a e gaged P ce a e eC e Z gTa LLP a acc g f f e a c a d a d g e. T e a d g fee f e a c f e ea 2017 e e RMB1.80 .

☐ A cab e ✓ N a cab e

☐ A cab e ✓ N a cab e

D g e Re g Pe d, e e e ba c e ga a ea ed e f eC a .

☐ A cab e ✓ N a cab e

D g e Re g Pe d, e e e ae a a e ab a f eC a

C a e, VIII

☐ A cab e ✓ N a cab e

D , g e Re , g Pe, d, e, e e e a e , , e ede f e C a .

D , g e Re , g Pe, d, e, e a effec, e dg e f e c , fa ed be a fed b e C a , , ea, e a, ge a f deb d ea d a d g.

1. I , de, e ab a d , e e ce e-c , a ec a , a d effec, e c b e e e, e

M L e e f e a, e g a ed b e C a e ea, a a 31 Dece be, 2017 a, e e a be :

		Number of underlying shares comprised in A share options								
	Date of grant	Balance as at 1 January 2017 (share)	Exercisable during the year (share)	Transferred to/from other categories during the year (share)	Granted during the year	Exercised during the year (share)	Lapsed during the year (share)	Balance as at 31 December 2017 (share)	Exercise price per share (RMB)	Exercise period
D, ec , Ma B a g	2010.9.28	2,850,000	2,850,000					2,850,000	10.49	2015.6.2 2020.9.27
O e, e , a age e (T a)	2010.9.28	5,662,000	5,662,000 (N e)	(351,250)				5,310,750	10.49	2015.6.2 2020.9.27
O e, e ee	2010.9.28	13,051,890	13,051,890 (N e)	351,250		3,821,050		9,582,090	10.49	2015.6.2 2020.9.27
	2011.9.22	3,665,650	3,665,650			491,100		3,174,550	16.02	2015.10.24 2020.9.27
T a		25,229,540	25,229,540			4,312,150		20,917,390		

N e:

During the 2009 Exercise Period and the 2011 Exercise Period, 1,384,000 and 1,000,000 underlying shares of the Company were granted to the Grantees, respectively. Details of the movements of the Company's share options granted during the year ended 31 December 2017:

		Number of underlying shares comprised in share options							
	Date of Grant	Balance as at 1 January 2017	Granted during the year	Exercised during the year	Transferred to/from other categories during the year	Lapsed during the year	Balance as at 31 December 2017	Exercise price per share HK$	Exercise period
Directors of CIMC Enric									
Mai Xiangguo	2009.11.11	1,000,000					1,000,000	4.00	2010.11.11-2019.11.10
	2011.10.28	500,000					500,000	2.48	2013.10.28-2021.10.27
	2014.06.05	400,000					400,000	11.24	2016.06.05-2024.06.04
Yang Xiaoping	2009.11.11	164,000					164,000	4.00	2010.11.11-2019.11.10
	2011.10.28	200,000					200,000	2.48	2013.10.28-2021.10.27
	2014.06.05	400,000					400,000	11.24	2016.06.05-2024.06.04
Jiang Wei	2009.11.11	800,000					800,000	4.00	2010.11.11-2019.11.10
	2011.10.28	300,000					300,000	2.48	2013.10.28-2021.10.27
	2014.06.05	300,000					300,000	11.24	2016.06.05-2024.06.04
[illegible]	2009.11.11	698,000					698,000	4.00	2010.11.11-2019.11.10
	2011.10.28	300,000					300,000	2.48	2013.10.28-2021.10.27
	2014.06.05	300,000					300,000	11.24	2016.06.05-2024.06.04
Li Yongqing	2009.11.11	500,000					500,000	4.00	2010.11.11-2019.11.10
	2011.10.28	300,000					300,000	2.48	2013.10.28-2021.10.27
	2014.06.05	300,000					300,000	11.24	2016.06.05-2024.06.04
Wang Hong	2009.11.11	500,000					500,000	4.00	2010.11.11-2019.11.10
	2011.10.28	300,000					300,000	2.48	2013.10.28-2021.10.27
	2014.06.05	300,000					300,000	11.24	2016.06.05-2024.06.04

		Number of underlying shares comprised in share options							
	Date of Grant	Balance as at 1 January 2017	Granted during the year	Exercised during the year	Transferred to/from other categories during the year	Lapsed during the year	Balance as at 31 December 2017	Exercise price per share HK$	Exercise period
T Ke Pa g	2011.10.28	300,000					300,000	2.48	2013.10.28-2021.10.27
	2014.06.05	300,000					300,000	11.24	2016.06.05-2024.06.04
Z a g X e a	2011.10.28	300,000					300,000	2.48	2013.10.28-2021.10.27
	2014.06.05	300,000					300,000	11.24	2016.06.05-2024.06.04
E ee f CIMC E c	2009.11.11	8,422,000		(246,000)			8,176,000	4.00	2010.11.11-2019.11.10
	2011.10.28	22,172,000		(3,304,000)			18,868,000	2.48	2013.10.28-2021.10.27
	2014.06.05	29,254,000			(1,384,000)		27,870,000	11.24	2016.06.05-2024.06.04
O e a c a	2009.11.11	8,330,000		(2,000,000)			6,330,000	4.00	2010.11.11-2019.11.10
	2011.10.28	1,882,000		(264,000)			1,618,000	2.48	2013.10.28-2021.10.27
	2014.06.05	4,750,000					4,750,000	11.24	2016.06.05-2024.06.04
T a		83,572,000		(5,814,000)	(1,384,000)		76,374,000		

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(1)

Unit: RMB Thousand

Related party	Relationship with the Group	Type of the connected transaction	Details of the connected transaction	Pricing principle	Price	Pricing principle

Related party	Relationship with the Group	Type of the connected transaction	Details of the connected transaction	Pricing principle	Price	Amount	Proportion to transaction amount of the same category	Approved Cap	Whether approved cap has been exceeded	Settlement Method	Available market price of the same transaction category	Disclosure Date	Disclosure index
Fe Ce Se (SPV) Ld	Sbdf Sae de	Saefgd	Saefgd	Rea c eca e		372,760						2016.11.12	.c f. c .c
Fe Ce Se Ld	Sbdf Sae de	Saefgd	Saefgd	Rea c eca e		171,003						2016.11.12	.c f. c .c
S C a M ae de fabda		Saefgd	Saefgd	Rea c eca e		108,475							
Zea X gBa b A caedc a ld C.,Ld.		Saefgd	Saefgd	Rea c eca e		78,943							

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☐ A cab e ✓ N a cab e

(3)

☐ A cab e ✓ N a cab e

(4)

✓ A cab e ☐ N a cab e

W e e, e e a, e - e, a g c a a d ab e a g e c ec ed, a ac

☐ Ye ✓ N

Claims receivable from the related party

U : RMB a d

Related party	Relationship with the Group	Reason	Any appropriation of funds for non-operating purposes	Opening Balance	Amount increased during the current period	Amount recovered during the current period	Interest rate	Interest for the current period	Closing balance
Z e a g CIMC E be Rea E a e C., LTD	A caedc a f eG	O e, a gb,, g b S, ae de, a e, a	N	824,391		496,601		3,460	331,250
S, a g a Fe g a g Rea E a e De e e C., Ld.	A caedc a f eG	O e, a gb,, g b S, ae de, a e, a	N	34,204					34,204
Na g Ne A a c F, e Id , Ld.	A caedc a f eG	O e, a gb,, g b S, ae de	N	10,629	2,266			918	13,813
X a g W d H g K g C., Ld.	A caedc a f eG	O e, a gb,, g b S, ae de, a e, a	N	4,361		286			4,075
S a g a X Ba Q Ve ce C., Ld.	J , e , e f e G	O e, a gb,, g b S, ae de	N		12,300			108	12,408
O e, ea ed a e									
Effec fca a g ec ec ed , a ac e e a g e ad f a ca f e C a			N						

Liabilities payable to the related party

Unit: RMB Thousand

(2)

The Company entered into a Framework Agreement in relation to Framework Agreement dated 11 November 2016 with COSCO SHIPPING Development Co., Ltd. (formerly known as COSCO SHIPPING Development Co., Ltd., COSCO SHIPPING Development), pursuant to which the Company agreed to purchase (and to procure its subsidiaries to purchase) from COSCO SHIPPING Development and its subsidiaries (collectively, COSCO SHIPPING Development Group) and COSCO SHIPPING Development Group agreed to provide the Company and its subsidiaries with certain products and services for the three years ending 31 December 2017, 2018 and 2019.

1) Principal terms of the Framework Agreement:

Pricing policy: The prices of products and services provided by COSCO SHIPPING Development Group to the Company shall be determined according to the following principles: (a) prices shall be determined by reference to the prices charged by COSCO SHIPPING Development Group to Independent Third Parties for the same or similar products and services; (b) prices shall be determined by reference to the prices charged by Independent Third Parties to COSCO SHIPPING Development Group for the same or similar products and services; and (c) prices shall be determined by reference to reasonable costs incurred by COSCO SHIPPING Development Group in providing the products and services plus a reasonable profit margin. The prices charged by COSCO SHIPPING Development Group to the Company shall be no more favourable than the prices charged by COSCO SHIPPING Development Group to Independent Third Parties.

Term: The agreement shall become effective from 1 January 2017 to 31 December 2019 (both dates inclusive). During the term of the agreement, each party to the agreement shall enter into specific agreements with the other party in accordance with the principles and terms of the agreement.

2) Transactions in 2017:

In 2017, the actual transaction amount between the Company and COSCO SHIPPING Development Group was RMB785.052 million, exceeding the annual cap of RMB450.000 million for the year ended 31 December 2017 as agreed in the Framework Agreement.

The reasons for the excess of the actual transaction amount over the annual cap are as follows: (1) The actual transaction amount was calculated according to the actual transaction volume. During the course of the transaction, the Company has to adjust the transaction volume from time to time according to the actual business development needs, resulting in the actual transaction amount exceeding the annual cap. In addition, the Framework Agreement was entered into in 2016, and the Company could not accurately estimate the impact of the changes in the international shipping market on the transaction amount in 2017 when the annual cap was determined. (2) The international shipping market in 2017 was better than expected, and the Company's business volume increased accordingly. As a result, the transaction amount between the Company and COSCO SHIPPING Development Group increased accordingly. As the Company's transactions with COSCO SHIPPING Development Group are mainly asset-based and service-based

a d -de a d c d f e c a e, a fac , e a . Aga bac d , COSCO SHIPPING G ' , c , e e f c a e f e G g e d a a ca ; a d ( ) T e c ec a d e e f e , ca , a ac f , a f e C g C ec ed T a ac be ee e G a d b da e . a a ge a f e a d g a a , ec , ded Dece be 2017, e ef , e, e C a d d f d a e c g c ec ed , a ac de e F a e , Ag ee e f , 2017 ad e ceeded e a a ca f , 2017 d , g e , e a a f Re , .

T e ee g 2018 f e e g e f e B a d f e C a c de ed a d a , ed e Re f , a f g e e ec f , d a , e a ed- a , a ac /c g c ec ed , a ac COSCO SHIPPING De e e C ., L d. 2017 . I a ag eed , a f e ac a

C a e VIII

4) De c f e c ec ed (e a ed), e a be ee e a e e a ac :

COSCO SHIPPING De e e e d g c a f L g H (l e e L ed (**Long Honour**) a d COSCO C a e, l d e L ed (**COSCO Container Industries**

7) I de e de -e ec l e D ec , ' c f, a :

I ea e c ' g c ec ed , a ac / d a , ea ed- a ac be ee e G ' a d COSCO SHIPPING D e e e a d b da e a da ca ed c a e c , g e Re , g Pe d, e de e de -e ec l e D ec , f e C a a e e ed a d c f, ed a :

- T e a ac e ed ab l e a e e , e ' e f e e a a a d eg a a e a e A ce f A ca , a e bee c d c ed a fa , e a d ' ba a d a e bee a d ed , g e a , ced e , a d ac a e bee f d c a e de , e a e e f e C a a d e S a e de , e ec a e , S a e de ;
- T e a ac e ed ab l e a e bee e e ed e d a a d ' a c ' , e f b e f e C a ;
- T e a ac e ed ab l e a e bee e e ed , a c e c a e , be e e ; a d
- T e a ac e ed ab l e a e bee e e ed acc da ce e e f e a ag ee e g l e g e a d e a a e fa a d ea ab e a d e e e f e a e de f e C a a a e.

8) A d ' c f, a :

I c a ce e e ' e e f ec 14A.56 f e H g K g L g R e , e a d , f e C a a e ed a a fed c c e c ' g c ec ed , a ac e ed ab l e a d a e c f, ed e B a d b c , , e de ce , ea e e a :

- N g a c e a d , ' a e a ca e e be e a e c ' g c ec ed , a ac e ed ab l e a e bee a , l ed b e B a d;
- I , ea e e , a ac , ega d g , l f c d e , e ce b e G ' , g a c e a d , ' a e a ca e e be e a e c ' g c ec ed , a ac e ed ab l e e e , a a e a , e ec , acc da ce e , c g ce f e G ' ;
- N g a c e a d , ' a e a ca e e be e a e c ' g c ec ed , a ac e ed ab l e e e e e ed , a a e a , e ec , acc da ce ea ee e , ea ' c , a ac ; a d
- F , e ea e ded 31 Dece be 2017, e a a ' f c ' g c ec ed , a ac e ed ab l e a RMB785,052,000, e ceed g ea ' a ca f RMB450,000,000 f , ' c , a ac a d c ed b e C a ea ' ce e da ed 11 N l e be 2016.

(3)

F , de a f e G ' ' c ec ed , a ac a d , ea ed- a , a ac d , g e Re , g Pe d, ea e , efe e VIII. 5 C a e XIII F a ca Sa e e P , e a ed Acc da ce CASBE Re , . E ce f , e c ec ed , a ac a d c ' g c ec ed , a ac a d c ed ec , e e a e e c ec ed , a ac , e ed be d c ed ' , ' a C a e 14A f e H g K g L g R e .

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☐ A cab e ✓ N a cab e

D g e Re g Pe d, e e a ee f e C a ge e a g a f c c b ed 10% e f e a f f e C a d g e Re g Pe d.

(2)

☐ A cab e ✓ N a cab e

D g e Re g Pe d, e e a c ac g f e C a ge e a g a f c c b ed 10% e f e a f f e C a d g e Re g Pe d.

(3)

☐ A cab e ✓ N a cab e

D g e Re g Pe d, e e a ea g f e C a ge e a g a f c c b ed 10% e f e a f f e C a d g e Re g Pe d.

2.

✓ A cab e ☐ N a cab e

(1)

Unit: RMB

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 guarantee or not
[illegible]	2017.3.28	2,650,000	2017.1.1	820,271	Warrantee	1-2 years	N	N
[illegible]	2017.3.28	1,600,000	2017.1.1	339,442	Warrantee	1-2 years	N	N
[illegible]	2017.3.28	740,000	2017.1.1	627,323	Warrantee	1-2 years	N	N
[illegible]	2017.3.28	382,000	2017.1.1	258,646	Warrantee	1-2 years	N	N
[illegible]				1,122,000	[illegible]			885,969
[illegible]				5,372,000	[illegible]			2,045,682

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 Guarantee or not
[illegible]	2017.3.28	24,172,570	2017.1.1	7,436,520	Warrantee	1-2 years	N	N
CIMC Finance Holding Ltd	2017.3.28	30,000,000	2017.1.1	22,358,040	Warrantee	1-2 years	N	N
[illegible]				35,651,530	[illegible]			11,738,790
[illegible]				54,172,570	[illegible]			29,794,560

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 Guarantee or not
[illegible]	2017.3.28	12,573,650	2017.1.1	4,307,420	Warrantee	1-2 years	N	N
[illegible]				6,731,980	[illegible]			269,960
[illegible]				12,573,650	[illegible]			4,307,420

Total guarantee of the Company (total of the above three items)

[illegible]	43,505,510	[illegible]		12,894,719
[illegible]	72,118,220	[illegible]		36,147,662
[illegible]				

(2)

☐ A cab e ✓ N a cab e

3. A

(1)

☐ A cab e ✓ N a cab e

(2)

✓ A cab e ☐ N a cab e

Entrusted Loans During the Reporting Period

U : RMB a d

Total amount of entrusted loans	Source of funds for entrusted loans	Remaining balance not yet due	The amount due but not recovered
	Se f- ed f d	3,249	

The specific circumstances of a high-risk entrusted loan with a single significant amount or low security, poor liquidity, and no guarantee for principal repayment.

N

Unable to recover the principal of entrusted loans or other circumstances that may result in impairment

☐ A cab e ✓ N a cab e

4.

☐ A cab e ✓ N a cab e

A

1.

☐ A cab e ✓ N a cab e

D g e Re g e d, e C a dd e gage a ec e e -a e a ac a d ad f a f ec e e a e a .

2.

T e C a ' b ed e 2016 E , e a, S ca a d G e, a ce Re , a d e 2017 S ca Re b a d E , e a, S ca a d G e, a ce Re , C f eb e(.c f .c .c), e C a ' eb e(.c c.c)a d e eb e f e H g K g S c. E c a ge(. . e e . .) 30 e 2017 a d 27 Ma, c 2018, e ec e .

W e e, e ed c a a d b da, e a, e e f c, ca 55 a d c a ge, b ed b e e , e a , ec a , e

✓ Ye ☐ N ☐ N A cab e

Name of Company or subsidiary	Name of major and specific h55lutants	Emission method	Number of Emission outlets	Distribution of emission outlets	Emission concentration	P55lutant emission standards in effect	Total emission	Approved total emission	Excessive emission
S e e S e, CIMC Ea e Lg c e Ma fac , gC ., Ld	VOC / f e be e ead X e e/be e e	e c ed a da d afe, ea e	17	A ca ed e, ff , d c ,	Ta VOC :4.57 g/ 3 S f e be e ead X e e:0.08 g/ 3 be e e:0.039 g/ 3 (A e age f , g da a Dece be 2017)	Ta VOC :90 g/ 3 f e be e e ad X e e:20 g/ 3 be e e:1 g/ 3 Te Sa da d a g e VOC e f c a e, a fac , g c a e ea g G da d g P , ce* (廣東省集裝箱製造業揮發性有機物排放標準)	VOC e 121.2656 (ca aed ba ed a e, a ba a ce)	VOC e 121.2656 (ca aed ba ed a e, a ba a ce)	N
Na g CIMC S da C a e, C ., Ld. (d g Na g	Pa, c ae a e,	I e, e e	3+6	ad g	A e, age 2.87 g/ 3	I eg a ed E Sa da d fA, P55 a (GB16297- 1996)		2.68	N
CIMC S eca Ta , a Ma fac , eC ., Ld.)	Me be e e (e a) X e e(e a) N - e a e d, ca b VOC		3+6	a , a g	A e, age 2.639 g/ 3 A e, age 0.7936 g/ 3 A e, age 19.902 g/ 3 0.0513	S , face c a g a da d abe 2 e DB12524-2014 Ta C ca a da d E C , Sa da d fV a e		13.85 24.51 71.78	N N N

C a e, VIII

Name of Company or subsidiary	Name of major and specific pollutants	Emission method	Number of Emission outlets	Distribution of emission outlets	Emission concentration	Pollutant emission standards in effect	Total emission	Approved total emission	Excessive emission
SOE	Wa e ae,	E c, ,aed e eage c ec e ,.	1				45000	45360 /a	N
	COD(g/)	E c, ,aed e eage c ec e ,.	1		91	500	4.095	4.534 /a	N
	NH3-N(g/)	E c, ,aed e eage c ec e ,.	1		7.04	45	0.2	0.2 /a	N
	Pa c ae a e,	C ce ,aed e	1		7.8 g/ 3	120 g/ 3			
	Me be e e e	C ce ,aed e	1		0.46 g/ 3	40 g/ 3			
	X e e	C ce ,aed e	1		0.34 g/ 3	70 g/ 3			
S e CIMC-Tada A, , S , C., e a f d g a , be e e c ge e , TVOC , e be e e, e e, a c ae a e,	E a ,a - a , Af e c ec , ,ea e ecfcac, aed cab , fe ad e , g 15- e,e a e a e	3	S , c , e ed g , . , a . ,.	Be e ec ge e : 0.102-0.147, f e be e e ad e e: 6.74-10.6 g/ 3; a VOC : 13-21.6 g/ 3; a c ae a e: 4.37-4.62 g/ 3	Sec d a da d de e ll f DB44/21-2001, E Sa da d fV a e O ga c C d f, face c a g(e ce a fac , g d ,)	Be e e: 76.2 g/ ea, f e be e e ad e e: 5512 g/ ea, TVOC : 9934.8 g/ ea, Pa c ae a e: 2782 g/ ea,	1,528 a da d bc e,e/ ea (a a e ga e de a da d e e age e)	E e e c a ce
	Sa d ge a a d cea g e a a c ae a e,	D f a d e a a a - e d e , a , ce gbag f e a d e , g 15- e,e a e a e	5	S , c , e ed g , . , a . ,.	3.52-9.15 g/ 3	DB44/21-2001 e ll Sa da d Le e 2	Pa c ae a e: 1212 g/ ea,		E e e c a ce a da d
	e f, ca e e	Af e f g , g , e a e f D d g , ea e a c , fe, a de e a g a de	1	T f e ca e e (f3- , e D d g)	R e e c ce , a :0.6-0.7 g/ 3	DB44/21-2001 e ll Sa da d Le e 2	26.3 g/ ea,		E e e c a ce a da d
	E a f, bac ge e a ,	Te ge e a , ! e 0# g de e a e. Ga c d be e e da g a ! de af e, ae ba d , e , a , ce .	1	Bac ge e a , e g f e ffce D d g	R ge a e a ce<1	DB44/21-2001 e ll Sa da d Le e 2	R ge a e a ce<1		E e e c a ce a da d

Construction and operation of pollution prevention and control facilities

Name of subsidiary	Construction and operation of pollution prevention and control facilities
Shenzhen CIMC Eastern Logistics Equipment Manufacturing Co., Ltd.	Established a wastewater treatment facility with a capacity of 1,200 tons per day, adopting the process of Fenton oxidation + UV catalytic oxidation. Construction completed. Established a wastewater treatment facility with a capacity of 1,200 tons per day, adopting the process of Fenton oxidation + UASB + MBR membrane bioreactor. After being treated, wastewater is discharged into the municipal sewage pipeline. Construction completed.
Nanjing CIMC-Sanchao Transportation Equipment Manufacturing Co., Ltd.	Domestic sewage is treated by septic tanks and then discharged into the municipal sewage pipeline. The wastewater generated from the production process of Sanchao Transportation Equipment Co., Ltd. is treated by the wastewater treatment facility with a capacity of 1,200 tons per day, and then discharged into the municipal sewage pipeline.
CIMC Vehicles (Group) Co., Ltd.	The wastewater generated from the production process of the Company is treated by the wastewater treatment facility with a capacity of 5,000 m³/day, and then discharged into the municipal sewage pipeline. The wastewater generated from the production process of the Company is treated by the wastewater treatment facility with a capacity of 450,000 m³/day. After being treated, wastewater is discharged into the municipal sewage pipeline.
Nanjing CIMC Tank Equipment Co., Ltd.	Production wastewater is treated by the wastewater treatment facility with a capacity of 1,200 tons per day, and then discharged into the municipal sewage pipeline.
SOE	The wastewater generated from the production process of the Company is treated by the wastewater treatment facility with a capacity of 2,000 tons per day. The COD concentration of the wastewater after treatment is required to be lower than 500 mg/L. The wastewater treatment facility was established in 2008 and has been operating normally since then. Sewage generated from toilets (for example, bags, etc.) is treated by septic tanks and then discharged into the municipal sewage pipeline. Wastewater generated from the production process is treated by the wastewater treatment facility and then discharged into the municipal sewage pipeline. Solid waste (for example, bags, etc.) is collected and disposed of by the sanitation department. Solid waste generated from the production process is collected and disposed of by the sanitation department.
Shenzhen CIMC-Tianda Airport Support Ltd.	Established a wastewater treatment facility (1 set), a reclaimed water facility (1 set), a sludge treatment facility (1 set) and a rainwater-sewage diversion system. The wastewater treatment facility has a capacity of 1,200 tons per day. The reclaimed water facility has a capacity of 1,200 tons per day. The sludge treatment facility has a capacity of 300 tons per day. The rainwater-sewage diversion system has been operating normally. Established a domestic sewage treatment facility (2 sets), with a capacity of 30 tons per day. The facility has been operating normally.

Contingency plans for unexpected environment-related events

Some CIMC, Some CIMC Security Service Co., Ltd. and some of its subsidiaries formulated contingency plans for unexpected environment-related events and organized relevant drills.

Self-monitoring environmental program

Some CIMC, Nantong CIMC, CIMC Tianda and some of its subsidiaries disclosed environmental information as required by laws and regulations and implemented self-monitoring programs.

Other discloseable environmental information

None

Other environment-related information

None

Whether the Company publishes social responsibility report

✓Yes □No

Nature of the Company	Whether includes information on environment	Whether includes information on society	Whether includes information on corporate governance	Social responsibility report Report disclosure standards Description	Reference
Other	Yes	Yes	Yes	GSRI-CHINA2.0 and the Environmental, Social and Governance Reporting Guide contained in Appendix 27 to the Hong Kong Listing Rules	GRI

Detailed description:

1. W e e, e C a ,ece, ed e, , e a a age e e ce, fca (ISO 14001)	A a f 28 b da, e f e C a ,ece, ed e, , e a a age e e ce, fca (ISO 14001)
2. T e a a e e f e C a ,e ec f e, , e a , ec (RMB a d)	540,000
3. T e C a ' e e, f, a ce f a ega , a e a e a d a e, e d e	C a e, eg e : af e, , d c a c a ged f, -ba ed a e, -ba ed a , VOC e e e, ed ced b 60-70%; , ea ed a d, e ed d , a a e a e, d c a, ge e e, , e ; c ed a a d, eg a f ,

A A A

1. O 7 A , 2017, C a Me c a P , H d g C a L ed, a b d a f C a Me c a G , a fe ed a a e f - ed b d a S a e L ed (d ec d a e f e C a , g b d a C a Me c a (CIMC) l e e) a e b d a f C a Me c a , C a Me c a I d , H d g C a L ed (China Merchants Industry Holdings).

5. On 12 March 2018, the Board resolved to grant the Restricted Shares granted in the 2016 Share Award Scheme and the Restricted Shares granted in the 2017 Share Award Scheme to the Selected Participants, and entered into the Share Award Agreements (Announcement No.: [CIMC]2018-015) with the Selected Participants (the "Grant Date") on 12 March 2018.

A A – A A

1. On 5 July 2017, Energy Shipping and SOE Bank entered into the Framework Agreement, pursuant to which SOE Bank and its subsidiaries agreed to provide financial services to the Group from time to time. On 4 August 2017, the Company and SOE Bank entered into the Supplemental Framework Agreement, pursuant to which the annual caps for the transactions contemplated under the Framework Agreement for the three years ending 31 December 2019 were revised upwards. On 16 August 2017, SOE Bank and CIMC Capital entered into the Deposit Framework Agreement and the Loan Framework Agreement. For details, please refer to the announcement dated 5 July 2017, 4 August 2017 and 16 August 2017.

2. On 17 July 2017, CIMC Gaode and CIMC Smart Logistics entered into the Capital Increase Agreement, pursuant to which CIMC Gaode subscribed for RMB926,322,300 registered capital of CIMC Smart Logistics. After the completion of the capital increase, CIMC Gaode held 25% equity interest in CIMC Smart Logistics, and CIMC held 61.5% equity interest in CIMC Smart Logistics. For details, please refer to the announcement dated 17 July 2017.

3. On 3 August 2017, Shenzhen CIMC and China Merchants Port entered into the Capital Increase Agreement, pursuant to which Shenzhen CIMC agreed to subscribe for RMB494,894,588 registered capital. The above transaction was completed on 26 September 2017. For details, please refer to the announcement dated 26 September 2017.

4.

C a e, VIII

8. O 12 Ma, c 2018, CIMC T, a , a , S g (H g K g) L ed (Shouzhong (Hong Kong))

C a e IX

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Approval for changes in share capital

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2.

✓ Applicable ☐ Not applicable

Unit: Share

Name of Shareholders	Number of shares with selling restrictions at the beginning of the Period	Number of shares with selling restrictions expired in the Period	Increase in number of shares with selling restrictions in the Period	Number of shares with selling restrictions at the end of the Period	Reasons for selling restrictions

A

1.

☐ Applicable ✓ Not applicable

2.

A

✓ Applicable ☐ Not applicable

During the Reporting Period, aggregate 4,312,150 A Shares were repurchased by the Bank as detailed in Note 1. A Shares Repurchased of the Chapter XV. Important Events of the Shareholders' Meeting, Class Shareholders' Meeting and Shareholders' Meeting Convened by Preference Shareholders with Resumed Voting Rights in this Annual Report.

3.

☐ Applicable ✓ Not applicable

4.

On 8 April 2016, as considered and approved at the 2015 annual general meeting of the Bank, 2016 first A Share class meeting and 2016 first H Share class meeting, the Bank proposed to issue not more than 386,263,593 new A Shares (the number of 386,263,593 A Shares) at not less than RMB13.86 per share to not more than 10 qualified investors, and the number of shares to be issued and the issue price will be determined according to the relevant laws and regulations and the actual circumstances at the time of issuance, subject to the issue price of RMB6.0 billion (Non-public Issuance of A Shares). The Non-public Issuance of A Shares was considered and approved at the 2015 annual general meeting, 2016 first A Share class meeting and 2016 first H Share class meeting of the Bank on 31 March 2016. The Bank submitted the Non-public Issuance of A Shares to the CSRC on 30 September 2016 and received the CSRC's Acceptance Notice for Administrative Licensing Project (《中國證監會行政許可申請受理通知書》(162937號)) and the Notice regarding the Feedback Report for Administrative Licensing Project (《中國證監會行政許可項目審查反饋意見通知書》(162937號)) issued by the CSRC on 14 October 2016 and 21 November 2016. The Bank submitted the feedback report, which was considered and approved at the 2016 annual general meeting, 2017 first A Share class meeting and 2017 first H Share class meeting on 9 January 2017, to the CSRC on 17 January 2017. Upon considering and approving the Non-public Issuance of A Shares at the 2015 annual general meeting, 2016 first A Share class meeting and 2016 first H Share class meeting, the Bank's Non-public Issuance of A Shares lapsed on 31 March 2017. The Bank submitted the application for resumption of review of the Non-public Issuance of A Shares to the CSRC on 30 March 2017 and received the CSRC's Notice Regarding Resumption of Review of Administrative Licensing Project (《中國證監會行政許可申請恢復審查通知書》(162937號)) issued by the CSRC on 18 December 2017, pursuant to which the CSRC decided to resume the review of the Non-public Issuance of A Shares by the Bank. On 11 January 2018, the Bank made a public announcement in relation to the lapse of the validity period of

a e e e ega d g e e a ed b e Feedbac a d d c ed. O 9 Ma c 2018, a a bee a ea ce e C a ea ed e a ce e ea e a f e N - b c Offe g f AS a e, a be fc a ge ace e ca a a e, d e e ad e ea ce e a f e e e de e g a e e ec f a ced b d a g a bee b a a c e ed. Af e e ea ed d e a d d c e e ea e ed a e, a d c de a a da a e f ee g 2018 f e eg e f e B a d f e C a , e C a a de e ed e a e e N - b c I a ce f AS a e a d a e CSRC f e d a a f e ea a ca d c e . O 23 Ma c 2018, e C a a ece ed e N ce Re a Te a f Re e * (N . [2018]119) (《終止審查通知書》) ([2018]119號) b e CSRC, a g e e a f e e e N - b c I a ce f AS a e . F e ea f a , ea e efe e a ce e (A ce e N .: [CIMC] 2016-018, [CIMC] 2016-033, [CIMC] 2016-061, [CIMC] 2016-072, [CIMC] 2017-002, [CIMC]2017-024, [CIMC]2017-033, [CIMC]2017-084, [CIMC]2018-002, [CIMC]2018-013 a d [CIMC]2018-021) b ed C a Sec e J a, S a g a Sec e Ne , Sec e T e, C f eb e (.c f .c .c) a d e C a ' eb e (.c c.c) a d e a ce e b ed e eb e f e H g K g S c. E c a ge (. e e .) 9 A 2016, 1 e 2016, 15 Oc be 2016, 22 N e be 2016, 17 Ja a 2017, 21 A 2017, 9 e 2017, 19 Dece be 2017, 11 Ja a 2018, 9 Ma c 2018 a d 26 Ma c 2018. A a e da e f e e , e N - b c I a ce f AS a e Pa a e a ed.

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1.

T e a be f S a e de f e C a a a 31 Dece be 2017 a 71,384, c d g 71,371 de f AS a e a d 13 eg e ed de f H S a e . T e a be f S a e de f e C a a a 28 Feb a 2018 (be g e e d f e e b ca da e f e 2017 a a e f e C a) a 76,311 c d g 76,298 de f AS a e a d 13 eg e ed de f H S a e .

Case IX

Unit: Share

Total shares before the change	71,371	Total shares after the change	76,311

Shareholdings of the Shareholders who held above 5% or the top ten Shareholders at the end of the Reporting Period

Name of Shareholders	Nature of Shareholders	Percentage of shareholding	Number of shares held at the end of the Reporting Period	Changes during the Reporting Period	Number of shares held with selling restrictions	Number of shares held without selling restrictions	Pledged or frozen shares	
							Status	Number
HKSCC Nominees Limited (Note 1)	Foreign corporate	58.02%	1,730,538,352	79,225,281		1,730,538,352		
COSCO Capital Limited (Note 2)	Foreign corporate	14.49%	432,171,843	0		432,171,843		
China Securities Finance Corporation Limited	State-owned corporate	2.61%	77,885,620				State-owned corporate	0

Shareholdings of top ten Shareholders without selling restrictions at the end of the Reporting Period

Name of Shareholders	Number of shares without selling restrictions held at the end of Reporting Period	Type of shares	
		Type of shares	Number
HKSCC N ee L ed (N e 1)	1,716,411,609	Q ea ed f eg a e	1,716,411,609
	14,126,743	RMB-de a ed d a a e	14,126,743
COSCO C a e l d e L ed (N e 2)	432,171,843	RMB-de a ed d a a e	432,171,843
C a Sec e F a ce C a L ed	77,885,620	RMB-de a ed d a a e	77,885,620
Ce a H A e Ma age e L d.	37,993,800	RMB-de a ed d a a e	37,993,800
Na a S c a Sec F d 413 BT0 0 0	9,999,839	RMB-de a ed d a a e	9,999,839

2.

☐ Applicable ✓ Not applicable

The controlling shareholder has no other controlled and listed companies overseas and domestically.

3.

☐ Applicable ✓ Not applicable

The de facto controller has no other controlled and listed companies overseas and domestically.

Whether there are any Shareholders at the ultimate controlling level with shareholdings above 10% in the Company

✓ Yes ☐ No

Name of the corporate Shareholder	Legal representative/ Company leader	Date of establishment	Registered capital	Main business or management activities
China Merchants (CIMC) Investment Limited	Wang Chuan, Hu Xiang	17 January 1995	HK$10,000	Investment, holding
COSCO China Investment Limited	Li Chong, Zhang Mingde, Li Fengming, Ma Dong	26 April 2004	US$50,000	Investment, holding

Changes in de facto controller during the Reporting Period

☐ Applicable ✓ Not applicable

De facto controller controls the Company through trust or other asset management

☐ Applicable ✓ Not applicable

4. 10%

☐ Applicable ✓ Not applicable

5.

☐ Applicable ✓ Not applicable

A A A A A

S fa a e D ec a e a e, a a 31 Dece be 2017, e e e a a D ec , S e c efe ed e f e C a a e e e de g a e f e C a c a ed c eab e de D 2 a d 3 f Pa XV f e Sec e a d F e O d a ce f H g K g a e a f :

Name of Shareholder	Nature of shareholding	Number of shares	Capacity	Percentage of such shares in the issued share capital of the same class (%)	Percentage of such shares in the total share capital (%)

T e b a a S a e de f e C a a e C a Me c a G ! a d C a COSCO S g.

C a Me c a G ! a c , a ed Oc be 1986 e PRC. I , eg e ed ca a RMB10.05 b a d c a , a f e b a d f d , ec , M. L Ja g. C a Me c a G ! ' b e f c e , ee c , e d , e , a e , aff c (a b ! , g a , g a d , a , a , g c , cea e g ee, g a d , ade), f a ce (ba . , ed , e , ! d a d ! , a ce) a d , ea e a e (d , a e de e e a d , ea e a e de e e). O 9 ! e 2017, C a Me c a P , H d g C a L ed, a b d a f C a Me c a G ! , c e ed e , a ac f , a fe , g a a e f S a e L ed C a Me c a I d , H d g, a e ! b d a f C a Me c a G ! . A f e e d f e Re , g Pe d, C a Me c a G ! , g ! b d a e (c d g C a Me c a Sea Na ga C a L ed, C a Me c a H d g (H g K g) C a L ed, C a Me c a I d , H d g, S a e L ed a d C a Me c a (CIMC) l e e) ed 24.56% f e ! ed a e f e C a a d , e a a e a ge a e de f e C a d , ec .

C a COSCO S g a c , a ed Feb ! a 2016 e PRC. I , eg e ed ca a RMB11.0 b a d ega , e , e e a l e M. X L , g. C a COSCO S g a e g, ega ed g c a d , e a ed f a ca e l ce a e a , l de g ba ega ed g c ! c a e l ce a g a ! d , a c e . A f e e d f e Re , g Pe d, C a COSCO S g, e ec d a ge a e de f e C a , , g ! b d a e (c d g C a S g (G !) C a , COSCO SHIPPING De e e , L g H ! , a d COSCO C a e I d , e , e c.) e d 22.73% f e ! ed a e f e C a .

E ce f , e ab l e e ed C a Me c a G ! a d C a COSCO S g, e ega e , d d a d 10% , , e f e a ! ed a e ca a f e C a (e c d g HKSCC N ee L ed).

OFFSHORE ENGINEERING

海洋工程装备

C a e, X

1.

I f, a ed,,e D,ec , e be :

Na e	Ge de,	Age	P	Te,	N be, f a,e ed e C a (a,e) 31 Dece be, 2016	31 December 2017
Wa gH g	M	55	C a, a a d -e ed e D,ec ,	f, 31 Ma 2016 2018 a l a ge e, a ee g	N	Nil
Wa g l a g	M	56	Vce c a, a a d -e ed e D,ec ,	f, 31 Ma 2016 2018 a l a ge e, a ee g	N	Nil
Ma B a g	M	58	E ed e D,ec , CEO a d P,e de	f, 31 Ma 2016 2018 a l a ge e, a ee g	494,702 (A S a,e)	494,702 (A Shares)
H Xa l	M	48	N -e ed e D,ec ,	f, 26 Se e be, 2017 2018 a l a ge e, a ee g	N	Nil
L C g	M	47	N -e ed e D,ec ,	f, 31 Ma 2016 2018 a l a ge e, a ee g	N	Nil
Pa C e g e	M	71	I de e de -e ed e D,ec ,	f, 31 Ma 2016 2018 a l a ge e, a ee g	N	Nil
Pa Ze g,	M	64	I de e de -e ed e D,ec ,	f, 31 Ma 2016 2018 a l a ge e, a ee g	N	Nil
W gK a H e , Abe,	M	66	I de e de -e ed e D,ec ,	f, 31 Ma 2016 2018 a l a ge e, a ee g	N	Nil

B ef b g a f D ec , :

Mr. Wang Hong (王宏), aged 55, a bee e c a, a f e C a ce 28 Dece be 2015 a d a D ec , f e C a ce A , 2007. M . Wa g H g a bee e de ge e a a age f C a Me c a G ce Ma c 2015, e ge e a a age f e a g de a e f C a Me c a G f Feb a 2011 Ma c 2015, a d c ef ec f Feb a 2012 A , 2015. M . Wa g H g a a bee a e ec e d ec , f C a Me c a H d g (I e a a) C a L ed (c , e , e a ed a C a Me c a P , H d g C a L ed, e a e a be) (H g K g c c de: 144) ce Ma 2005, e c a, a f e e , c ee f C a Me c a E e g S g C ., L d f A , 2014 16 e 2016, a d ec , f C a Me c a S e I d , a Z e H d g C ., L d. (招商局蛇口工業區控股股份有限公司) f 26 e 30 Dece be 2015 a d a de e de d ec , f G a g S a d l e a a C a L ed f e N e be 2014. M . Wa g H g a bee a d ec , f C a Me c a E e g S g C ., L d. (招商局能源運輸股份有限公司) (S a g a c c de: 601872) f Ma 2010 A , 2014, a d a d ec , f C a Me c a P e De e e C ., L d. (S e e c c de: 000024, a a c a ed S ga e) f A , 2011 2014. He ed a ce c a, a f S a g a l e a a P , (G) C ., L d. (S a g a c c de: 600018) f e 2005 2009, c a, a f C a Me c a H d g (Pac f c) L ed (a c a ed S ga e) f Ma 2005 Feb a 2009, de a ag g d ec , f C a Me c a P , H d g C a L ed (H g K g c c de: 144) f 2005 2009 a d c ef e a a ff ce f 2007 2009. P , a , M . Wa g H g , ed a a ge e a a age f e f , a ce a , a a de a e , a , e , ce de a e a d , a eg c , e ea c de a e f C a Me c a G . He a e ed a a ag g d ec , f H g Ma e Mac e S e L ed, ge e a a age f f a c a de a e , g de a e a d ce a age f C a C ca l , & E , C , a a d e a e e g ee f COSCO G a g Ocea S g C a (中遠廣州遠洋運輸公司). M . Wa g H g g ad a ed f , b e a age e a , Da a Ma e U e 1982 a d b a ed a Ma e, Deg ee f B e Ad , a f G ad a e Sc f U e f Sc e ce a d Tec g Be g 1991 a d a P . Be 7( )37dee f 199age e a G ad a e f

C a e X
Gldmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr _lb Cknjmwccq

Mr. Mai Boliang (麦伯良), aged 58, a bee e ,e de f e C a ce 7 Ma c 1994, CEO a d ,e de f e C a ce 27 A g 2015 a d a e ed e D ec , f e C a ce 8 Ma c 1994. M . Ma ed e C a 1982 a d e ed a a age f d c ec ca de a e a d e de

C a e X
Gldmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr_lb Cknjmwccq

Mr. Pan Chengwei (潘承偉), aged 71, g ad a ed f T e M f T a a Ma age e Cad e l e a a c a e bac e deg ee a d a acc a . M. Pa a ed ca ee 1965 a d e ed

C a e X
Gldmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr _lb Cknjmwccq

2.

I f a e C e S e be :

Na e	Ge de	Age	P	Te	N be f a e ed e C a (a e) 31 Dece be 2016	31 December 2017
Z a g M g e	M	39	C a a f e S e C ee	f 31 Ma 2016 2018 a a ge e a ee g	0	0
Wa g H g a	M	42	S e	f 26 Se e be 2017 2018 a a ge e a ee g	0	0
X g B	M	582	S e			

Mr. Wang Hongyuan (王洪源), age 42, g ad a ed f e l e f Na ga f Da a Ma e U e a d b a ed a bac e ' deg ee cea e ed g 1997. He a ed ca ee 1997 a d b a ed a a e ' deg ee f T a a Ma age e C ege f Da a Ma e U e a a - e g ad a e de f A g 2001 e 2003. F 1997 A g 2001, M. Wa g cce e ed a d ffce, ec d ffce, a d ac ce ffce f e e a g ed Pa a a f S a d g S g G . F 1 e 2003 2005, e ed a e ec a age f e e de e e de a e (e f e f g f ec g ec e a a* (前海灣項目組秘書處)) f C a Me c a G . F 2005 A g 2008, e a a e ec a age f e e a age e de a e f C a Me c a H d g (I e a a) C a L ed. F A g 2008 Oc be 2011, e e ed a e de ge e a a age a d ge e a a age f C a Me c a I e a a C d C a C ., L d.* (招商局國際冷鏈有限公司) e a e ed a e d ec f C a Me c a Ma e & L g c (S e e) L d. (B ded L g c), a e a , e ed e ce e de f C a Me c a Me e g L g c H d g L ed* (招商美冷物流控股有限公司). F Oc be 2011 Dece be 2012, M. Wa g ed a e de ge e a a age f e e e e a egc e a a age e de a e f C a Me c a H d g (I e a a) C a L ed. F Ja a 2013 Dece be 2013, e e ed a de ge e a a age f C a Me c a P Se ce (S e e) C a L ed* (招商港務 (深圳) 有限公司). F Ja a 2014 Ja a 2015, M. Wa g a e ge e a a age a a f C a Me c a F d S C a Ma age e C ., L d. F Ja a 2015 Dece be 2016, e e ed a d ec a a f e ca a a age e de a e f C a Me c a G L ed. F Dece be 2016 e e , M. Wa g a bee e ge e a a age f e a egc de e e de a e a d e ge e a a age f C a Me c a I d H d g C a L ed* (招商局工業集團有限公司). F A g 2017 e e , e a a bee e g a e ge e a a age f C a Me c a G ea Wa Ocea Tec g S a egc De e e I d F d* (招商局長城海洋科技戰略發展產業基金).

Mr. Xiong Bo (熊波), aged 58, ed e C a 1991. He c e e e a e a a age f F a ce Ma age e De a e f e C a . M. X g a bee e ca a f e Lab U f e C a ce 1996. He g ad a ed f He g a g Rad a d TV U e 1982 a e ec c a d ecq ed a bac e ' deg ee.

3.

If a C,,e e be f e e , a age e e be :

					N be f a e ed e C a (a e)	
Na e	Ge de	Age	P	Te	31 Dece be 2016	31 December 2017
Ma B a g	M	58	CEO a d , e de	f 28 Ma c 2016 2019 a a B a d ee g	494,702 (A S a e)	494,702 (A Shares)
L X eb	M	58	V ce , e de	f 28 Ma c 2016 2019 a a B a d ee g	96,000 (A S a e)	72,000 (A Shares)
					2,400 (H S a e)	2,400 (H Shares)
W Fa e	M	59	V ce , e de	f 28 Ma c 2016 2019 a a B a d ee g	0	0
L Y	M	50	V ce , e de	f 28 Ma c 2016 2019 a a B a d ee g	0	0
Ya	M	62	V ce , e de	F 24 Ma c 2015 31 Ma c 2018	100,000 (A S a e)	100,000 (A Shares)
Z a g Ba g	M	61	V ce , e de	ee ea f 24 Ma c 2015	0	0
Ga Xa g	M	52	V ce , e de	ee ea f 1 A , 2015	0	0
	M	52	Sec e a e B a d, C a Sec e a	f 28 Ma c 2016 2019 a a B a d ee g	0	0
Ze g Ha	M	42	Ge e a a age f f a ca de a e	f 27 Ma c 2017 2020 a a B a d ee g	0	0
Ya g R g	F	42	Ge e a a age f ca a a age e de a e	f 28 Ma c 2016 8 Ja a 2018 (e)	0	0

N e: O 8 Ja a 2018, M. Ya g R g e g ed a Ge e a a age f ca a a age e de a e f e a ea . O 15 Ja a 2018, af e d e c de a ff ee g 2018 f ee g e f eb a d f e C a , c da ed e g a f a ca a age e de a e a d e ca a a age e de a e a e e f a ca a age e de a e , a da ed M. Ze g Ha a e ge e a a age f e f a ca a age e de a e .

C a e X
Glmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr_lb Cknjmwccq

B ef b g a f e e , a age e :

Mr. Mai Boliang (麥伯良), a e ed e D ec , CEO a d e de f e C a . F de a f M. Ma B a g, ea e efe 1. D ec f B ef B g a f e D ec , S e , a d Se Ma age e C a e .

Mr. Liu Xuebin (劉學斌), aged 58, a bee a ce e de f e C a ce Ma c 2004. He ed e G 1982, a d ce ed e C a P C e e De a e f 1982 1990, de ge e a a age f Na g S da C a e C ., L d. (南通順達集裝箱有限公司) f 1990 1994, de ge e a a age f e C a e B a c f e C a f 1994 1995, a d ge e a a age f X CIMC C a e C ., L d. (新會中集集裝箱有限公司) f 1995 1997. F 1997 2013, e a a ed a ge e a a age f S e e S e CIMC C a e Ma fac e C ., L d. (深圳南方中集集裝箱製造有限公司) a d Dece be 1998, e ed e f e a a e e de f e C a a d c a a f X CIMC C a e C ., L d. (新會中集集裝箱有限公司). S ce Ja a 2011, e a a ed a de ge e a a age f CIMC C a e H d g C ., L d. (中集集裝箱控股有限公司). M L g ad a ed f S e e U e a bac e deg ee b e ad a A g 1990.

Mr. Wu Fapei (吳發沛), aged 59, a bee a ce e de f e C a ce Ma c 2004. He ed e C a 1996, a a ed a e a age f I f a Ma age e De a e Dece be 1996, e e a a e e de Dece be 1998 a d f e e ec e a f e B a d f Dece be 1999 Ma c 2004. Bef e a , e ed be a eac e a d a ca e fe f Sc f B e Ad a S C a U e f Tec g a d e de ge e a a age f Z a g Na a B c ce R g

C a e X
Gldmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr _lb Cknjmwccq

Mr. Yu Ya (于亞), aged 62, a bee a ce e de f e C a ce Ma c 2010. M. Y a bee g e C a ce A g 2007, e g a ce ec e a f e Pa C ee a d ge e a a age f P b c affa de a e . He a a bee e c a, a ad ec f a be f b da e f e C a ce Oc be 2009. He ce ed f ce a e a de d ec, f C a Lg l d C a a ce e de a d f Ca ge a e ed e d ec a d e ed e ce e de G ea e C a Reg . M. Y g ad a ed f e Mec a ca E g ee g De a e f Ta Lg l d V ca a Tec ca C ege 1984 a d b a ed a MBA deg ee f Na g U e 1997.

Mr. Zhang Baoqing (張寶清), aged 61, a a ed a a ce e de f e C a Ma c 2012. S ce Ma 1995, M. Z a g a bee e ge e a a age f X CIMC W d C ., L d. F 1995 Ma 2016, M. Z a g a e de ge e a a age a d e e ge e a a age f X CIMC C a e C ., L d. (新會中集集裝箱有限公司), a d f Ja a 2003 Ma 2016, e a a e ge e a a age f G a gd g X CIMC S ec a Ta a E e C ., L d. (廣東新會中集特種運輸設備有限公司). M. Z a g ce ac ed a e a a e e de f e G f Ma c 2004 Ma c 2012, e ge e a a age f CIMC W d De e e C ., L d f Feb a 2009 Ma c 2013, e de ge e a a age f CIMC C a e H d g C ., L d. (中集集團集裝箱控股有限公司) de e G ce e 2011 a d e ge e a a age f CIMC M d a B d g l e e C a L ed (中集模塊化建築投資有限公司) de e G ce Ma c 2014. Bef e a , e ce ed a a e ge e a a age a d a age f ec ca de a e f Na g S da C a e C ., L d. (南通順達集裝箱有限公司). M. Z a g a e e g ee. He g ad a ed f S C a U e f Tec g a bac e deg ee ec a ca de g a d a a ce ce 1982.

Mr. Gao Xiang (高翔), aged 52, a bee a ce e de f e C a ce 1 A 2015. M. Ga g ad a ed f Ta U e a g a ea d b d ge e g ee g. He a a e e g ee. M. Ga ac ed a e ge e a a age f Ta CIMC N Ocea C a e C ., L d., Ta CIMC C a e C ., L d., Ta CIMC L g c E e C ., L d., Ta CIMC Ve ce L g c E e C ., L d. a d Ta CIMC S eca Ve ce C ., L d., e ec e f 1999 2008. He ed a e a a e e de f CIMC f 2004 2008. He e ed a e e ed e d ec a d ge e a a age f CIMC E c H d g L ed 2009 a d e e ca a f c a ce 1 A 2015. M. Ga a e ca a f ce a b da e f CIMC E c H d g L ed.

C a e X
Gldmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr_lb Cknjmwccq

Mr. Yu Yuqun (于玉群), aged 52, a bee e ec ea e B a d f e C a ce Ma c 2004 a d a bee e C a Sec e a ce 25 Oc be 2012. He ed e C a 1992 a d b e e , ed a de a age , a age f F a ca Affa De a e a d a age f e ff ce f ec e a e B a d, e be f, a e de, e a , e , e a a d f d a age e . M. Y beca e e e e a ef, ed, e affa, f e C a ce g e S e e S c. E c a ge 1994. M. Y a bee a ed a a e ed e d ec , f CIMC E c (H g K g c. c de: 3899) ce Se e be 2007 a d a e-de g a ed a a -e ed e d ec , 5 Se e be 2016. He a a -e ed e d ec , f TSC G H d g L ed (f , e a TSC Off e G L ed a d e a e a e ed e Ma B a d f e S c. E c a ge) f 2011 2016. M. Y c , e a -e ed e d ec , f CFE (e a e a e ed e Ma B a d f e S c. E c a ge), a -e ed e d ec , f P e, G ba L ed a d e c a, a f S e e S. Ca a C ., L d. M. Y e e be f e A ea a d Re e C ee f e S e e S c. E c a ge a d e e be f e f, e f Me ge a d Ae F a ce C ee f C a A c a f, P b c C a e . F 1987 Oc be 1989, e , ed e S a e P, ce C , B , ea . M. Y g a d a ed f Be g U e a d b a ed a bac e , ' deg ee ec c 1987 a d a a e, ' deg ee ec c 1992.

Mr. Zeng Han (曾邗), aged 42, a bee e ge e a a age f e F a ca Ma age e De a e f e C a ce Ma c 2017. M. Ze g ed e C a 1999 a d a cce e e ed a a age f e Acc g D f e F a ca Ma age e De a e , a a e ge e a a age f e F a ca Ma age e De a e , de ge e a a age a d e ed e de ge e a a age f e F a ca Ma age e De a e . He a ed a c , e a a age f e F a ca De a e f CIMC E c (H g K g S c. C de: 3899) f 2009 2010. S ce 2015, e a bee a ed a d ec , f a be f b da e a d a a ed a e c a, a f e F a ca l f, a a Dec - a g C ee f e G 2016. M. Ze g g ad a ed f Ha g I e f E ec , c E g ee g a bac e , ' deg ee ec c 1996, a d a e, g ad a ed f Ja g U e f Sc e ce a d Tec g a a e, ' deg ee a age e e 1999. M. Ze g Ha a ce, fed b c acc a C a.

Ms. Yang Rong (楊榕), aged 42, a bee e ge e a a age f Ca a Ma age e De a e f e C a ce Ma c 2016. M . Ya g e ed a e f a ce a age b f, Q e ea B e D a d l f, a Ne , B e D f K a G C ., L d. add e a e ge e a a age f F a ce De a e f, A , 1999 Dece be 2004. F, Ja a 2005 N e be 2009, e e ed a e de d ec , f F a ce De a e f OCT E e , e C ., a d c eff a ca ff ce, (a - e) a d de d ec , f A d De a e f OCT (HK) C a L ed. M . Ya g e ed a e c eff a ca ff ce, f K a G C ., L d. f N e be 2009 Ma 2014 a d a e ed a e de ge e a a age f Ca a Ma age e De a e f e C a ce e 2014. G ad a ed f N , e e P ec ca U e , M . Ya g b a ed a bac e , deg ee a age e e g ee, g a d a a e, deg ee f a ca a age e 1996 a d A , 1999, e ec e .

C a e X
Gldmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr _lb Cknjmwccq



2. [illegible]

F de a f e e e e de g a e f e C a e d b a D ec , , S e , a d c ef e ec e f e C a a a 31 Dece be 2017, ea e efe XV. I e e a f e C a ' S a e O l ce e Sc e e, E ee S c. O e Sc e e , O e E ee l ce e Mea e f C a e VIII S g fca E e Re .

3. A [illegible]

Ca e X
Glmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr _lb Cknjmwccq

A A A

F e fe a bac g d a e e ce f e D ec S e a d Se Ma age e a d e a e b e C a ea efe l. B ef B g a f e D ec S e a d Se Ma age e C a e.

1.

Name	Name of Shareholders' company	Position in Shareholders' company	Start of term of office	End of term of office	With compensation allowance from Shareholders' company or not
Wag Hg	Ca Mec a G L ed	De ge e a age	Mac 2015		Ye
Wag a g	Ca COSCO S gC a De ge e a age Mec a G		Ja a 2016		Ye
H Xa	Ca Mec a Id , H d g L ed	Ge e a age	Dece be 2017		Ye
L C g	COSCO SHIPPING De e e C ., Ld.	Ma ag gd ec	Mac 2016		Ye
Z ag M g e	COSCO SHIPPING De e e C ., Ld.	C efacc a	Ja a 2014		Ye
Wag H g a	Ca Mec a Id , H d g L ed	De ge e a age a d ge e a age f S a eg a d De e e De a e	Dece be 2016		Ye

2.

Name Name of other company

1.

I acc da ce e f eA ce fA ca e ea f eC a 'D ec ad S e a be de e ed b e Ge ea Mee g, e e ea f e Se , Ma age e a be de e ed b e B ad. D g e Re , g Pe d, e D ec (a a f de e de - e ed e D ec) ad S e f eC a a eca e e ea d e d g e ea f d ec ad e . Se Ma age e a eca e e ea f eC a b da e. T eC a a e ab ed c e e aa e a d e ea eg a ad eC a ad a a aa e. T e B ad f eC a a a e ea e Se Ma age e acc d g e Reg a f A a Pe f a ce A e e a dI ce ef e Pe e E ed b e CIMC B ad.

U c de a a da a f eB ad a d e Ge ea Mee g, e de e de -e ed e D ec a a a ded RMB200,000 e ea a de e de d ec a a ce d g e Re g Pe d. I add , de e de D ec dd eca e e e ea d g e Re g Pe d. T e aff e e a e S e M. X g B eca ed e ea f eC a d e e e e da eC a .

T e de a f e ea (e- a) f d e D ec , S e a d Se , Ma age e a e de c bed ef g e ea abe f D ec , S e a d Se , Ma age e .

C a e X
Gldmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr_lb Cknjmwccq

2.

U : RMB a d

Name	Position	Gender	Age	Status	Total remuneration before tax from the Company	Remuneration Received from related parties of the Company
Wa gH g	C a, a a d -e ec ˪ e D, ec ,	M	55	C , , e		
Wa g ag	Vce c a, a a d -e ec ˪ e D, ec ,	M	56	C , , e		
Ma B a g(N e 1)	E ec ˪ e D, ec , , CEO a d , e de	M	58	C , , e	4,675	
Wa gZ a	N -e ec ˪ e D, ec ,	M	52	Re , e e		
H Xa	N -e ec ˪ e D, ec ,	M	48	C , , e		
L C g	N -e ec ˪ e D, ec ,	M	47	C , , e		
Pa C e g e	I de e de -e ec ˪ e D, ec ,	M	71	C , , e	200	
Pa Ze g	I de e de -e ec ˪ e D, ec ,	M	64	C , , e	200	
W gK a H e , Abe,	I de e de -e ec ˪ e D, ec ,	M	66	C , , e	200	
Za gM g e	C a, a f e S e , C ee	M	39	C , , e		
˪ Se g	S e ,	M	54	Re , e e		
Wa gH g a	S e ,	M	42	C , , e		
X gB (N e 2)	S e ,	M	58	C , , e	348	
L Xeb	Vce , e de	M	58	C , , e	2,183	
W Fa e	Vce , e de	M	59	C , , e	2,169	
L Y	Vce , e de	M	50	C , , e	1,472	
Ya	Vce , e de	M	62	C , , e	1,834	
Za gBa g	Vce , e de	M	61	C , , e	2,222	
Ga Xa g	Vce , e de	M	52	C , , e	2,455	
Y Y	Sec e a eB a d	M	52	C , , e	2,131	
J Ja g(N e 3)	Ge e a Ma age , f Fa ca Ma age e De a , e	M	64	Re , e e	330	
Ze gHa (N e 3)	Ge e a Ma age , f Fa ca Ma age e De a , e	M	42	C , , e	1,033	
Ya gR g(N e 3)	Ge e a Ma age , f Ca a Ma age e De a , e	F	42	Re , ed 8 Ja a , 2018	1,846	
T a					23,298	

N e 1: A ee ec ˪ e D, ec , f e C a , M. Ma B a g a , ecee ed e, e e a f e C a d e f CEO a d , e de e C a .

N e 2: M. X gB a , ecee ed, e e a f e C a d e ed e C a e a e S e , .

N e 3: A , ˪ ed b e f, ee g 2017 f ee g e f e B a d f e C a , M. J Ja g, ef ff ce d e e a f ee e M. Ze g Ha a a ed a ege e, a a age, ff a ce a age e de a, e . O 8 Ja a, 2018, M. Ya g R g, e g ed a ge e, a a age, f ca a a age e de a, e f, e a, ea . O 15 Ja a, 2018, af e, d ec de, a ff, ee g 2018 f ee g e f e b a d f e C a , c da ed e, g a f a ca a age e de a, e a d ec a a age e de a, e a e e f a ca a age e de a, e , a da ed M. Ze g Ha a ege e, a a age, f ec da ed f a ca a age e de a, e

Te f e e e , ecee ed e ge e, e e a f e G, 2017 a e bee ed e ab˪ e ab e.

C a e X
Glmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr _lb Cknjmwccq

3.

Name	Position	Exercisable during the Reporting Period (shares)	Exercised during the Reporting Period (shares)	Exercise price of Exercised during the Reporting Period (RMB/share)	Market price at the end of the Reporting Period (RMB/share)	Number of Restricted shares at the beginning of the Period (shares)	Number of newly granted restricted shares during the Reporting Period (shares)	Grant price of restricted Shares (RMB/share)	Number of restricted shares held at the end of the Period (shares)
Ma B ag	E ec ,eD ec ,,CEOad ,e de	2,850,000	0	10.49	22.85	0	0	0	0
L X eb	Vce ,e de	997,000	0	10.49	22.85	0	0	0	0
W Fa e	Vce ,e de	750,000	0	10.49	22.85	0	0	0	0
LY	Vce ,e de	750,000	0	10.49	22.85	0	0	0	0
Ya	Vce ,e de	650,000	0	10.49	22.85	0	0	0	0
Z ag Ba g	Vce ,e de	750,000	0	10.49	22.85	0	0	0	0
Ga Xa g	Vce ,e de	375,000	0	10.49	22.85	0	0	0	0
Y Y	Sec ea eBad	750,000	0	10.49	22.85	0	0	0	0
Ze gHa	Ge ea Ma age f F aca Ma age e De a e	288,750	0	10.49	22.85	0	0	0	0
T a	-	8,160,750	0	-	-	0	0	0	0

N e: O 27 Ma c 2017, eC a ' e , a age e M. J Ja g, e ,ed. A a 31 Dece be , 2017, M. J Ja g ad 516,000 e e,c ed A a e f eC a a d 140,000 e e,c ed f CIMC E , c.

4.

T e, e e a c f e Se , Ma age e f eC a a be bec e Reg a f, A a Pe f, ace A e e a dl ce ef, e Pe, e E ed b e CIMC B a, d. T e C a ' e , a age e , e e a c . f a ca e, e f e e , a age e e G ' , e a g, e ad e e f, ace f a e e a, e.

A

1.

N be f - e ce e ee f eC a	265
N be f - e ce e ee f , c a b da e	50,424
T a be f - e ce e ee	50,689
T a be fe ee ,ece ed aa e d , g eRe , gPe d	50,689
N be f,e,ede ee e e e dbea ed b eC a ad , c a b da e	98

Professional composition

Professional composition	Number of employees
P, d c e, e	33,384
Sa e, e	2,544
Tec ca e, e	9,086
F a ca e, e	1,161
Ad ,a e, e	4,514
T a	50,689

Education background

Education degree	Number of employees
PHD	32
Ma e,	1,108
Bac e ,	8,347
C ege	7,477
Se , g c a d be	33,725
T a	50,689

2.

F, de a f eC a ' ,e e,a ce , ea e,efe, E ee a d Re e,a P ce f C a e, VI Ma age e D d a d A a P,e a,ed Acc,da ce e H g K g Sed, e Re a , R e Re , .

3.

T e G c c ,e d ,a f e e- ,e ed a d a d e a d c a de e ae f, e d , g b d g a ae ,a g e CIMC c a,ac e, c . T e e e a d c e ae ,a g e f e G c de e e ee ,a g, ge e a . ,a g, fe a ,a g, eade ,a g, g a ea d e, a a ae ,a g, g a e.

4.

☐ A cab e ✓ N a cab e

C a e, XI
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

T e C a a , e a ed e C , , a e G L e a c e W , . R e , a d e C , , a e G L e a c e R e , acc , da ce d ffe , e , e e f , a d c e f PRC ed , e , eg a , a , e a d e H g K g L g R e , , e ec L e . T ee e , e e a l cd a d a d d e , e e , a c , efe , e c g a , a c a bee ad ed.

A , A (A . A A – . , – A – .)

1. . _ A . , A , A ,

D , g e Re , g Pe d, e C a c l ed e a ce a d , L e e C a ' c , , a e g L e a ce a d a d a d ed e a , c c a ce e , e e f a a d , eg a c d g e PRC C a La , C , , a e G L e a ce G de e f , L ed C a e , G da ce O E ab g a S e f I de e de D , ec , L ed C a e , R e f Ge , a Mee g f L ed C a e a d G de e e A , ce f A ca f L ed C a e a e a e , e , e e f e L g R e . T e C a a e ab ed a c , , a e g L e a ce , c , e c e e , e , e e f a age e f de , e e a d e l , e e l a d baa ced e f , a ce fa l c . I acc , da ce a e e f , e a d , eg a f e C a l c a e R e f P , ced , e f , S a e de , ' Mee g , e R e f P , ced , e f , B a d , e R e f P , ced , e f , S e L , C ee a d e W , g l e f , e P , e de , e C a e e ed effec L e c , , a e g L e a ce b g g l a e , e f B a d c ee . T e l c a d , e b f ege e a ee g , e B a d a d e S e L , C ee e , e l f e f , ed a d baa ced, c afeg a ded e e , e f e S a e de , a d e C a effec L e e , ed e l a abe a d ea d e e f e C a . I N L e be 2017, a e f e l e e a a a d a d f ISO 37001 A -b be Ma age e S e , e C a a L ed a c a e e G ba S f , Be P ac ce f A -b be Ma age e , a d , l b da CIMC Ta da a e f , be a a ded e ISO 37001 A -b be Ma age e S e acc ed a ce , f ca e C a.

I acc , da ce a d a d f , e c , , a e g L e a ce f ed c a e b CSRC, CSRC S e e B , ed , S e e S c. E c a ge a d e H g K g S c. E c a ge, e C a L e a d e c e ed c , , a e g L e a ce , ec f ca , e ca ec a d e e ab e a e , ed b , e e a , eg a , a , e . I 2017, e C a a a a ded e Na a Sc e ce a d Tec g P , g e A a d b e S a e C l c a d a , a ed 37 a g e T 500 E e , e G a gd g P L ce b e G a gd g P L ca E e , e C fede a .

I 2017, e C a c l ed ace e a a d a c ed , L g L e , , e a a age e . Acc , d g , e e a a a d , eg a l c a e C a La , e Sec , e La , a d e Ma a f , l e , Rea Ma age e f L ed C a e a d e , e , e e f e A , ce f A ca , e C a f ed e , c e f l a d c a ce d c l , e f f , a , e a , l f , a L e , , e a d eg , a d e ac L ec l ca , g l a age e f e L e , , ea . I e e e f ed a d a L e , , e C a a d ed effec L e a d c L e e ea , e da , a d e e e f a , l e , eg e a - a l d a d effec L e c l ca S a e de , a d L e , . Se ec L ed c l , e a a ded e l , e e e , e f ed a d a S a e de , e ec f ba g c , , a e f , a a fa , a d l a e . I ea e c d c ed da , ece , a e a e ed l , e f L e , , g e ca , a c a ed a l a L e e c fe e ce a d e a c ee g ed b d e ca d e a a ed , e b e a d c d c ed e e , e a c l ca l a L e , . I e ec f e

e , ee , e eg ce c ce ed b Sa e de a d e , , eC a , e ed e e
e e l e ac Ea a d l e ac e Pa f , f , l e , Rea f e Se e S c.
E c a ge ac e e , a e a d bec e c ca ed a d a e , . I 2017, e
C a , ece ed , , e ea c e a d a f , a a e , ff d a d e e
c a e , ec , e c a e a d d a e , fa , a e 35 e a . CIMC a , a ged f ,
a e , c a ec , e b e a d f d c d c fed , e a c e eC a e e a
e e e a ba e , , ec fa a g c , c a e , a b e a d a ,
b e e e , e ab g e dee de a d e d e e e f , a eg ca e e g g d , e a d e
b e e a f eC a . T , g de , a f ec g ca , e ea c , e a d d e e e
bec e f a , b e eg e , eC a e ab ed e , a d Sa e de . f , e ,
, ec g e e , e e a e , e a ced e c f de ce f e , , afeg a ded e , g . f
ed a d a e , , , e g e ed e e e f be g g f Sa e de eC a a d c ea ed
g d Sa e de ' d , e . I add , eC a ed e D c , e Mee g f A a Re f 2016
a e e d f Ma c a d D c , e Mee g f I e Re f 2017 a e e d f A g , e ec e , a d
, e d e b a d ca f e ee g d e c e , , g e e ebca g a f , . F , e , e
C a d , b ed 2017 e c e f e ff ca eb e f eC a , g e be a f ,
a e a e , a e e , c f , a , ce f , ed a d a e , .

Any difference between corporate governance and the standards of the normative documents regarding corporate governance of listed companies issued by the CSRC

☐ Ye ✓ N

Formulation and implementation of registration and management system of insiders

T e C a a e ab ed a I de Reg , a a d Ma age e S e acc , d g e a , ed , e
, eg a , , e . T e ab e e , c ec fe e c e f de f , a a d de , e
a , e a , , eg , a a d f g e f de f , a a d c f de a b ga , a bec e a
, a a f eC a ' e a c , e . I , e ec f e e a f de f , a
a d de , a age e e , eC a ca , ed a effec e e a c , c a a d
d c , e f de f , a acc , da ce e a e a d , e , e a , c ba . Sef
e a a , e a de a e ed a de f , a , ade eC a ' a e
bef , ed c , e f a , e e f , a affec g eC a ' a e , ce 2017.

C a e XI
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

2.

3. A

☐ A cab e ✓ N a cab e

C a Me c a (CIMC) l e e , a d ec S a e de f e C a , a - ed b da f C a Me c a l d , H d g a d de fac c , e C a Me c a G . S fa a e C a a a e, C a Me c a (CIMC) l e e e gaged a b e , ea ed e , c a b e e , [illegible]

(1) ' A

Independent Directors' Attendance to the Board Meetings

Name of independent Director	Required number of Board meetings to attend during the Reporting Period	Attendance in person	Attendance by means of telecommunication	Attendance by proxy	Absence	Not attending in person for two consecutive meetings
Pa C e g e	21	3	18	0	0	N
Pa Z e g	21	3	18	0	0	N
W gK a H e , Abe	21	3	18	0	0	N

T e fa e da ce f de e de D ec a ege e a ee g — Pea e efe (2) A e da ce f e D ec a ege e a ee g f 4. S a e de a d Ge e a Mee g de Pa II: C a e G L e a ce Re (P e a ed Acc da ce e Re e f e H gK gL gR e) ca e f dea .

(2) ' D g e Re gPe d, e de e de D ec dd e e a e e a a f e C a .

(3) N e

6. A A A

T e B a d a e f e ec a c ee , .e. A d C ee, Re e a a d A a a C ee, S a eg c De e e C ee, N a C ee a d R . Ma age e C ee. T e e ec a c ee c ce e f ed e d e acc da ce e G L e a ce G de e f L ed C a , e H gK gL gR e , e A ce f A ca , e R e f P ced e f e B a d, a d e a , e a d b ga a da ed b e e e a e f eac ec a c ee. F e e g f eac ec a c ee de e B a d d , g e Re , gPe d, ea e efe 3. S ec a C ee f e B a d de Pa II: C a e G L e a ce Re (P e a ed Acc da ce e Re e f e H gK gL gR e) ca e.

C a e XI
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

7. A

A f eC a d c edb eS e C ee e d g eRe g Pe d

☐ Ye ✓ N

8. A A A A A A A A

I de e eC a ' de e e a a da d ed, d a d de a e, a ac e ae a d a a e ab f e e a age e , eB a d a f aed eRe a f A a Pe f a ceA e e a d I ce ef ePe e E ed b e CIMC B a d, a d e ab ed e e f a ce a a a a d ce ead e a ec a c e e e a f e a age e b eC a ' e f a ce a d d a e f a ce.

O 17 Se e be 2010, a c de ed a d a ed a e f a d a ge e a ee g 2010 f e C a , eC a a c ed a d e e eda ce ece e f e a e fA S a e. F e a f a , ea e, efe XV. I e e a f eC a ' S a e O I ce e Sc e e, E ee S c O e Sc e e , O e E ee I ce e Mea e f C a e, VIII S g fca E e Re . T e A S a e( ) a e ce ece e c d e e e a g a d e c ec a be ee e S a e de , e a age e a d e aff. T e a age e ca be e, baa ce -e a d g-e a ge ; a ac a d e a e ce e a age e e e a d b e bac b e ; c e c ea e ce e a e, e e g-e abe de e e f eC a a d e f ce c e e e f eC a .

9. A

(1)

☐ Ye ✓ N

Acc d g e f d g de f g eC a ' g fca defce c e a c , e f a ca e , g a a eba e eda e f e e a c , a e e e , (31 Dece be 2017), eC a a g fca defce c e a c , e f a ca e , g. T e B a d f e a e C a a d c ed e c e abe c a. f e e , e e a c , ad e e e e f e e a , a effec e e a c , e f a ca e , g a a e a a ec .

Acc d g e f d g de f g eC a ' g fca defce c e a c , e - f a ca e , g a a eba e eda e f e e a c , a e e e , (31 Dece be 2017), e C a a f da g fca defce c e a c , e -f a ca e , g.

(2) -A

D c ,eda e f e f e, a c , a e e ,e , 27 Ma, c 2018
D c ,e de f e f e, a c , a e e ,e , .c f .c .c
P , f a a e f e c , ,a ed ea e e c e e

C a e, XI
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

	Defce c de fca c, e, a	
Caeg,	F aca,e , g	N -f aca,e , g
	I , a defce c :	Ge, a defce c :
	Defce c e, a c , ef g, ea, c afe, ge, e, a a a ca e !,e ea e c , acc !,ac a d,e ab f ef a ca ae e ! dbe ! de, g a,e c e, e e f ea e ed de e, ed be , a defce c :	Pae ed ec g , , , ea, ec g f, ged ! ,c fde a c , ed ! de, g a,e c e, e e f ea e ed e ' e , ,e , d c ;b e effec a.
	, I e, a c , ec cea da ca f acc ! g ce acc,d g ge, a acce ed acc ! g a da,d ; , A -f ā d , ced,e a dc , ; , I e, a c , ! c, e a , - e a c ,a ac ; , I e, a c , ed-e, df aca,e , g ,ce e ; , I e, a c , f, a e ,ea g f aca,e , g; , Fa !,e c a ce ! e, , ! c a ca, ea a , ac e,e ab ff a ca ,e , g; , Pe a a c b e aeā , e c a, e ace ed ega, e ea e ede ' ,eg a ,e , gd c !,e; , F, c a e a a e, ! ed ! ace e, a ād g ,, . a e e ! c f, effec, e , g, efa !,e f ! c ! c .	
	Ge, a defce c :	
	Pe a a c b ,, ca(c , e) , e, e e ā , e c a, e ace ed ega, e e a e ede ' ,eg a ,e , gd c !,e.	

Defce c de fca c, e, a		
Caeg,	F a ca, e , g	N -f a ca, e , g
Q a a, e be c a.	(T ee, e , e , eda (X) f a ca ae e fa be ee ef g, a ge) Sg fca defce c: 1. 0.5% f a ae, e e e; 2. 5% f a , f ; 3. 1% f a a e ; 4. 1% f a a. e de, ' e, e . I , a defce c: 1. 0.1% f a ae, e e e <0.5% f a ae, e e e; 2. 1% f a , f <5% f a , f ; 3. 0.2% f a a e <1% f a a e ; 4. 0.2% f a a. e de, ' e, e <1% f a a. e de, ' e, e .	Sg fca defce c: 1. Fa , e a a a d/ , daed c e a c e f, e e, a c , e f, 3 ea, a d , e cce , a dfa , e , ea a e f , g a e, f, e, a c , a g c ec. ; 2. C e f , a e, ce f, a e, d f, e 48 , c , a bcIT e , af, a c, , ae c ca e (c d g e , . , c , , e de ce, e e e), ERP e , f a ca f, a e , PDM e , OA e a d . I , a defce c: 1. Fa , e a a a d/ , daed c e a c e f, e e, a c , e f, 2 ea, cce , a dfa , e , ea a e f , g a e, f, e a c , a g c ec. ; 2. C e f , a e, ce f, a e, d f, e 24 , d e a 48 , , c , a bcIT e , af, a c, , aec ca e (c d g e , . , c , , e de ce, e e e), ERP e , f a ca f, a e , PDM e , OA e a d . Ge e, a defce c: 1. Fa , e e f, a a a e a cea d daef e, a c , e d c e a , a dfa , e , ea a e f , g a e, f, e a c , a g c ec. ; 2. I ab e cca a e, ce e f c , a bcIT e , af, a c, , aec ca e (c d g e , . , c , , e de ce, e e e), ERP e , f a ca f, a e , PDM e , OA e a d ; b , a e, a ca be, ec, e, ed a e, d f24 , .

C a e, XI
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

Caeg,	F aca,e , g	Defce c de fca c, e,a N -f aca,e , g
	Ge,a defce c : 1. <0.1% f a ae,e,e!e ; 2. <1% f a , f ; 3. <0.2% f a a e ; 4. <0.2% f a a,e de,' e,e .	
N be, f g fca defce c ff a ca,e , g		0
N be, f g fca defce c f -f a ca,e , g		0
N be, f , a defce c ff a ca,e , g		0
N be, f , a defce c f -f a ca,e , g		0

10. [illegible]

✓A cabe ☐N a cabe

The paragraphs of opinions on approval in the internal control audit report

In our opinion, CIMC has maintained effective internal controls in respect of financial reporting in all material aspects in accordance with the Basic Norms for Enterprise Internal Controls and relevant requirements on 31 December 2017.

D c !,e f e,a c , a d ,e ,	D c ed
D c !,eda e ff e f e,a c , a d ,e ,	27 Ma,c 2018
D c !,e de ff e f e,a c , a d ,e ,	.c f .c .c
Caeg, f e,a c , a d ,e ,	U!a fed
W e e, e,ea,e ae,a defce ce -f aca,e , g	N e

W e e, eacc! a f, ,e,cbe e,a c , a d ,e , f - a da,d e

☐Ye ✓N

W e e, e e,a c , a d ,e , ,e,cbed b acc! a f, c e e ef-e,a! a ,e , f eBa,d

✓Ye ☐N

A A (A A A

T e C a a b e e c e d e a c g c , a e g l e , a c e a d a d . T , ' g , c c , a e g l e , a c e , a c c e , e C a , l e e a c e c , a e l a ' e a d e ' , e ' , g - e ' a b e d e e e , a d f f c , a e , e b a a e d c a a e a a e g - e , S a e d e , l a ' e . T e C a a c e d e c d e , l ' d e , e C , a e G l e , a c e C d e e ' A e d 14 f e H g K g L g R e d , g e R e , g P e d , e c e f , d e a f c d e , l A.1.1, A.2.7, A.6.7 a d E.1.2. T e d e a f d e a f e c d e , l f C , a e G l e , a c e C d e a d c d e , a a e d c e d , e e a a a g a b e .

1. A A A

T e C a a a d e d e , l , e a d e a g a e f e C a b D , e c , a d S e , a e ' A e d 10 f e H g K g L g R e . H a g a d e e ' , e a D , e c , a d S e , , e a c D , e c , a d S e , a c f , e d e C a a e a c f e a c e d e , e ' , e e e ' e M d e C d e d , g e R e , g P e d .

2. A

(1) A

T e B a d f e C a e e c e d b e g e , a e e g f e C a , ' g l g a d e d a c c ' a b e e g e , a e e g . T e , a , e b e f e B a d a e , l d e , a e g c g d a c e e C a , e e , c e e f f e c l e ' e l e e e , a a g e e , e ' , e a e C a ' e , e a e , e c e d a d a e a c c ' a b e e S a e d e , . A c d e e d a d a , l e d a e f , e e g 2017 f e e g e f e B a d e d 27 M a , c 2017, e C a a ' e d e l d e , R e g , a d M a a g e e S e f C a l e , a a M a , e C a e (G ') C ., L d . a d e l e e a R e f e R . M a a g e e C e e f e B a d f D , e c , f C a l e , a a M a , e C a e (G ') C ., L d .. T e ' e f e c e , e ' b e d C f e b e (. c f . c . c), e H g K g S c . E c a g e ' e b e (. e e .) a d e C a ' e b e (. c c . c) 28 M a , c 2017.

C a e Xl

Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

(2)

Acc d g eA ce fA ca , eB a d c feg D ec , , c d g e c a , a , e ce c a , a a d ee de e de -e ec e D ec , .

D , g e Re , g Pe d, 7 A g 2017, M . Wa g Z a , a -e ec e D ec , , e g ed f e f -e ec e D ec , f e C a a da eR . Ma age e C ee a d e Re e a a d A , a a C ee f e B a d d e e c a ge b a g e . O 26 Se e be 2017, a , e a b S a e de a e f , e , a d a , ge e a ee g 2017, M . H X a f a bee a ed a a -e ec e D ec , f e e g e f e B a d f e C a , a d e f , ee ee g 2017 f e e g e f e B a d f e C a , M . H X a f a bee e ec ed a e c a , a f e R . Ma age e C ee a d a e be f e Re e a a d A , a a C ee. F , de a , ea e , efe IV. C a ge f D ec , , S e , a d Se , Ma age e f e C a f C a e X I f , a D ec , , S e , a d Se , Ma age e a d E ee Re , .

A g e d , , e D ec , , e f , -e ec e D ec , a e a a d e e e e e c e d e a d a age e ; e , ee de e de -e ec e D ec , a , f d a cade c a d , fe a a f c a a d , c d , e e e c e g , f a c e , ega a d a age e . E e c a , M . Pa C e g e , a de e de -e ec e D ec , , a a , , a e acc g a d f a c a a age e e e e . T e , fe a f c a a d ab da e e e c e f d , , e D ec , e e B a d , g , , e e a d , a age e , ced , e e , e e e fa S a e de , c d g , S a e de . P , f e f D ec , f e C a a e e e ec e a ded B , ef B g a f e D ec , de , C a e X I f , a D ec , , S e , , Se , Ma age e a d E ee f

C a e Xl
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

(3)

A

The Board conducted 21 Board meetings and 16 meetings of Committees of the Board as detailed in 35 of the Board and 27 meetings of Committees of the Board were held.

Session of meeting of the Board	Date	Resolutions of the Board considered
The 1 meeting of 2017 of the 8	27 March 2017	1. Re of the meeting of 2017; 2. Re the acceptance of 2017; 3. Re regarding bank guarantee and security deposit of the Board for the financial year 2017; 4. Re regarding recommendation and appointment of Secretarial Auditor of the Company and fixation of their remuneration; 5. Re regarding recommendation and appointment of Cost Auditor and fixation of their remuneration; 6. Re regarding appointment of Internal Auditor and fixation of their remuneration; 7. Re regarding recommendation and appointment of M/s. Chaturvedi & Co., Auditors and fixation of their remuneration; 8. Re regarding preparation of financial statements and Auditors Report for the financial year 2016; 9. Re regarding appointment of Chief Executive Officer and fixation of remuneration; 10. Re regarding appointment of Company Secretary.
The 2 meeting of 2017 of the 8	21 April 2017	Re of the meeting of 2017 of the Board
The 3 meeting of 2017 of the 8	27 April 2017	Re of the financial year 2017
The 4 meeting of 2017 of the 8	8 May 2017	Re recommendation of Dividend for the financial year 2016 and approval of the Annual General Meeting for the financial year 2017
The 5 meeting of 2017 of the 8	29 May 2017	Re the Company's Internal Financial Controls over Financial Reporting for the financial year 2016
The 6 meeting of 2017 of the 8	14 June 2017	Re adjournment of the meeting and approval of Mr. Manoj Agarwal as the Chief Executive Officer for the financial year 2017
The 7 meeting of 2017 of the 8	14 June 2017	Re regarding recommendation of Secretarial Auditor of the Company
The 8 meeting of 2017 of the 8	20 June 2017	Re the Annual Report and Notice of the Annual General Meeting
The 9 meeting of 2017 of the 8	3 August 2017	Re appointment of Chief Financial Officer and Compliance Officer and Mechanism for Prevention of Insider Trading
The 10 meeting of 2017 of the 8	11 August 2017	Re the meeting of 2017
The 11 meeting of 2017 of the 8	28 August 2017	1. Re the meeting of 2017 2. Re approval of the Financial Statements and

C a e XI
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Session of meeting of the Board	Date	Resolutions of the Board considered
T e 12 ee g 2017 f 13 Se e be 2017 e 8 e		1. Re ea f e e S e e CIMC Eec, c C e,ce a d L g c Tec g C ., L d. 2. Re e, a fe f e e S e e CIMC Eec, c C e,ce a d L g c Tec g C ., L d. 3. Re ea , L a fe e g e , a egcc e a fa e , . age ee e S.F.E , e C ., L d.
T e 13 ee g 2017 f 22 Se e be 2017 e 8 e		Re eec ga D, ec , c a, e f, e , a , d a, ge e, a ee g 2017
T e 14 ee g 2017 f 26 Se e be 2017 e 8 e		Re de e, g e be f e Re e, a a d A , a a C ee a d e R . Ma age e C ee
T e 15 ee g 2017 f 9 Oc be 2017 e 8 e		Re e e, g e Qa a La d P, e a, a F, a e , . Ag ee e
T e 16 ee g 2017 f 27 Oc be 2017 e 8 e		Re e , d a, e , e , f 2017
T e 17 ee g 2017 f 4 Dece be 2017 e 8 e		Re ec f 78.15% e e Pe, G ba L ed., C a F, e Safe E e , e G L ed
T e 18 ee g 2017 f 5 Dece be 2017 e 8 e		Re a, e f e, a e de, f , e-e L e, g e , a fe, f e e CIMC Ve ce (G) C ., L d.
T e 19 ee g 2017 f 11 Dece be 2017 e 8 e		N , e
T e 20 ee g 2017 f 18 Dece be 2017 e 8 e		N
T e 21 ee g 2017 f 22 Dece be 2017 e 8 e		Re ec L e g f ef, e , a , d a, ge e, a ee g 2018

C , , a e G L e, a ce C de A.1.1 , e , e a T e b a, d d ee , eg a, a d b a, d ee g d be e d a ea f , e a ea, a a , a e a e, e, a . D , g e Re , g Pe, d, e C a e d 21 B a, d ee g , f c 3 ee g e, e e d - e. T e e e c L e D, ec , f e C a a age a d , e b e e, a a d , e d B a, d

(4) A

Re b e a d a , e f e B a d a d e a a g e e a e c e a d e f e d . F , d e a f , e b e f e B a d , e a e , e f e e A c e f A c a a d e R e f P c e d , e f e B a d , a d f , e b e f , e , e a e , e f e (1) A , e f e B a d f 2 . T e B a d c a e f Re , . T e a a g e e , e b e f , e d a e a a d a c c ! a b e e B a d b e , d g a d e ! a e d a a a d e c a c e e e ! , e e , f , e d d e c - a g .

(5)

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(6)

T e C a e e ed e ce c ac Z a g M g e (e c a a f e S e C ee),
L S e g (S e e d 25 Se e be 2017), Wa g H g a (S e) a d X g B

(8)

D g e Re g Pe d, e f e D ec S e f e C a ad a a e a e a e e d ec d ec a a ac a a ge e c ac f g fca ce e e C a a f b da e a a a .

M. Wa g H g a -e ec e D ec f e C a e a e de ge e a a age f C a Me c a G . M. H Xa f e a e ge e a a age f C a Me c a Id H d g . M. Wa g H g a a e f e C a e a e de ge e a a age f C a Me c a Id H d g ad e ge e a a age f e a egc de e e de a e . C a Me c a Id H d g ad c g a e de C a Me c a G a e e a ge S a e de f e C a . Te ff e e g ee g b e f C a Me c a G c e e a f e G . F de a , ea e efe 3. H a C e f C a e XI C a e G e a ce ad C a e G e a ce Re Re .

M. Wa g a g a -e ec e D ec f e C a e a e de ge e a a age f C a COSCO S g C a . M. L C g e a e a ag g d ec f COSCO SHIPPING De e e M. Z a g M g e a e f e C a e a e c ef acc a f COSCO SHIPPING De e e ad c g a e de C a COSCO S g a e e ec d a ge S a e de f e C a . Te c a e a fac g g c e ce a d f a ca ea g b e c e e e f e G . F de a , ea e efe 3. H a C e f C a e XI C a e G e a ce ad C a e G e a ce Re Re .

Sa e a d c ed ab e, e f e D ec S e a e ea ed c D ec / S e a e q e q e e ada e e ab e a c e e a c e ed ec d ec eb e f e G .

(9)

a. U a ! f d b e D ec , e C a a de e a c a e a .
I f a ab e C a ' b e a d e a a be ded a e a ba a e .
T e d a c f a e e a e a a d e a d - (d)0.55(g)0. 4(e)0.4(e)0b5(g)0. c(g)0.5( )0.5(a)0

3. A A

U de eB ad, e ea eRe t e a a dA a a C ee, N a C ee, A d C ee, S a eg C ee a d R . Ma age e C ee. T e a e b t e dec - a g f eB a d. D ec a c a e e ec a c ee f d e e ea c fce a t e ba ed e d f a d de gge a t d e e a d e e a ce e a age e f e C a .

(1) A

T e a d e a d e b e f eRe t e a a dA a a C ee f e C a a e: (1) d a d f a e a c e a f e a age e , e f a a d e e t e a c e a d a ; (2) a e ec e da ega d g e a a c e a a d e t e a c e f D ec ; (3) f t a e a e c e e t a f e a a ega a d a d e ; (4) be e be f e a age e f a e c e e e , c d g b ed e e a fca fg a ee, g a c d a d c d f e e c g e a e; a d (5) ca t e a e a edb eB a d.

A A

T e Re t e a a dA a a C ee c e f e D ec , c d g ee de e de - e ed e D ec , a d - e ed e D ec , . C e e be c de c a a , a e , M . Pa Z e g a d e be , a e , M . Pa C e g e, M . W g K a H e , A be , M . H Xa t a d M . L C g.

A

T e Re e,a a d A ,a a C ee e d 4 ee g d , g e Re , g Pe, d, a d e , a de be,a ed a,e a f :

Session of meeting	Date	Resolutions considered
T e 1 ee g 2017 f e 8 e	27 Ma,c 2017	Re e e f, ee g 2017
T e 2 d ee g 2017 f e 8 e	8 Ma 2017	Re e e 2016 a ,a a f a ed e, e (e c d g CEO a d P,e de Ma B a g) b e B a,d f D,ec ,
T e 3,d ee g 2017 f e 8 e	12 Ma 2017	Re e e 2016 a ,a a f CEO a d P,e de Ma B a g
T e 4 ee g 2017 f e 8 e	10 J 2017	O e 2016 e f, a ce b d ,b a a d e 2017 f ed,e e,a ad e a f, e, e a ed b e B a,d

T e a ,a a , ced ,e f e Re e,a a d A ,a a C ee f, e d,ec , a d e , a age e c de: (1) e Re e,a a d A ,a a C ee de e, e e f aff be a ,a ed a d b e B a,d f, c de,a a d a , a; (2) e aff be a ,a ed b a , ,e , a d , de ef-e a a e Re e,a a d A ,a a C ee f e B a,d; (3) e Re e,a a d A ,a a C ee e a e e e,f, a ce f e aff ba ed e e a a c, e,a a d , ced ,e ; a d (4) e Re e,a a d A ,a a C ee , e e ,e e,a c e e , ,ec e da f, eac aff e be, ba ed e, ,e f e,f, a ce e a a a d e,e e,a d ,b c, a d,e , e B a,d af e, a g e, e.

Acc ,d g e l e e a R e f e Re e,a a d A ,a a C ee, e,e e,a a f e C a ' D,ec , , ed b e Re e,a a d A ,a a C ee a be b ed e B a,d f, d d a d c e , a d e b ed e ge e,a ee g f, c de,a a d a , a bef,e e e a ; e,e e,a d ,b a f, e , a age e a be b ed e B a,d f, e a a d a , a bef,e e e a . M de ( ) f R e B.1.2(c) A e d 14 f e H g K g L g R e ad ed f, e , ced ,e a de e, e e,e e,a .

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(2)

T e a d e a d e b e f e N a C ee a e: (1) e e c e, e a d c f e B a d a a a e a b a (c d g e a e c f , edge a d e e e ce) a d a e e c e d a a , ed c a ge e B a d ee e e C a ' a e g ; (2) de f d d a a f e d b e c e B a d e b e a d e e c a d a e e c e d a e B a d e e c f d d a a e d f d e c ; (3) a e e de e de ce f de e de -e e d e D e c ; (4) a e e c e d a e B a d e e a a e e a g e a e e a e f D e c , a d c e a f D e c (e e c a e c a a f e B a d a d e de); (5) e a a e e D e c ' a d a e g e e c e d a e e a c e e f D e c ba e d e e a a e (f a c a b e); (6) f c de e C a ' c d e f B a d e b e e f g e b e , e e e c f c a d d a e f e B a d b e b a e d a d e e a g e f c e a, c d g b ed g e de , a g e, d a a d e d c a a b a c g d, fe a e e e c e, a d edge; f e a b e c d a e c a e c a d d a e ' c e e e a e e C a ' b e a d d e e , / e e a c b e B a d a d e e e d e f e B a d e b e b e a e a c e f a d e c a d e; (7) e e , e e a a e, e C a ' c d e f B a d e b e a e a e a a b e g a a d g e f c e e a e e f f c e c ; a d (8) e f e d e a a d b e B a d.

A

T e N a C ee c e ee D e c , c d g de e de -e e d e D e c a d e -e e d e D e c . C e e b e c d e c a a a e , M . W g K a H e , A b e a d e b e a e , M . Wa g H g a d M . Pa C e g e .

Member of the Nomination Committee	Time of attendance in person	Time of attendance by proxy
M . W g K a H e , A b e (c a a)	2	0
M . Wa g H g (e b e)	2	0
M . Pa C e g e (e b e)	2	0

T e N a C ee e d 2 ee g d g e Re g Pe d, a d e a de be a e d a e a f :

Session of meeting	Date	Resolutions considered
T e 1 ee g 2017 f e 8 e	27 Ma c 2017	O a e c ce g e 1 ee g 2017
T e 2 d ee g 2017 f e 8 e	11 A g 2017	O e a f M . H Xa f a a ca d d a e f d e c f e 8 e f e B a d

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(3) A

A

T e a d e a d , e b e f e A d C e e c d e : a d e e , e a e e e a a d g b d f e C a , , e e f a c a f , a f e C a a d , e C a ' f a c a , e , g e a d e a c , , c e d , e . F , d e a , e a e , e f e , T e l e e a R e f e A d C e e t d e , e B a d f C a l e , a a M a , e C a e , (G) C ., L d . b e d e e b e f e S e e S c . E c a g e , C f e b e (. c f . c .c), e e b e f e H g K g S c . E c a g e (. . e e . .) a d e C a ' e b e 9 A , 2016.

A **A**

T e A d C e e c , e , e e d e e d e - e e c L e D , e c , . C , , e e b e , c d e , c a , a , M . P a C e g e a d e b e , M . P a Z e g , a d M . W g K a H e , A b e , .

Member of the Audit Committee	Time of attendance in person	Time of attendance by proxy
M . P a C e g e (c a , a)	8	0
M . P a Z e g , (e b e ,)	8	0
M . W g K a H e , A b e , (e b e ,)	8	0

A

D , g e R e , g P e d , e A d C e e e d 8 e e g , 6 f c e , e e d b a f , e , e .

Session of meeting	Date	Resolutions considered
T e 1 e e g 2017 f e 8 e	10 Ma , c 2017	N
T e 2 d e e g 2017 f e 8 e	26 Ma , c 2017	O a e , c c e , g e 2 d e e g 2017 f e A d C e e f e B a d
T e 3 d e e g 2017 f e 8 e	26 A , 2017	O a d g e f , a e , f a c a , e , f 2017
T e 4 e e g 2017 f e 8 e	3 A g 2017	O a d g e , e , f e a e d a d a d , e c a c e a f , e P , c e B a P , e c L a d C a M e , c a S e .
T e 5 e e g 2017 f e 8 e	27 A g 2017	O a e , c c e , g e 5 e e g 2017
T e 6 e e g 2017 f e 8 e	27 Oc be , 2017	O a d g e , d a e , f a c a , e , f 2017
T e 7 e e g 2017 f e 8 e	16 N e be , 2017	O a d g e e c f 78.15% e e e P e , G b a L e d e d C F E
T e 8 e e g 2017 f e 8 e	18 Dece be , 2017	N

(4)

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(6)

During the Reporting Period, the Board held 3 meetings. The Board meetings were held as follows:

Session of meeting	Date	Resolutions considered
The 1st meeting for 2017 of the	26 March 2017	Approval of the 1st meeting for 2017
The 2nd meeting for 2017 of the	27 April 2017	None
The 3rd meeting for 2017 of the	26 September 2017	Resolution of the Board

4. [illegible]

(1) [illegible]

The Company has established a sound and effective risk management and internal control system. The Board is responsible for overseeing the Company's risk management and internal control systems and reviewing their effectiveness annually.

The Company's risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Company has established a risk management framework which sets out the procedures to identify, assess, monitor and report risks. The Company's risk management and internal control systems cover all material controls, including financial, operational and compliance controls.

The Board, through the Audit Committee, has conducted a review of the effectiveness of the Company's risk management and internal control systems during the Reporting Period. The review covered all material controls, including financial, operational and compliance controls. The Board considers that the Company's risk management and internal control systems are effective and adequate.

During the Reporting Period, the Company has complied with the code provisions set out in the CG Code relating to risk management and internal control.

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(2) A

Position	Name	General meeting attended	5 general meetings convened in this year Time of attendance	Attendance rate(%)
C a, a	Wa gH g	Sec de ,a ,d a, ge e,a ee gf, 2017	1	25
Vce c a, a	Wa gY a g		0	0
D,ec ,	Ma B a g	A a ge e,a ee gf, 2016, f, AS a,e de,'ca ee g f, 2017, f, HS a,e de,' ca ee gf, 2017, ec d e ,a ,d a, ee gf, 2017	4	80
D,ec , (ffce 26 H Xa Se e be, 2017)			0	0
D,ec , (e g ed 7 A g 2017)	Wa gZ a		0	0
D,ec ,	L C g	A a ge e,a ee gf, 2016, f, AS a,e de,'ca ee g f, 2017, f, HS a,e de,' ca ee gf, 2017, f, e ,a ,d a, ee gf, 2017	4	80
I de e de d,ec ,	Pa C e g e	A a ge e,a ee gf, 2016, f, AS a,e de,'ca ee g f, 2017, f, HS a,e de,' ca ee gf, 2017	3	60
I de e de d,ec ,	Pa Z e g,	A a ge e,a ee gf, 2016, f, AS a,e de,'ca ee g f, 2017, f, HS a,e de,' ca ee gf, 2017, f, e ,a ,d a, ee gf, 2017	4	80
I de e de d,ec ,	W gK a He , Abe,	A a ge e,a ee gf, 2016, f, AS a,e de,'ca ee g f, 2017, f, HS a,e de,' ca ee gf, 2017	3	60

De a ,e a ed a eab e ge e,a ee g a ebee e e,ee a a ce e b ed e eb e f eSe e S c. E c a ge, C f eb e(.c f.c .c), e eb e f eH gK gS c. E c a ge(. e e .)a d eC a ' eb e.

C , ,a e G e, a ce C de A.6.7 e , e a de e de -e ed e d,ec , a d e, -e ed e d,ec , da a e d ge e,a ee g a d d e a baa ced de, a d g f e e f a e de, .D , g e Re , g Pe, d, e C a ed 5 ge e,a ee g. D e e, b a a affa, d , g e a e e, d, a d,ec , e,e abe a e d e e, ge e,a ee g. F , D,ec , ' a e da ce, ea e,efe e abeab e.

C de , L E.1.2 f eC , , a e G L e , a ce C de , e , e a T ec a , a f e b a d d a e d e a a g e e , a ee g. He da L e ec a , e f e d , e e , a , a da e , c ee (a a , , a e) a e d. T e , ee de e de -e ec L e D , ec , f e C a a a e ded e ge e , a ee g c L e ed d , g e Re , g Pe , d. T e -e ec L e D , ec , Wa g H g , (e C a , a f e B a d), Wa g a g (V ce-c a , a f e B a d) a d Wa g Z a (e C a , a f e R Ma age e C ee f e B a d, , e g ed 7 A g 2017) fa ed a e d e af , e ad ge e , a

7. [illegible]

The Company has engaged the services of Mr. [illegible] as the Internal Auditor of the Company. The Internal Auditor has been entrusted with the responsibility to assess and provide reasonable assurance that the Company's internal control systems are adequate and operating effectively. Refer Section IX. Engagement and Disengagement of Auditors of Chapter VIII Statutory Reports in this Annual Report.

8. [illegible]

The Company Secretary, Mr. [illegible], has been responsible for ensuring compliance with the applicable statutes, rules and regulations and for providing guidance to the Directors and the Senior Management. The profile of Mr. [illegible] is given in Section I. Brief Background of Directors, Key Managerial Personnel and Senior Management of Chapter XI of this Annual Report. In 2017, Mr. [illegible] received a gift of 15 [illegible] acknowledgement.

9. [illegible]

For the financial year ended 31st March, 2017, the Company has complied with all the mandatory requirements of Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

10. A A A A

(1)

I 2017, eC a e ab ed ac e e e, a age e ad e, a c e c c a ce e, e e fC a Sec, e Reg a, C , e CSRC S e e B, ea ad eH gK gS c. E c a ge. Acc, d g eC, e, a Be c a. f, E e, el e, a C, ad g da ce ed b f e e, e a dde a, e fC a, e, e, e e f eC, , a e G L e, a ce C de a d eC, , a e G L e, a ce Re, ! de, eH gK gL gR e a d b, efe, g g d g d c e c a COSO C, , a e R. Ma age e Q e, a F, a e, a d ISO31000 R. Ma age e P, c e a d G de e, e C a a de g ed, e e ed a d ed e, a age e a d e, a c e. T e c f f e a, a e, a age e , a eg, g e f, a age e , ec, e f, a age e , f, a e f, a age e a d, a age e c , e. T e e de e de ce a d e g a g eac a a , e e effec e e f e, a age e a d e, a c e. Fea, ed b d c d f e a d, e b e,

(2) , A

T e C a ace , a ce de fca a d a e e f a , , . , c e e f , a , , . e a d , e e , e a , , e , . T e e f , e , e C a e ab ed a , . de fca , ced , e ba ed b , ca e , e ce a d ce fc f , eca . T e , ced , e , e , e a e ead ff ce a d e be , f e C a a c ec , a , . , e e cd , , ed ac , e e be , a , a a e , dc a d , , eg a ba a d de f e , . a e C a a c f , b c d c g , e ea c a d f , eca e a , e a d ec c c d , de , ad a d da e e , . da aba e a d , . , g , c , e f e C a a d , , e , . da aba e f e e be , f e C a , , f , a ga e a , . da aba e f e G , . T e G , e ab ed ec a f , e , dc a d , , eg a , a g f , e , ce f , e , . da aba e a e a c , ca a d , a g , ea , . de fca ea , e a d e e , e ce a g a c , ef g e , . de fca , ced , e f e C a .

T e C a , e a e e a , , . f e C a a , a a e , dc ba . T ca , , e , . a e e , ced , e , . a age e , d a , a , a e e , e a , e acc , d g e , . da aba e a d , . , e a a c e a f e C a a d d , b e e a age e f e C a a d e e be , f e C a f , a , a a d , a g , de , de e , e e a , e f e , . a d f , , a e a a , . e , e ce . T e . a age e f e C a c d g e CEO ca , e , e a d c , ca a de e , e e , . e , e ce . T e , . a age e ea c d c , e ea c a d e , e e f e , . e c f , ed , . e , e ce , de , de e , e e , ea , , f e ce a d , f e , . a d , e a , e a a , a , . a e e , e , . T e , e , be , b ed e B a d f , a , , a .

T e C a e ab ed a c , e e , e , ced , e f , a , , . . F , de fed a , , . , e , e be , . de a , e a , a ce , e , a , g d c a , a d , ac . d e , g d c a , f , a , , . e d c a . T e ab , a d c a , a d , . , ed a be , e , ed e a age e , a d e a age e a g de e ac , e , e e b e , e be , . de a , e .

I 2017, acc , da ce e a age e , e , e e f e B a d , ega d g a g , . c , a , , , a e e , , e , de , eG , , ac , e de f a , , . fac , a d e ab , e , a c , ea , e . T e e , a c , e a ac , e , age , a e f , e 95% e e e , , e , de , eG , .

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(3)

T e C a a ca ed e e effec e e f a age e a d e ac e .T e

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KEY AUDIT MATTERS (Continued)

Key Audit Matters	How our audit addressed the Key Audit Matter
1. Impairment of long-term receivables Refe N e II.10 Acc g c f ece abe , N e II.34 (1) C ca acc g e a e a d dge e a e f ece abe , N e IV.9 C e f -C e a e a d N e IV.12 L g- e ece abe e f a ca a e e . A a 31 Dece be 2017, e e a e f f a ca ea e ece abe e g- e ece abe (c d g e d e e ea) e G c da ed ba a ce ee a a ed RMB16,807,361,000. I 2017, e G ade a a e a d g- e ece abe (c d g e d e e ea) f RMB123,659,000 e c da ed c e a e e . T e a age e e f ed e c ed e f a ca ea e ece abe . g- e ece abe de f a e , a g acc e e ee a e ec d , e e c f e e ee a d e a a e a d e ece abe a e f e ea ed a e a d e d e f e e ee b e . S ecfc ade f f a ca ea g ece abe g- e ece abe bec e de ce f a e , e f a ca ea e ece abe g- e ece abe f c ecfc . d be ca fed acc d g a c ed a da e c ec e a e ed f a e g e de a a e d. T e ecfc ea ed a e dffe e ce be ee e g- e ece abe ' ca g a a d e e e a e f e e a ed f ece ca f . T e e a ed c de: e f e a e ab f e e ee a d e a e e d a a e f e ea ed a e a d ed a e. U de de a a e d, e e a ed a e f e a e deed b ca a e a d e e ge ce e d. We f d ed a ea d e e fac a g fca dg e e e ed d g a e de fca a d a e e ce f f a ca ea g ece abe g- e ece abe.	We e f ed e f g ced e add e e a d a e:

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KEY AUDIT MATTERS (Continued)

Key Audit Matters	How our audit addressed the Key Audit Matter
2. Impairment of goodwill allocated to the offshore engineering asset group, the heavy truck asset group and Energy, Chemicals and Liquid Food Equipment asset group Refe N e II.20 Acc g c f a, e f g-e a e, N e II.34 (2) C, ca acc ge ae ad dge e a, e f g-e a e ad N e IV.19 G d ef a ca a e e . A a 31 Dece be 2017, e e a e fg d f eG ec da ed ba a ce ee a a ed RMB2,112,445,000, a g c RMB229,460,000 a a ca ed ff , e e g ee, g a e g e RMB38,815,000 a a ca ed ea , c. a e g , a d RMB1,036,235,000 a a ca ed e e g, c e ca a d L d f de e a e g . I 2017, e G ade a , f , a d RMB38,000,000 a d e g d a ca ed e ff , e e g ee, g a e g , ea , c. a e g a d e e g, c e ca a d L d f de e a e g , e ec e, e c da ed c e a e e . I 2017, e e a e f , a ce f e a e g ee d , e e be e ec a a d e e a a, f a, e . T e a age e ade e c , e d g a, e , ba ed ed ffe e ce be ee , ec e, ea be a a d ca , g a f , e ¢ a a e g , c b a f a e g e c de e a ca ed g d . T e a a ed c de , e ¢ e e g , a e, g a g , e e e, a e a dd c , a e. We f c ed a, ea d e e fac a g f ca dge e e, e e ed e a f a e g e g d a, e.	We e f, ed e f g , ce d, e add e e a d a e: We de, d, ¢ a a ed a d a da ed e effec e e f e, a c , , ega d g g d a, e e, c d g e ad f e a a d e, ¢ e e a da , a f a, e , . We ba ed a age e ' , ee f a, e f g d a ca ed e ff , e e g ee, g a e g , e ea , c a e g a d E e g, C e ca a d L d F d E e a e g . We a e ed e e, e g d a ca ed e , e ¢ a a e g , c b a f a e g a, ea abe a. We e ed e a e a ca acc d , ac f e ca d a . We c a, ed a age e ' f, eca 2016 G d I a, e , ee aga eac a e f, a ce 2017 c ec e e, e e a age e ba e g d a, e a e e , ce . We a a ed e, a a f a age e ' a f , e, ¢ e e g , a e, g a g a d e e e, a e b c de, g e , ca e a f e, e ¢ a a e g , e d , e d, e e g g a e , e a d c a g d e ec e f ca e. We ¢ a a ed e d c , a e b g e e e f eca . We e f, ed e e g a g a d d c , a e. Ba ed , , e f, ed, e f d a a age e ' e a g d a, e e a , ed b e ¢ de ce ega e, ed.

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KEY AUDIT MATTERS (Continued)

Key Audit Matters	How our audit addressed the Key Audit Matter
3. Impairment of fixed assets Refe N e II.20 Acc g c f a e f g-e a e , N e II.34 (2) C ca acc ge ae a d dge e a e f g-e a e a d N e IV.15 F eda e ef a ca a e e . A a 31 Dece be 2017, e e a e ff ed a e f e G c da ed f a ca a e e a RMB22,941,021,000. I 2017, e G ade a f a e f f a e f RMB20,252,000 e c da ed c e a e e . A e ba a ce ee da e, e G a e ed e e e a a d ca a e f ed a e e a ed a d f e a e d be e f ed f e a e d ca . If e e f e a e e d ca e e ec e abe a f a f eda e a e g e a b a e, e d ffe e ce a be acc ed f a a e a d c ded e a e . T e ec e abe a e g e f a a e , a e g ' fa a e e c e a d e e e a e f e ca f e ec ed be de ed f ea e a e g . I 2017, e a e d ca e ed f e f eda e f e b da e f e G a ffe ed f e , fe f e c a . T e a age e a e ed e a e ba ed a e age a b g e fa a e e c e e da d e e e a e f e ca f e d, e ec e . T e e a e a g e ec e abe a c de e de e a f a e g , e ed c f d ed a e a de e e f d a; e e a e e e a e f e ca f e d c de e e e g e , a e, g a g , e e e a e a dd c e a e . We f d ed a ea d e e fac a g f ca dge e e e e ed e a f a e g e a e ff ed a e .	We e e f ed e f g ced e add e e a d a e: We de d, e a a ed a d a da ed e effec e e f e a c , ega d g f ed a e a e e , c d g e ad f e a a d e e e a da , a f a e , . We e f ed de e de a e e , a a e ba , de e e e e g f a e e a e g f a e a abe ge e a e de e de ca f . We ba e f eda e a e e , ee f , e a e d ca , . F , e ad ed e e e a e f e , e ca f e d, e e ed e acc ac f e ca d a , a a e ba , f , e e f ed e f g ced e : C a ed a age e ' f eca 2016 f ed a e a e e , ee aga e ac a e f a ce 2017 c ec e e e a age e ba e f eda e a e a e e ce . A a ed e a a f a age e ' a f e e e e g a e , g a g a de e e a e b c de g e ca e a f e e e a a e g , e d , ed , e e g g a e , ea d c a g d e ec e f ca e. E a a ed ea a e f d c a e b g ee e e f eca . Pe f ed e e g a g a d d c a e . F efa a e e c e e d, ea e ed e a a b c a g ee a edd a a e f e f eda e a d ea a a e aga e a e ce f a a e . Ma age e ' e a ad ed e f eda e a e e a e e acce abe a ge.

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C a e, XII
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KEY AUDIT MATTERS (Continued)

Ke A d Ma e,	H , a d add, e ed e Ke A d Ma e,

5. Purchase price allocation for acquisition of SOE

Refe, N e II.5 Acc g c f B e
C b a , N e V.1 B e c b a
l l ge e, e de, c c ,

O 4 A g 2017, a d, ec - ed
b d a, f e G , CIMC E, c l, e e
H d g (S e e) L d. (EIHL) ac , ed 100% f
e ed a, e SOE a a ca c de, a
f RMB799,800,000. T e, a ac fe de,
e c e f B e C b a acc, d g
Acc g S a da, d f, B e E e, e a 0 d g 0d g 0.5( )0.5( )0.5( )0.5(,85 T 7)0.5(,)ec -6e c .5(,)e
A <e, l a, c a]TJ0.0166Tc 0.086 T 0*[(de, f ab a ed ac d ab f SOE)

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OTHER INFORMATION

Ma age e f CIMC ,e bef, e e f, a .T e e f, a c , e a f e f, a c ded 2017 a a ,e , f CIMC e a ef a ca ae e ad , ad , ' ,e , e e .

O , ef a ca ae e de c e e f, a ad ed e ,e a f, f a , a ce c e e .

I c ec , ad f ef a ca ae e , , ,e b ead e e f, a ad, d g , c de e e e f, a a e, a c e ef a ca ae e , , . edge b a ed e ad , e, e ea ea be a e, a a ed. If, ba ed e , . e a e e f, ed, e c c de a e e a a e, a a e e f e f, a , ea e , ed , e , a fac . We a e g , e , , ega d.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Ma age e f CIMC ,e bef, e ,e a, a ad fa, ,e e a f e ef a ca ae e acc , da ce e CAS , a d f, c e, a c , a a age e de e, e ece a, e abe e ,e a, a ff a ca ae e a a e f, eef, a e, a a e e , e e, d e f, a d , e, , .

I ,e a, g e ef a ca ae e , a age e ,e bef, a e g CIMC' ab c ea ag g c ce, , d c g, a a cabe, a e, ,ea ed g g c ce, a d g eg g c ce, ba facc g e a age e e e, e d da e CIMC , cea e e, a , , a e ,ea ca e, a, eb d .

T ec a, ged g, e, a cea e, e bef, , e, ee g CIMC' f a ca , e , g , ce .

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT

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AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

We a l de e c a ged g e a ce a a e e a e ec ed e a e ca e e ega d g de e de ce, a d c ca e e a ea a d e a e a a ea ab be g bea , de e de ce, a d e ea cab e, ea ed afe a d.

F e a e c ca ed e c a ged g e a ce, e de e e e a e a e e f g fca ce ea d f ef a ca a e e f ec e e da da e e ef e e a d a e. We de c be e e a e , a d , e a eg a ec de b c d c ea b e a e , e , e e e a ec c a ce, e de e e a a a e d be c ca ed e , be ca e ea e e c e e ce f d g d ea ab be e ec ed eg e b c e e be ef f c c ca .

P ce a e eC e Z gTa LLP — Ce fed P b c Acc a

Z We a
(E gage e Pa e)

S a g a, e Pe e' Re b c f C a — Ce fed P b c Acc a

Ca Z fe g

27 Ma c 2018

Af_nrcp VGGG
Financial Statements Prepared in Accordance with CASBE

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&?jj_kmslrqgl PK@%... sljcqqmrfcpugqcqr_rcb'
&Clejgqf Rp_lqj_rgml dmp Pcdcpclac Mljw'

CONSOLIDATED BALANCE SHEET

	N e	31 December 2017	31 Dece be 2016
ASSETS			
Current assets:			
Ca a ba . a d a d	IV.1	5,596,314	6,325,998
F a ca a e a fa ,L a e , g , f ,	IV.2	194,880	141,160
N e ,ece abe	IV.3	1,376,864	1,536,191
Acc ,ece abe	IV.4	16,396,726	11,526,075
Ad a ce e	IV.6	2,147,721	2,165,982
I e e ,ece abe		19,092	9,250
D de d ,ece abe		4,408	41,959
O e ,ece abe	IV.5	8,259,736	9,347,887
I e , e	IV.7	19,258,327	17,409,515
A e edf , ae	IV.8	235,309	203,847
C ,e , f -d ,e a e	IV.9	4,314,250	3,941,689
O e c ,e a e	IV.10	1,198,296	702,478
Total current assets		59,001,923	53,352,031
Non-current assets:			
F a ca a e a fa ,L a e , g , f ,	IV.2	318,534	325,187
A a abe-f ,- aef a ca a e	IV.11	441,581	442,726
L g-e , ece abe	IV.12	12,880,540	13,220,242
L g-e e e	IV.13	2,398,495	2,162,217
I e e , e e	IV.14	1,679,189	1,752,608
F eda e	IV.15	22,941,021	22,037,261
C , c , ge	IV.16	22,194,585	22,769,189
D a ff eda e	IV.17	147,661	130,050
I a gbea e	IV.18	4,711,244	4,654,757
De e e c	IV.18	67,399	49,990
G d	IV.19	2,112,445	2,127,893
L g-e , eade e e	IV.20	205,239	246,574
Defe ,ed a a e	IV.21	1,416,637	1,257,670
O e -d ,e a e	IV.22	87,886	86,353
Total non-current assets		71,602,456	71,262,717
TOTAL ASSETS		130,604,379	124,614,748

C a e, XIII

A A

A a 31 Dece be, 2017
(A a RMB'000 e e, e a ed)
(E g T, a a f, Refe, e ce O)

C a e XIII

A A

A a 31 Dece be 2017
(A a RMB'000 e e a ed)
(E g Ta a f Refe e ce O)

BALANCE SHEET

	N e	31 December 2017	31 Dece be 2016
ASSETS			
Current assets:			
Ca a ba a d a d	XVI.1	1,366,876	2,660,222
D de d ece abe	XVI.2	4,918,369	4,755,818
O e ece abe	XVI.3	13,197,142	13,131,416
O e d e a e		5,771	9,272
Total current assets		19,488,158	20,556,728
Non-current assets:			
A a abe-f - aef a ca a e	XVI.4	388,905	388,905
L g- e e e	XVI.5	9,583,886	9,375,276
F eda e	XVI.6	143,131	102,372
C c g e		56,326	844
D a ff eda e		1,117	
I a gbea e		14,207	14,466
L g- e e ade e e		29,627	40,730
Defe ed a a e	XVI.15	73,140	52,280
Total non-current assets		10,290,339	

C a e XIII

A a 31 Dece be 2017
(A a RMB'000 e e a ed)
(E g T a a f Refe e ce O)

	N e	31 December 2017	31 Dece be 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
S - e b g	XVI.7	350,000	2,710,000

C a e, XIII
Financial Statements Prepared in Accordance with CASBE

F , e ea e ded 31 Dece be, 2017
(A a ! RMB'000 e e, e a ed)
(E g T a a f, Refe e ce O)

CONSOLIDATED INCOME STATEMENT

	N e	2017	2016
Item			
I. Revenue	IV.50	76,299,930	51,111,652
Le : C f a e	IV.50	62,292,715	41,482,017
Ta e a d , c a ge	IV.51	516,723	503,099
Se g a d d , b e e e	IV.52	2,926,718	2,156,980
Ge e a a d ad , a ee e e	IV.53	5,482,054	4,208,598
F a ca e e e - e	IV.54	1,446,321	719,109
A e a, e e	IV.60	671,341	2,089,634
Add: P, f a, g f, c a ge fa, a e	IV.56	111,316	613,913
I e e l c e	IV.57	510,351	234,410
I c d g: S a e f , f fa ca e a d e , e		30,675	87,266
Ga d a fa e	IV.58	113,334	402,346
O e, c e	IV.59	472,626	
II. Operating profit		4,171,685	1,202,884
Add: N - e, a g c e	IV.61	622,421	761,241
Le : N - e, a ge e e	IV.62	384,865	262,074
III. Total profit		4,409,241	1,702,051
Le : I c e a e e e	IV.63	1,250,826	967,068
IV. Net profit		3,158,415	734,983
Classified by business continuity			
Ne , f f, c g e, a		3,158,415	734,983
Ne , f f, d c ed e, a		–	
Classified by ownership			
O e, f ec a		2,509,242	539,660
N -c , g e, e		649,173	195,323
V. Other comprehensive income, net of tax	IV.47		

For the year ended 31 December 2017
(Amounts are stated in RMB'000 unless otherwise indicated)
(Figures in brackets for reference only)

INCOME STATEMENT

	Note	2017	2016
Item			
I. Revenue	XVI.19	331,166	156,526
Less: Cost of sales	XVI.19	1,452	24,006
Taxes and surcharges		1	3,373
General and administrative expenses		385,532	(285,476)
Financial expenses - net	XVI.20	690,060	(353,608)
Add: Profit from changes in fair value	XVI.21	2,747	10,895
Investment income	XVI.22	959,649	1,259,065
Gains on disposal of assets		30	116
Other income		33,855	
II. Operating profit		250,402	2,038,307
Add: Non-operating income	XVI.23	7,408	33,057
Less: Non-operating expenses	XVI.24	199,564	79,573
III. Total profit		58,246	1,991,791
Less: Income tax (credit)/expenses	XVI.25	(20,860)	164,168
IV. Net profit		79,106	1,827,623
Classified by business continuity			
Net profit from continuing operations		79,106	1,827,623
Net profit from discontinued operations		–	
V. Other comprehensive income, net of tax	XVI.17	–	
VI. Total comprehensive income		79,106	1,827,623

The accompanying notes form an integral part of these financial statements.

Legal representative: Ma Bang | Person in charge of accounting affairs: Zeng Hao | Person in charge of the accounting department: Zeng Hao

C a e XIII

F e ea e ded 31 Dece be 2017
(A a RMB'000 e e a ed)
(E g T a a f Refe e ce O)

CONSOLIDATED CASH FLOW STATEMENT

	N e	2017	2016
Item			
I. Cash flows from operating activities			
Ca ecei ed f ae fg d e de g f e ce		76,044,774	49,660,627
Re d f a e ad c a ge		2,743,233	1,996,152
Ca ecei ed ea g e ea gac e	IV.65(1)	1,691,926	475,604
Sub-total of cash inflows		80,479,933	52,132,383
Ca adf g d ad e ce		61,590,642	37,875,868
Ca ad a d be af fe ee		6,210,535	6,052,008
Pa e f a e a d c a ge		2,585,689	1,292,403
Ca ad ea g e ea gac e	IV.65(2)	5,817,688	4,570,485
Sub-total of cash outflows		76,204,554	49,790,764
Net cash inflows from operating activities	IV.66(1)	4,275,379	2,341,619
II. Cash flows from investing activities			
Ca ecei ed f d a f e e		9,728,843	227,461
Ca ecei ed f e e		58,824	224,760
Ne ca ecei ed f d a ff eda e , a gbe a e ad e g-e a e		986,733	904,597
Ne ca ecei ed f d a f b da e	IV.66(3)	475,629	206,421
Ca ecei ed ea g e e gac e	IV.65(3)	189,452	446,920
Sub-total of cash inflows		11,439,481	2,010,159
Ca ad ac ef eda e a gbe a e ad e g-e a e		1,707,232	7,239,592
Ca ad ac e e		10,748,209	886,860
Ne ca ad ac e b da e	IV.66(2)	564,145	738,362
Sub-total of cash outflows		13,019,586	8,864,814
Net cash outflows from investing activities		(1,580,105)	(6,854,655)

F e ea e ded 31 Dece be 2017
(A a RMB'000 e e a ed)
(E g Ta a f Refe e ce O)

	N e	2017	2016
Item			
III. Cash flows from financing activities			
Ca ece ed f ca a c b		2,803,150	1,768,906
I c d g: Ca ece ed f ca a c b b a e de f b da e		2,771,957	1,760,575
Ca ece ed f b g		59,930,549	54,548,656
Ca ece ed f g b d		–	7,986,500
Ca ece ed ea g e f a c gac e	IV.65(4)	16,474	3,755
Sub-total of cash inflows		62,750,173	64,307,817
Ca e a e f b g		62,807,109	52,820,203
Ca a e f d b f d de d f a d e e e e		2,866,790	3,228,079
I c d g: Ca a e f d de d f a e de f b da e		396,376	161,253
Ca a e ea g e f a c gac e	IV.65(5)	613,427	748,489
Sub-total of cash outflows		66,287,326	56,796,771
Net cash (outflows)/inflows from financing activities		(3,537,153)	7,511,046
IV. Effect of foreign exchange rate changes on cash and cash equivalents		(53,931)	81,534
V. Net (decrease)/increase in cash and cash equivalents	IV.66(1)	(895,810)	3,079,544
Add: Ca a d ca e a e a e beg g f e ea		6,338,667	3,259,123
VI. Cash and cash equivalents at the end of the year	IV.66(4)	5,442,857	6,338,667

T e de e a
T e ea d f e(acc a g)]TJT*[de a e d:

Chapter XIII

For the year ended 31 December 2017
(All amounts are in RMB'000 unless otherwise stated)
(English translation for reference only)

CASH FLOW STATEMENT

	Note	2017	2016
Item			
I. Cash flows from operating activities			
Cash received from sale of goods and rendering of services		274,870	156,526
Cash received relating to other operating activities		2,036,017	257,702
Sub-total of cash inflows		2,310,887	414,228
Cash paid for goods and services		–	39,842
Cash paid to and on behalf of employees		120,634	219,452
Payments of various taxes and charges		2,787	16,698
Cash paid relating to other operating activities		658,489	4,933,042
Sub-total of cash outflows		781,910	5,209,034
Net cash inflows/(outflows) from operating activities	XVI.26	1,528,977	(4,794,806)
II. Cash flows from investing activities			
Cash received from disposal of subsidiaries		9,500,000	
Cash received from investment income		511,092	245,460
Net cash received from disposal of fixed assets		74	3,037
Net Cash received from disposal of subsidiaries		50	8,944
Sub-total of cash inflows		10,011,216	257,441
Cash paid to acquire fixed assets, intangible assets and other long-term assets		110,485	41,191
Cash paid to acquire subsidiaries		9,500,000	
Net cash paid to acquire subsidiaries		81,616	77,991
Cash paid relating to other investing activities		58,000	
Sub-total of cash outflows		9,750,101	119,182
Net cash inflows from investing activities		261,115	138,259
III. Cash flows from financing activities			
Cash received from capital contributions		31,193	8,331
Cash received from borrowings		9,970,000	8,176,000
Cash received from issuance of bonds		–	7,986,500
Sub-total of cash inflows		10,001,193	16,170,831
Cash repayments of borrowings		12,334,000	9,319,881
Cash paid for distribution of dividends or profits and settlement of interest expenses		806,492	1,126,037
Cash paid relating to other financing activities		30,960	6,189
Sub-total of cash outflows		13,171,452	10,452,107
Net cash (outflows)/inflows from financing activities		(3,170,259)	5,718,724
IV. Effect of foreign exchange rate changes on cash and cash equivalents		427	428
V. Net (decrease)/increase in cash and cash equivalents	XVI.26	(1,379,740)	1,062,605
Add: Cash and cash equivalents at the beginning of the year		1,715,470	652,865
VI. Cash and cash equivalents at the end of the year	XVI.26	335,730	1,715,470

The accompanying notes form an integral part of these financial statements.

Legal representative: Ma Bang | Person in charge of accounting affairs: Zeng Hao | Head of accounting department: Zeng Hao

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
(Figures in brackets refer to Chinese GAAP)

Item	Note	2017											
		Attributable to shareholders and other equity holders of the Company											
		Share capital	Other equity instruments	Capital surplus	Other comprehensive income	Surplus reserve	Undistributed profits	Minority interest	Total shareholders' equity				
Balance at the beginning of the year													
Add: Changes in accounting policies													
Business combination under common control													
Balance at the beginning of the year after adjustments													
Increase/(decrease) for the year													
(I) Total comprehensive income													
(II) Capital contributed and reduced by shareholders													
1. Capital contributed by shareholders													
2. Capital contributed by other equity instruments													
3. Share-based payments recognised in shareholders' equity													
4. Others													
(III) Profit distribution													
1. Appropriation to surplus reserve													
2. Appropriation to general risk reserve													
3. Distribution to shareholders													
4. Others													
(IV) Transfer within shareholders' equity													
1. Capitalisation of capital surplus													
2. Capitalisation of surplus reserve													
3. Loss offset by surplus reserve													
4. Others													
Balance at the end of the year													

Item	Note	2016											
		Attributable to shareholders and other equity holders of the Company											
		Share capital	Other equity instruments	Capital surplus	Other comprehensive income	Surplus reserve	Undistributed profits	Minority interest	Total shareholders' equity				
Balance at the beginning of the year													
Add: Changes in accounting policies													
Business combination under common control													
Balance at the beginning of the year after adjustments													
Increase/(decrease) for the year													
(I) Total comprehensive income													
(II) Capital contributed and reduced by shareholders													
1. Capital contributed by shareholders													
2. Capital contributed by other equity instruments													
3. Share-based payments recognised in shareholders' equity													
4. Others													
(III) Profit distribution													
1. Appropriation to surplus reserve													
2. Appropriation to general risk reserve													
3. Distribution to shareholders													
4. Others													
(IV) Transfer within shareholders' equity													
1. Capitalisation of capital surplus													
2. Capitalisation of surplus reserve													
3. Loss offset by surplus reserve													
4. Others													
Balance at the end of the year													

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
(Prepared under PRC GAAP)

Item	Note	2017							2016						
		Share capital	Other Equity instruments	Capital surplus	Other comprehensive income	Surplus reserve	Undistributed profits	Total shareholders' equity	Share capital	Other Equity instruments	Capital surplus	Other comprehensive income	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Balance at 31 December 2016		2,978,577	2,049,035	3,287,149	43,754	3,279,379	2,380,348	14,018,242	2,977,820	2,033,043	3,279,575	43,754	3,203,578	1,403,140	12,940,910
II. Movements for the year															
(I) Total comprehensive income															
1. Net profit		–	87,808	–	–	–	(8,702)	79,106		119,792				1,707,831	1,827,623
2. Other comprehensive income	XVI.17	–	–	–	–	–	–	–							
Sub-total of 1 & 2		–	87,808	–	–	–	(8,702)	79,106		119,792				1,707,831	1,827,623
(II) Capital contribution and withdrawal by owners															
1. Increase in equity interest held by holders of other equity instruments	IX.2	–	–	–	–	–	–	–							
2. Increase in capital and interest held by holders of perpetual bonds	IV.44														
	IV.46	4,312	–	43,746	–	–	–	48,058	757		7,574				8,331
(III) Profit distribution															
1. Appropriation to surplus reserve	IV.48	–	–	–	–	2,156	(2,156)	–					75,801	(75,801)	
2. Profit distributed to owners	IV.49	–	–	–	–	–	(179,837)	(179,837)						(654,822)	(654,822)
3. Interest paid on perpetual bonds	IV.45	–	(103,800)	–	–	–	–	(103,800)		(103,800)					(103,800)
III. Balance at 31 December 2017		2,982,889	2,033,043	3,330,895	43,754	3,281,535	2,189,653	13,861,769	2,978,577	2,049,035	3,287,149	43,754	3,279,379	2,380,348	14,018,242

The accompanying notes form an integral part of these financial statements.

Legal representative: Ma Bang

Person in charge of accounting affairs: Zeng Hao

Head of accounting department: Zeng Hao

For the year ended 31 December 2017
(All amounts in RMB'000 except for per share data)
(Unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

I. GENERAL INFORMATION

China Merchants Energy Shipping Co., Ltd. (the "Company"), formerly China Merchants Energy Shipping (Shanghai) Co., Ltd., was established in the People's Republic of China (the "PRC") on 31 December 1992, as approved by Shen Fu Ban Fa [1992] No. 1736 issued by the General Office of the People's Government of Shenzhen Special Economic Zone and Shen Fu Ban Fa Zi [1992] No. 261 issued by Shenzhen Economic Zone Branch of the People's Bank of China, and registered and incorporated as a joint stock limited company with China Merchants Energy Shipping Co., Ltd. being the promoter. On 31 December 1993 and 17 January 1994, respectively, the Company issued domestic shares (A Shares) and foreign shares (B Shares), and the shares were listed on Shenzhen Stock Exchange. Pursuant to Shen Fu Ban Fa [1993] No. 925 issued by the General Office of the People's Government of Shenzhen Special Economic Zone and Shen Fu Ban Fa [1994] No. 22 issued by Shenzhen Securities Administration Office on 1 December 1995, and approved by Shenzhen Stock Exchange, the Company changed its name to China Merchants Energy Shipping Co., Ltd. The registered address and address of head office of the Company is 8/F, CIMC R&D Center, No. 2 Gangwan Avenue, Shekou, Nanshan District, Shenzhen, Guangdong, PRC.

On 19 December 2012, the Company's parent company (Parent) changed from China Merchants Group Limited to China Merchants Holdings (International) Company Limited. Hereafter, the Company's Parent changed to China Merchants Holdings (International) Company Limited (Holdings).

The Company and its subsidiaries (hereinafter referred to as the Group) are principally engaged in the transportation of crude oil, petroleum products, dry bulk cargo and containers; the provision of ship management, ship agency, ship chartering, freight forwarding, warehousing and terminal services; and the transportation of liquefied natural gas (LNG), liquefied petroleum gas (LPG) and other petrochemical products. As at the end of the reporting period, the Group's principal subsidiaries are mainly engaged in the transportation of crude oil, petroleum products, dry bulk cargo and containers, the provision of ship management, ship agency, ship chartering, freight forwarding, warehousing and terminal services, and the transportation of LNG, LPG and other petrochemical products. Details of principal subsidiaries are set out in Note VII.

Total share capital: 10,500,000,000.00 [Class A shares]

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I. GENERAL INFORMATION (CONTINUED)

Pea e, efe, N eVI f, de a f ! b da, e c ded e c e f c da a d a , efe, N eV.1 f, e de a f ! b da, e e c ded e c e f c da . Pea e, efe, N eV.2 f, e de a f ! b da, e e c ded f, e c e f c da .

T f a ca a e e a e bee a , ed f, a ! ce e b e C a ' B a d f D, ec , 27 Ma, c 2018.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

T e G, ! a. e ec f c acc ! g c e T 0 - 0 12 70.866e e 0 1 , 7(e Gd.866 ec a, 7(e8(ac e, c ! b

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II.

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For the year ended 31 December 2017
(All amounts are in RMB'000 unless otherwise stated)
(English translation for reference only)

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

6. Preparation of consolidated financial statements

The consolidated financial statements include the financial statements of the Company and all its subsidiaries. A subsidiary is an entity controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

When the Group loses control of a subsidiary, the gain or loss on disposal is the difference between the proceeds from the disposal and the Group's share of the subsidiary's net assets at the date of disposal, together with any unrecognised cumulative translation differences and goodwill. Any retained interest in the former subsidiary is measured at its fair value at the date when control is lost. The subsequent accounting for the retained interest depends on the level of influence retained.

When the Group loses control of a subsidiary, it accounts for the remaining assets and liabilities of the former subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

When the Company issues ordinary shares, the difference between the proceeds received and the corresponding share of net assets is recorded in equity. When the Company repurchases its ordinary shares, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the Company's equity holders. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between non-controlling interests and the Company's equity holders. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

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

6. Preparation of consolidated financial statements (Continued)

W e eacc g ed acc g ce fa b da aedffe e f e f eC a e C a a e ece a ad e e f a ca a e e f e b da ba ed eC a ' acc g ed acc g ce.

A g fca e-g baa ce a ac a d ea ed f a e e aed ec da ed f a ca a e e .Te fa b da ' e a d e fa b da ' e f a d f e e da e a c e e e c e a b abe C a a e ec g eda e e f a d a b abe e e a e a a d c e e e c e a b abe e e e ed e a a e ec da ed f a ca a e e e a d e f a e a a c e e e c e e ec e .Te ea ed f a d a g f a e fa e b da e b eC a a e e a ed aga e f a b abe e f eC a .Te ea ed f a d a g f a e fa e eC a b b da e a e e a ed aga e f a b abe e f eC a a e a e f a b abe e e e ec e acc d g eC a a d e e ' a e d g e b da e .Te ea ed f a d a g f a e fbe ee b da e a e e a ed aga e f a b abe e f e C a a e a e f a b abe e e e ec e acc d g eC a a d e e ' a e d g e b da d.

Tedffe ce ec g ga a e a ac be ee eacc g bec f eG a d f e C a b da e dbead ed eacc g bec f eG .

7. Cash and cash equivalents

Ca a d ca e e ae c e ca a d, de a ca be ead d a de a d, a d e a d g d e e a e ead c e be a fca a d c a e bec a g fca fca ge a e.

8. Foreign currency transactions and translation of financial statements denominated in foreign currency

W e eG ece e ca a f eg c ce f e , eca a a aed f c a c ca e e ca ge aea eda e f e ece .O e f eg c ec ac a e, a ec g , a aed f c a c ca e a e aa , a e e ca ge aea eda e f e a ac .

A e ca ge a e a ca ge a e ed b e Pe e' Ba fC a.A a e aa , a e e ca ge a e a a e de e ed de a e a ca d a a e d.N a e e age e ca ge a e f ec e e d e eg eda e age e ca ge a e.

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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (C

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

9. Financial instruments (Continued)

(1) Financial Assets (Continued)

(a) Classification of financial assets (Continued)

b. Rece abe

Rece abe a e -de a e f a ca a e f ed de e abe a e a a e ed a ac e a e.

c. A a abe-f - a e f a ca a e

A a abe-f - a e f a ca a e a e -de a e a a e e e de g a ed ca eg ca fed a f e e ca eg e. T e a e c ded -c e a e e e a e a age e e d d e f 12 f e e d f e e g e d.

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
(Except for the amounts of Reference Only)

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

9. Financial instruments (Continued)

(1) Financial Assets (Continued)

(c) Impairment of financial assets

The Group assesses the carrying amounts of financial assets other than those at fair value through profit or loss at each balance sheet date to determine whether there is objective evidence that an impairment loss may have occurred. If any such evidence exists, the Group determines the amount of any impairment loss.

Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events: significant financial difficulty of the issuer or counterparty; a breach of contract, such as a default or delinquency in interest or principal payments; it becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset because of financial difficulties.

For financial assets carried at amortised cost, the amount of impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment. If any of the above-mentioned evidence exists, an impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell and the present value of the expected future cash flows (50% (50% cash flow) of the

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

9. Financial instruments (Continued)

(3) Determination of fair value

T e fa l a e f a f a ca e a aded a ac l e a e de e ed a e ed ce
e ac l e a e . T e fa l a e f a f a ca e a aded a ac l e a e de e ed
b g a a a e l a a ec e a a cab e d e c d a ce a d ed b
ff ce a a abe da a a d e f a . Va a ec e a c de a e a ac a d
c ea ac . W e a g a a ec e , ed b a e a c a e a ac f
ea e ab e a c a ac e c d be ed a d b e abe d be g e
e e e be . U b e abe d be ed e be ac cab e b a
e e a b e abe , 1.333 TD]TJ0.333 TD[(5(.)3e [d be g.0085 T ((3))T /S a <</Ac a Te <FEFF0009BDC (

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For the year ended 31 December 2017
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(Figures in Reference to)

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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

F , , ece, ab e a a e bee d, d a a e ed a a, ed (1) a d (2), , e, a e e ade c ec, e a g ! ba , ece, ab e a a, e a, ed , . c a, ac e, c .

De e, a e d f e g, !
ba ed c, ed , . c a, ac e, c

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)

Me d f , L f , , ece, abe a e ed ac ec L eg ' ba (ba ed a age gaa , a e, ce age f e a baa ce a d e,).

C a e, P, L de e, ed ba ed a ag gaa (Q e, d e ag g)

R ad , a , a L e ce P, L de e, ed ba ed a ag gaa (Q e, d e ag g)

E e g , c e ca a d ' d f d e ' e P, L de e, ed ba ed a ag gaa (Q e, d e ag g)

A , , fac e P, L de e, ed ba ed a ag gaa (Q e, d e ag g)

L g c e, ce P, L de e, ed ba ed a ag gaa (Q e, d e ag g)

O e, b e P, L de e, ed ba ed a ag gaa (Q e, d e ag g)

F a ce ea e, ece, abe P, L de e, ed ba ed de a a

Ba . acce a ce e N , L de e, ed.

F , eab L eg ' , , L ade ba ed e, , e ec L e age gaa f :

Ageing	Percentage of total accounts receivable (%) Group 1,2,4,5,6	Group 3
W 1 ea, (c L e)	5%	0%-5%
1 2 ea, (c L e)	30%	30%
Q e, 2 ea,	100%	100%

(4) W e e G ' , a fe, e acc ' , ece, abe e f a ca ' ' , ec ' , e, ed ffe, e ce be ee e , ceed , ece, ed f, e , a ac a d e, ca, , g a ' a d e, ea ed a e , ec g ed , f , f , e c , , e, d.

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

11. Inventories

(1) Classification

I e c de a ae a , ge , e -f edg d, f edg d a d e abe ae a . Re abe ae a c de a ec abe, ac ag g ae a a d e ae a , c ca be ed e ea ed b d ee e def ff eda e .

(2) Cost of inventories

C f e ca d a ed g e eg eda e age e d.

(3) The underlying factors in the determination of net realisable values of inventories and basis of provision for decline in value of inventories

I e ea e a ea edac .C f e ec ea c f c a e, c fc e a d e e d e d ed b g g e e e ee ca a d c d .B g c d ec ea ed e d c f a f g e ea e a c ded ec f e e (ee N e II.16). I add e c a gc f a ae a , ge a df edg d c ded ec ab c a da a a ea ca f d c e ead .

For the year ended 31 December 2017
(All amounts in RMB'000 unless otherwise stated)
(Figures in this report are in RMB'000 unless otherwise stated)

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

12. Long-term equity investments

Long-term equity investments are initially measured at cost. Long-term equity investments are subsequently measured using the equity method.

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

12. Long-term equity investments (Continued)

(2) Subsequent measurement (Continued)

F g- e e le e acc ed f g ee e d, eG ec g e e le e c e acc d g a e f e f f e le ee. If e acc g ce a d e acc g e d a e c e be ee eC a a d le ee, ef a ca a e e f le ee a e ad ed acc da ce e acc g ce a d acc g e d f eC a . Te G d c e ec g g a e f e e fa le ee afe e ca ga f e g- e e le e ge e a g- e e e a, b a ce, f a f e le ' e le e e le ee a e, ed ced e . H e e, f eG a b ga f, add a e a d ec e a e ec ec g f le de e acc g a da d c ge ce a e a fed, eG c e ec g g e le e e a d e le . F c a ge e ' e f e le ee e a e a g f e f , eG ec d a e a e d ec ca a , le ded a eG ' f a e d g e le ee e a c a ged. Te ca g a f e le e e ed ced b eG ' a e f e f d b ca d de d dec a ed b a le ee. Te ea ed f e a g f e a-g a ac a g eG a d le ee a e e a ed eG ' e e e le ee, a d e ba ed c e le e ga e a e ec g ed. F e e a-g a ac a g eG a d le ee a b abe a e a e a ea ed e a ed.

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

C e e le e le ee e la abe e b a c a g ea ed ac le f e le ee a d eab affec e e a b e ed g e e le e le ee.

J c e a g fc le a a a ge e acc d g ea ed ag ee e , a d e e edec ea g eac f ea a ge e e e a c e f e a e a g c .

Sg fca f ce e e a c a e ede e a ff a ca a d e a g ce f e le ee, b c c le e ce.

(4) Impairment of the long term equity investment

Te ca ga f g- e e le e b da e, le e a da ca e ed ced e ec le abe a f e ec le abe a be ca ga (N e II.20).

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

13. Investment properties

I e e , e e , c d g a d e g a ea ead bee ea ed , d g a a e ed f , e , e f ea g a d d g a a e be g c ced , de e ed f , , e e f , ea g a e ea ed a a c . S be e e d e c ed , ea a e e , e e a e c ded e c f e e e , e e e , babe a ea ca ed ec c be ef f e G a d e , c ca be , e ab ea ed; e e, ee e d , e a e , ec g ed , f , f , e e d c e a e c ed.

T e G ad fa a e de b e ea , e e e , e e a d d ' , de de , ec a , a , a . T e ca , ga f e e , e e ad ed ba ed e , fa , a ea e ba a ce ee da e, a d e d ffe e ce be ee e fa a ea d e , g a ca , ga , ec g ed , f , f , e c e e d.

W e a e e , e e , a fe ed e - cd ed , e , , ec a fed f ed a e , a g be a e e ca , ga de e , ed a e fa a e f e e e , e e a e da e f e , a fe , a d e d ffe e ce be ee e fa a ea d e , g a ca , ga f e e e , e e , ec g ed , f , f , e c e e d. W e a e - cd ed , e , a fe ed f , ea g e a , f , ca a a , ec a , e f ed a e , a g be a e , a fe ed e e e ca , ga de e , ed a e fa a ea e da e f e , a fe . If e fa a ea e da e f e , a fe e a e , g a ca , ga f e f ed a e , e a g be a e , e d ffe e ce , ec g ed , f , f , e c e e d; e e, c ded e c , ee e c e.

A e e , e e de ec g ed d a , e e e , e e e a e d a f ead f , e ec c be ef a e e ec ed f d a. T e ea f , ceed f ae, a fe, , e , e e , da age fa e e , e e e f ca , ga ad , ea ed a e a de e e , ec g ed , f , f , e c e e d.

14. Fixed assets

(1) Recognition

F ed a e , e , e e e a g be a e e d b e G f , e e , d c fg d , f e ce , f , , e a e , f , ea a d ad , a e , e ef e e e ea.

T e c fa , c a ed f ed a e c , e e , c a e , ce, , ea ed a e , a d a d , ec a , b abe e e d , ef , b g g ea e , gc d f , e ded e. T e c f e f-c , ceda e ea , ed acc , da ce e c e N e II.15.

W e , e a fa e f f ed a e a ed ffe e e ef e , , de be ef e G d ffe e a e ece a g e f d ffe e de , ec a , a e , e d , eac a , ec g ed a a e a , a e f ed a e.

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

14. Fixed assets (Continued)

(1) Recognition (Continued)

T e be e c cd g ec f e ac g a fa e ff eda e a e ec g ed e ca g a f e e f e ec g e feda e c e aa e a fed, a d e ca g a f e e aced a de ec g ed. T e c f e da - -da e c g ff eda e a e ec g ed f a d ed.

F eda e a e a ed e baa ce ee a c e acc a ed de eca a d a e e.

(2) Depreciation

F eda e a e de eca ed g e ag - e e d a cae ec f ea e e e a ed e d a a e e e a ed e e f eda e ca feda ed f a e (ee N e II.28). F e f eda e a a e bee e ded f a e , e ea ed de eca c a ge e ec e de e ed ba ed e ad ed ca g a e g e . T e e a ed e e d a a e a dde eca a e feac ca ff eda e a ea f :

Ca e	Re d a Pe d (ea)	De eca a e a e (%)	De eca a e (%)
Pa a d d g	20-30	10%	3-4.5%
Mac e a de e	10-12	10%	7.5-9%
Offce a d e e e	3-5	10%	18-30%
M e ce	5	10%	18%
D c a f	50	10%	1.8%
Off ee g ee ge e	15-30	10%	3-6%

E a ed e e , e a ed e d a a e a dde eca e d a e e ed a dad ed a ea a eac ea -e d.

(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

F c e a f ec g a d e d f ea , g f f eda e de a f a ce ea e, efe N e II 27(3).

(5) Disposal

A f eda e de ec g ed d a e ec c be ef a e e ec ed f e d a. T e a f ceed f d a ae, a fe, e e e da age f a f eda e e f ca g a a d ea ed a e a de e e ec g ed f f ed e e d.

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
(Figures in brackets refer to Chinese GAAP)

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

15. Construction in progress

Construction in progress is measured at cost. The cost of self-constructed assets includes all necessary expenditures incurred during the construction period, including borrowing costs (see Note II.16), and other expenditures that can be attributable to the construction of the assets.

An self-constructed asset is transferred from construction in progress to fixed assets when it reaches the intended usable condition. No depreciation is provided for construction in progress (see Note II.20).

16. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that require a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of the assets.

Other borrowing costs are recognised as expenses in the period in which they are incurred.

During the capitalisation period, the amount of interest (including amortisation of discount or premium) for each accounting period is determined as follows:

> Where funds are borrowed specifically for the acquisition, construction or production of assets that require a substantial period of time to get ready for their intended use or sale, the amount of interest to be capitalised is the actual interest expense incurred during the period less any interest income arising from depositing the borrowings or any investment income arising from the temporary investment of those borrowings before being used on the assets.
>
> Where funds are borrowed generally and used for the acquisition, construction or production of assets that require a substantial period of time to get ready for their intended use or sale, the amount of interest to be capitalised is determined by applying a capitalisation rate to the weighted average of the excess amounts of cumulative asset expenditures over the amounts of assets specifically borrowed. The capitalisation rate is the weighted average of the interest rates applicable to the borrowings.

The effective interest rate used in the determination of the amount of borrowing costs eligible for capitalisation is the interest rate implicit in the borrowing, or, where such rate is not reasonably determinable, the interest rate that is used to discount future cash flows over the expected life of the borrowing to the net carrying amount of the borrowing.

During the capitalisation period, exchange differences related to principal and interest of specific-purpose borrowings denominated in foreign currencies are capitalised as part of the cost of the assets. Exchange differences related to principal and interest of general borrowings denominated in foreign currencies are recognised as expenses in the period in which they are incurred.

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

16. Borrowing costs (Continued)

Te ca a a e d e e d f e da e fc e ce e fca a a fb gc e da e fce a fca a a , e c d ga e d e c ca a a e ded. Ca a a fb gc c e ce e e ed e f e a e be g d ed, b gc a e be g d ed a d ac e fae , c c d c a a e ece a e a e e a e f e ded e e a e a e , g e , a d cea e e e a e bec e ead f e e ded e e , a e. Ca a a fb gc e ded e ea e , c c d c ac e a e e ed ab a d e e a e e .

17. Intangible assets

I a gbea e a e a ed e baa ce ee a c e acq aeda a (e e e a ed e fe f e) a d a e e (ee N e II.20). F a a gbea e f e e fe, c e e d a a ead a e a ed e ag - e e d e e a a e e d a ca efec e a e c e a e' ec cbe ef a e e ec ed be ea ed e e a ed e fe, e e a gbea e ca feda edf a e(ee N e II.28).

Te e ec ea a e d f c a gbea e a ea f :

	Amortisation periods (years)
La d e g	20-50
Ma e ace e g	40-50
Tec gca - a d ade a	3-15
T be c ce g	20
C e ea	4-10
C e c ac	3-4
F a c e g	10-18

F a a gbea e af e e fe, e e f e fea da a e d e f eda eac ea-e d, ad e adea a a e.

A a gbea e e ega ded a g a def e e fea d a ed e e e f e eeabe e e d e c ea e e ec ed ge e a e ec cbe ef f eG . A baa ce ee da e, a a e e bec d c ed.

E ed e a e a e ea c a dde e e ec a e ca fed e e d e e e ea c a ea de e d e e de e e a e. Re ea c g a a d a ed e ga de a e e ec fga g e ce fc ec ca edge a d de a d g. De e e e a ca f e ea c f d g e edge a a de g f e d c f e b a a ed a e a de ce d c ce e bef e e a fc e ca d c e.

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

17. Intangible assets (Continued)

T ee ed e a e a ea c add e e ec ca fed e ed e e ea c a ea de ed e ed e e a eba ed a ead e e e a e a ce a a e ea c add e e ac e ca f a g bea ea ed f e ec.

E ed e e ea c a e c a e ed e a ed ea c a e e a d ee c f a fac g ec e ec g ed f e d c d ed. Bef e a d c e ed e e d e e a e c a e ed e de g a d e f f a ed a ca ca a ed fa f ef gc d a e a fed:

- ec ca fea be c ee e a g bea e a be a abe f e ae;
- a age e ed c ee e a g bea e a d e e ;
- ca be de a ed e a g bea e ge e a ee c be ef ;
- e ea e ade a e ec ca f a ca a d e e ce c ee e d e e a d ea e e a g bea e a d
- e e ed e a b abe e a g bea e d g d e e a e ca be e ab ea ed.

O e d e e e ed e a d ee ec d ab e a e ec g ed f e e d c e a e d. D e e c e ec g ed a e e a e ec g ed a a a e a b e e d. Ca a ed e ed e e d e e a e ead d e e c eba a ce ee a d a fe ed a g bea e a eda e a ea e ead f e ded e.

18. Goodwill

G d e e e ece f c fa e e ea e e' e e e fa a e f e de fabe e a e f ea e ee de eb e c b a e e de c c .

G d a ed a d a ed a c e ac a ed a e e (ee N e II.20). O d a fa a e g c b a fa e g a a b abea f c a ed g d e ff a d c ded eca c a f e f d a.

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

19. Long-term prepaid expenses

L g-e, ,e ade e e a,ea , ed a ,ag - e e d e be efca e, d.

T e a , a e, d f, e e eda,ea f :

Item	Amortisation period (years)
Re a	2-10
O e,	3-5

20. Impairment of long-term assets

F eda e ,c ! c , ge , a gbea e f e! ef ! e a d g-e, e! e e ! b da,e, ! e ! ,e a da cae a,e e edf, a, e f e,e a dca a e a e a be a,eda e baa ce ee da e. If e,e! f e a, e e dcae a e,ec ! e,abe a ! f a a e e a ca,, ga ! ,a ,! f, a, e a da a, e a,e,ec g edf, e a ! b c e a e' ca,, ga ! e ceed ,ec ! e,abe a ! .T e ,ec ! e,abe a ! e ge, f a a e' fa,! a e e c e a d e ,e e ! a e f e! ! ,e ca f e ec ed be de, ! edf, e a e. P, ! f, a e a, e de e, eda d,ec g ed

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

21. Provisions and contingent liabilities

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

At the balance sheet date, the best estimate is made to the present obligation. Factors pertaining to contingencies such as risk, uncertainty and time value of money are taken into account. Where the effect of the time value of money is significant, the provision is stated at the present value of the estimated future cash outflow. The increase in the discounted amount of the provision arising from the passage of time is recognised as interest expense.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when it is virtually certain that reimbursement will be received if the Group settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the carrying amount of the provision.

Provisions are reviewed at the balance sheet date and adjusted to reflect the current best estimate.

In the acquisition of subsidiaries under common control, the assets and liabilities acquired are measured at the carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date, and the difference between the carrying amount of the net assets acquired and the carrying amount of the consideration paid for the acquisition is adjusted to capital reserve. If the capital reserve is insufficient to offset, any remaining balance is adjusted to retained earnings.

22. Share-based payments

(1) Classification

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

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

For a share option granted at the grant date, the Company selects the Black-Scholes model to calculate the fair value of share options. The following factors are taken into account when applying the option pricing model: (1) exercise price of the option; (2) life of the option; (3) current price of the underlying share; (4) expected volatility of the share price; (5) expected dividend of the share; (6) risk-free interest rate for the life of the option.

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

At each balance sheet date during the vesting period, the Group makes subsequent information to correct the number of equity instruments expected to vest. On the vesting date, the number of equity instruments expected to vest is revised to equal the number of equity instruments that actually vest.

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

22. Share-based payments (Continued)

(4) Accounting treatment for share-based payment

(a) Equity-settled share-based payments

W e e eG e a e e a c de a f e ce ece ed f e ee e a e ea ed a efa a e f ee e g a ed e e ee a eg a da e. If e e e g a ed e ee e ed a e e fa a e f ee e g a ed g a da e ec g ed a ee a c e e e a c e d g c ea e ca a e e e. If e e e g a ed e ee d e ec e f e ce f a e g e d e a c e e e fa ecfed e f a ce c d eG a eac baa ce ee da e d g e e g e d a e be e a acc d g e a e f a f e be fe ee a eg a ed e a d e e e be fe e e ec ed e . Ba ed e be e a eG ec g e e e ce ece ed f e d e e da ea ed c e e e a c e d g c ea e ca a e e e a a a e a efa a e f ee e a eg a da e.

(b) Cash-settled share-based payments

W e e eG ece e e ce f e ee b d g a ab de e ca e a e f a a a e de e ed ba ed e ce f a e e e e ce ece ed f e ee ea ed a efa a e f e ab d ed. If e g de a ca - e ed a e-ba ed a e d e e ec e f e ce f a e g e d e a c e e e fa ecfed e f a ce c d eG a eac baa ce ee da e d g e e g e d ec g e e e ce ece ed f e d e e da ea ed c e e e a c e d g c ea e ab a a a e a efa a e f e ab ba ed e be e a e f e c e f e g.

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

23. Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group, the amount of revenue can be measured reliably, and when specific criteria have been met for each of the Group's activities, as described below. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales related taxes.

(1) Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

(a) The Group has transferred the significant risks and rewards of ownership of the goods to the buyer;

(b) The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Revenue from the following major activities is recognised as follows:

a. Containers and airport facilities sales revenue

The Group recognises revenue when containers and airport facilities are delivered.

b. Road transportation vehicles and heavy truck sales revenue

Sales of Road transportation vehicles and heavy trucks are recognised when the significant risks and rewards of ownership have been transferred to the buyer. The Group recognises revenue when the vehicles and heavy trucks have been delivered to the customer's designated location and accepted by the customer.

c. Real estate sales revenue

The Group recognises revenue from the sale of properties developed for sale when the significant risks and rewards of ownership have been transferred to the buyer. Generally, this occurs when the Group has delivered the properties to the buyer, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group.

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

23. Revenue recognition (Continued)

(2) Revenue from construction contracts

W e e c e fac c ac ca be e a ed e ab c ac e ea d c ac e e a ca ed e c c ac a e ec g ed a e ba a ce ee da e g e e ce age fc e e d.

T e age fc e fac ac de e ed ba ed c e fa ca f ec ac

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

23. Revenue recognition (Continued)

(3) Rendering of services (Continued)

W e e c e f e de g f e ce ca be e aed e ab f ec d ed a e ec ed be ec e abe e e e a e ec g ed e e a ec d ed a e ec ed be ec e abe, a da e ae a c aged f a e cec ; f ec d ed a e ec ed be ec e abe, ec d ed a e ec g ed f a d e ce e e ec g ed.

F f eg age ce e e e a e ec g eda e de a e da e(e) ea a da e( ). A a d f eg age ce e e e a e ec g ed e g d ea eda e ecfed ca . F g age c : e e e a e ec g eda e da a de a e.

24. Employee benefits

E ee be ef e e a d fa a ce a d c e a a d b eG f e ce e de ed b e ee f e a fe e ea , c a c de -e age , e be ef a d e a fe e be ef .

(1) short-term wages

S -e age c de age aa e , b e a a ce a d b de , aff efa e, ed ca a ce, a e a ce, a e a ce, g d , ab d , e ee ed ca d a d e ad ab e ce a d e c. Ac a -e age a e ec g eda ab e e e d e ee ee e de e ce a da e c a ged f ca a ed c f ea eda e . Te - ea efa e ea eda fa a e.

(2) pension benefits

D g e e g e d, eG ' e be ef a e ba c e a ce a d e e a ce c a ea def ed c b a .

Ba c e a ce

TeG ' e ee a c a ed eba c ca e a ce ga ed a d e e ed b ca ab a d ca ed b ed . TeG ad eba c e a ce e e de g a ed a ce c a e f e ee acc d g eba a a d a e de e ed b e ca e g a . Afe e e e , ca ab a d ca ed b ed e be f a g e e be ef e e e ede ee . Tea f e a ce a abe cad a ed acc d g e ab e e g a a e ec g eda ab e d g e e d e ee ee e de e ce a da e c a ged f ca a ed c f ea eda e .

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

24. Employee benefits (Continued)

(3) Enterprise annuities plan

T e G ! , L de c e a f , e e, a f e e , ea bef , e e e , f e e c , ac , c e a e c ! , age e ee ' L ! a, a ff , c , ec g ed a a ab a d c a, ged , f , e ea, e e e G ! ! abe ! a e, a d a e a e e, a f e e , ea , e a ff , a a d c a d e e e , ea e a e f c e a e e, a f e e , ea a e, ec g ed.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (C

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

27. Operation and finance leases

A ea e ca fed a e e af a ce ea e a e a g ea e. A f a ce ea e a ea e a a fe b a a a e a d e a d c de a e f a ea ed a e e e ee e ec e f e e e ega e e a e e e a a fe ed. A e a g ea e a ea e e a af a ce ea e.

(1) Assets acquired under operating leases

Re a a e de e a g ea e a e ec g ed a c e e e a ag - e ba e e ea e e .

(2) Assets leased out under operating leases

F ed a e ea ed de e a g ea e e ce f e e e e (ee N e II.13) a e de ec a ed acc da ce e G ' de ec a ce de c bed N e II.14(2). I a e e a e ded f acc da ce e acc g c de c bed N e II.20. O e ea ed a e de e a g ea e a e a ed g e ag - e e d. I c e de ed f e a g ea e ec g ed e ea e ea ed a e Ce a, ec a e a ca a ed a d b e a ed f e e ea e e e a eba a e ea e. O e e, ec a e ged f

(3) Assets acquired under finance leases

W e e G ac e a a e de af a ce ea e, ea e ea ed a a e a e f fa a ea d e e e a e f e ea e a e eac de e ed a e 10e a abe. T ed ffe e ce be ee e a e f e ea ed a e a d e ea e a e ec g ed a ec g ed f a ce c a ge. I a d ec c a a ea b abe af a ce ea e 10 ed b e G

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

27. Operation and finance leases (Continued)

(4) Assets leased out under finance leases

A ec e ce e f e ea e e , e G ec g e e agg ega e f e ea e ece de e ed a e ce f a ea e a d ec c a f a ce ea e e ecq abe. T e d ffe e ce be ee e agg ega e f e ea e ece , e a d ec c , a d e agg ega e f e e a e ec g ed a ea ed f a ce c e.

U ea ed f a ce c e a ca ed eac acc g e d g e ea e e g e effec e e e d. A e baa ce ee da e, f a ce ea e e ecq abe, e f ea ed f a ce c e, a e e e ed a g- e e ecq abe -c e a e d e e ea e ec e baa ce ee. P ea e efe N e II.9 f acc g c e de ec g a d a e ff a ce ea e e ecq abe.

28. Held for sale and discontinued operations

A -c e a e ad a g ca fed a ed f ae e a f ef g c d a e a fed:

a. T e -c e a e ed a g aa abe f edae ae e e c d bec e a a e aa dd a f ae f c -c e a e d a g ;

b. T e G a e e ed a ega e f ceabe ae agee e e a a d ba ed e a a e a ad e ae a ac e ec ed bec e ed e ea.

N -c e a e (ece f f a caa e, e e ea ed a fa a ea d defe ed a e) a ee e ec g c e af ed f ae a e ec g ed a ea e a e e f efa a ee c e a d eca ga . A ece f e g a ca ga e efa a ee c e e ec g ed a a e a e e.

S c -c e a e a da e a d ab e c ded d a g ca fed a ed f ae a e ca fed a c e a e a dc e ab e e ec e, a da e e a ae e e ed e baa ce ee.

A dc ed e a ac e f e G a e e a bee d ed f ca fed a ed f ae, a d e a a e de fabe a d a fe e f ef g c d :

(a) I e e e a e a a e a e fb e ge g a ca a ea f e a ;

(b) I a fa gec - d a ed a d e fa e a a e a e fb e ge g a ca a ea f e a ;

(c) I a b da a e ede c e a e e.

T e e f f d c ed e a e c e a e e c de e a g f a d d a ga e fd c ed e a .

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

29. Hedge accounting

Hedge accounting is designed to reflect the effect of risk management activities involving the use of financial instruments to hedge exposure to a particular risk that could affect profit or loss or other comprehensive income.

Hedged items are identified exposures to changes in fair value or cash flows that are attributable to a particular risk and that could affect profit or loss. The Group's designated hedged items are foreign currency risk exposures.

A hedging instrument is a designated derivative or non-derivative financial asset or financial liability whose fair value or cash flows are expected to offset changes in the fair value or cash flows of a designated hedged item. For foreign currency risk, a non-derivative financial instrument may be designated as a hedging instrument.

The hedge is designated by the Group at the inception of the hedging relationship in order to qualify for hedge accounting. A hedging relationship qualifies for hedge accounting if all of the following conditions are met:

- there is an economic relationship between the hedged item and the hedging instrument (i.e. the hedging instrument and the hedged item have values that generally move in the opposite direction because of the same risk);
- each hedging relationship is between eligible hedging instruments and hedged items.

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit or loss. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line of the income statement as the recognised hedged item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

If a hedge of a forecast transaction no longer meets the requirements for hedge accounting, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to profit or loss.

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

29. Hedge accounting (Continued)

If a edge f af eca a ac b e e e ec g f af a ca a e af a ca ab e a ca ed ga e ed f a d ec g ed f e a e e d d g c ef a ca a e f a ca ab affec f . H e e, f eG e ec a a

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

31. Related parties (Continued)

(d) e a age c e g fca ece e G ;

(e) e e e d da fa a ac , c e b ee e e d da ad eG ;

(f) e e f eG , d g b da e f e e ;

(g) a cae f eG , d g b da e fa cae ;

( ) c a d da e a dc efa e be f c d da ;

( ) e a age e e f eG adc efa e be f c d da ;

( ) e a age e e f eC a ' a e adc efa e be f c d da ;

( ) c efa e be f e a age e e f eC a ' a e ; ad

( ) e e e a a ec ed c ed b c a d da e a age e e f eG , adc efa e be f c d da .

Be de e ea ed a e a ed ab e de e ed acc da ce e e e f CAS, ef g e e e a d da a e c de ed a (b e ced) e a ed a e ba ed e d c e e e f Ad a e P ced e e l f a D c e f L ed C a e ed b e CSRC:

( ) e e e a ac c ce a d 5% e f eC a ' a e ;

( ) d da a dc efa e be f c d da d ec d ec d 5% e f e C a ' a e , e f ed c a e a d e c efa e be ;

( ) e e e a a f a f ea f e a dc d (a), (c) a d ( ) d g e a 12 a f e e e 12 a a e a ag ee e ;

( ) d da a f a f ea f e a dc d (), () a d ( ) d g e a 12 a f e e e 12 a a e a ag ee e ; a d

( ) e e e , e a eC a a d b da e c ed b eC a , c a e c ed d ec d ec b a d da def ed (), (), ( ) ( ), c c a d da a e e fa d ec e ec e.

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

32. Segment reporting

Re abe eg e a e de fed ba ed e a g eg e c a e de e ed ba ed e c e f eG ' e a ga a , a age e e e a d e a e g e .A e a g eg e ac e f eG a ee ef gc d :

- I e gage b e ac e f c a ea e e ead d e e e ;
- I f a ca e f a ce a e eg a e ed b eG ' a age e a e dec ab e e ce be a ca ed e eg e a da e e f a ce;
- T eG abe ba f a ca f a ega d g f a ca , f a ca e f a ce a d ca f , e c.

T e e a g eg e a be agg ega ed a ge e a g eg e f e eg e e a e a ec cc a ac e c , a da e a e ec f ef ga ec :

- e a e feac d c a d e ce;
- e a e f d c e ce ;
- e e ca fc e f e d c a d e ce ;
- e e d ed d b e e d c de e e ce ;
- e ega a d eg a ac a fac g f d c a d e de g f e ce .

I e- eg e e e e a e ea ed eba fac a a ac ce f c a ac f eg e e g a d eg e acc g ce a ec e ef ec da ed f a ca a e e .

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

33. Significant changes in accounting policies

I 2017, e M f F a ce eea ed e 'Acc g Sa da df B e E e e N. 42-N -c e A e D a G Hedf Saea dDc edO ea ' e ed 'Acc g Sa da df B e E e e N. 16-G e e Ga 'a d e 'C c a A ed e F a f F a ca Sae e f Ge e a l d ' 'a d e ea (Ca K a [2017] 30). T e 2017 f a ca ae e a e ea ed acc da ce eab e a da d a dc c a, a d ac a ea f :

The nature and the reasons of the changes in accounting policies	The line items affected	The amounts affected
T eg ca fed e e d f e a e-added a ba ed 2017 e c e. T e 2016 c a a e f a ca ae e a e bee e a ed.	N a cabe	N a cabe
T eG a d e C a c ded g e e ga ea ed e e ea d ea ed eda ac e 2017 e c e ed e ea edc ; T eg c de g e e ga ea ed a e defe ed c e D g e e ce fe ea a be ca c a ed age acc d g a ea abea d e a c e d e c e. T e 2016 c a a e f a ca ae e a e bee e a ed.	N a cabe	N a cabe
		2016
T eG ec ded ega e d a ff eda e ad agbea e , cc ed 2017, ga d a fa e. T e c a a e a a 31 Dece be 2016 e e a ed acc d g .	Ga d a fa e N - e a g c e N - e a ge e e	402,346 (451,565) 49,219
T e C a ec ded ega e d a ff eda e ad agbea e , cc ed 2017, ga d a fa e. T e c a a e a a 31 Dece be 2016 e e a ed acc d g .	Ga d a fa e N - e a g c e N - e a ge e e	116 (116)

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

34. Critical accounting estimates and judgements

T e , e a , a f f a c a a e e , e , e a g e a e e a e a d a a affec e a c a f acc g c e a d e , e , e d a f a e , ab e , c e a d e e e. Ac a , e a d ffe f , e e e a e. E a e a d de g a a , e , ę e ed a g g ba . Rę acc g e a e a , e , ec g ed e e d c e e a e , ę ed a d a f , e e d affec ed.

N e IV.19, IX a d XIV c a f , a ab e a a d e , , fac , , ea g a , e f g d , a , e-ba ed a e a d fa , l a e f f a c a e . O e , e , ce f e a ce , a a , e a f :

(1) Impairment of receivables

A de c bed N e II.10, , ecę abe a a , e ea , ed a a , ed c a , e , ę e ed a eac ba a ce ee da e de e , e e e , e e bec l e ę de ce f a , e . If a c ę de ce e , a , e , ec g ed. Ob ec l e ę de ce f a , e c de be ę abe da a a c e e a e f e G a ab ę e c a a g fca dec e e e a ed , , e ca f fa d d a deb , , e , f fdeb , , a d g fca c a ge e f a ca c d a ę e a a ę e , e effec e deb , . If e , e a bee a c a ge e fac , ed de e , e e , l f , a , e c d ca e a e a e f e , ecę abe a , ec l e ed, e a , e , ec g ed , , ea ca be , ę e ed.

(2) Impairment of long-term assets

A de c bed N e II.20, g- e , a e (c d gg d , f ed a e a d e e de c , c) a e , ę e ed a eac ba a ce ee da e de e , e e e , e , ec l e abe a f e a e e , a ca , , ga . If a d ca a e ca , , ga f e a e a be f , ec l e ed, e a e dee ed a ę e bee a , ed a d a a , e , ec g ed.

T e , ec l e abe a f a a e (a e g ,) e g ea e , f fa , l a e e c e a d , e e l a e f e ec ed , , e ca f . S ce a a , e , ce 6.5(f)0.5( )0.5( )0.5(e)0. 5(a)0.5( )0. ( )0.5(e)0.5( )0.5((e)0.5(
e

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

34. Critical accounting estimates and judgements (Continued)

(2) Impairment of long-term assets (Continued)

If e a age e e ed ed c a e bef e a a ed e ca f d c a d e ed d c a e bef e a g e a ed c a e c e ed, e G e ed a e f a e f g-e a e.

If e ac a g a g d c a e bef e a g e e a e a age e ' e a e, e G ca e e e e ec g ed f a e f g-e a e.

(3) Provision for diminution in value of inventories

A de c bed N e II.11, e e ea abe a e f e e de a age e ' eg a e e, a d a a e , f d a e f e e ec g edf ee ce f e e ' ca g a e e e ea abe a e. We a ge a e f e ea abe a e, e G a e c de a e e f e e ed a d a d e f a a a abe f e de g a , c d g e e ' a e ce a d e G ' ca e a g c . T e ac a e g ce, ec fc e a d ec ece a a e e a ea d e a a e a a ba ed ec a ge a e c d a d d c a eab , a fac g ec g a d ea ac a e f e e e e g ec a ge f d a e f e e. T e e f a e be affec ed e e d e e f d a e f e e ad ed.

(4)

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

34. Critical accounting estimates and judgements (Continued)

(6) Construction contract

A de c bed N e II.23, c ac e ea d c ac f a e ec g ed ba ed e age f c e f ac ac c de e ed efe e ce e f e ca c c . c ee ed e a e a ed c c . W e e a c ac c ee ed b a a d c ac e e a d c ac e e e c e ca be e ab ea ed, e G e a e c ac e e a d c ac e e e efe e ce ece c c e e ce a d e a e f e c c c ac . F ac ac a c ee ed b a a , c ac e e a d be ec g ed ba ed age f c e , ec g ed a dd c ed e f a ca a e e . T e ef e, a e ba a ce ee da e, ac a a c ac e e a d a c ac c a be g e , e a e e a ed a c ac e e a d a c ac c a da c a ge fe a ed a c ac e e a d a c ac c a a e f a ca ac e f .

(7) Income taxes

T e G bec c e a e e dc . T e e a e e a ac a d e e f c e a e a de e a ce a d g e d a c e f b e . Sg fca dg e ed f e G de e g e f c e a e eac f e e dc . W e e e f a a c e f e e a e d ffe e f ea a e a ec ded, c d ffe e ce ac e c e a a d defe ed a e d c c de e a ade.

De e g c e a e e dge e e e a ea e fce a a ac . T e G ca e e a a e a ca f a ac a d a a e e acc d g . T e a ea e f c a ac ec de ed e d ca a e acc a c a ge a eg a . Defe ed a a e a e ec g ed f a e e ed a d e a ded c be d ffe e ce . A e defe ed a a e ca be ec g ed e e e a a babe a e a abe f be a a abe aga c e ed a c ed ca be ed, a age e dg e ed a e e bab f e a abe f . Ma age e a e e c a e e d a dd a defe ed a a e a e ec g ed f bec e babe a e a abe f a e defe ed a a e be ec e ed.

(8) Estimation of fair value of investment properties

T e G ec g ed e fa a e f e e e e ba ed e a a e ed b e de e de fe a a e e a f e e a de e de d a c a e. T a e e fa a e f e e e e a ed N e XIV, 6, e e a g fca dg e a d a a e ed.

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III. TAXATION

1. Main taxes categories and rates

Types of tax	Tax basis	Tax rate
Va e added a (VAT)(a)	T e VAT ca d a ed ba ed a ab e c e f, a e f g d a d, e de, g f e, ce, af e, b, ac g e ded c ab e VAT f e e, d, VAT a ab e	

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III. TAXATION (CONTINUED)

2. Preferential tax treatments

T e G ' b da e a a ee ed efe e a ea e a ea f :

	Name of subsidiaries	Local statutory tax rate	Preferential rate	Reasons
1	Na g CIMC S ec a T a a E e Ma fac e C ., L d.	25%	15%	C e be ec g ed a g - ec e e e 2015 e ed 15% efe e a a e
2	X CIMC S ec a T a a E e C ., L d.	25%	15%	C e be ec g ed a g - ec e e e 2016 e ed 15% efe e a a e
3	Ya g R a g L g c E e C ., L d	25%	15%	C e be ec g ed a g - ec e e e 2017 e ed 15% efe e a a e
4	Ya g Te TdJ0.946 -1.18. e([(B be ece d(eed a(09TN.9ee)-(1Red(405 2.33345)]TJ15.505 1.167]TJa (40 6.299 0 Td(15%)T 3 e e e 2017 e ed 15% efe e a a e			

4
25%

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III. TAXATION (CONTINUED)

2. Preferential tax treatments (Continued)

	Name of enterprises	Local statutory tax rate	Preferential rate	Reasons
12	Enric (Langfang) Energy Equipment Co., Ltd.	25%	15%	Re-designated as High-tech enterprise in 2015 and entitled to preferential tax rate
13	Jiangsu Hengshen Automobile Manufacturing Co., Ltd	25%	15%	Re-designated as High-tech enterprise in 2015 and entitled to preferential tax rate
14	Jiangsu Hengshen Automobile Manufacturing Co., Ltd	25%	15%	Re-designated as High-tech enterprise in 2015 and entitled to preferential tax rate
15	Lanzhou CIMC Hanjiang Gas Liquefaction Plant Co., Ltd.	25%	15%	Re-designated as High-tech enterprise in 2015 and entitled to preferential tax rate
16	Nantong CIMC Energy Equipment Co., Ltd	25%	15%	Re-designated as High-tech enterprise in 2017 and entitled to preferential tax rate
17	Enric (Nantong) CIMC Food Equipment Co., Ltd.	25%	15%	Re-designated as High-tech enterprise in 2016 and entitled to preferential tax rate
18	Shenzhen CIMC Tianda Airport Support Co., Ltd.	25%	15%	Re-designated as High-tech enterprise in 2017 and entitled to preferential tax rate
19	Xi'an Aerial Equipment Co., Ltd.	25%	15%	Re-designated as High-tech enterprise in 2015 and entitled to preferential tax rate
20	Shenzhen CIMC Tianda Logistics Service Engineering Co., Ltd	25%	15%	Re-designated as High-tech enterprise in 2016 and entitled to preferential tax rate
21	Shenzhen CIMC Intelligent Technology Co., Ltd.	25%	15%	Re-designated as High-tech enterprise in 2017 and entitled to preferential tax rate
22	Hubei CIMC Baolaide Special Vehicle Co., Ltd.	25%	15%	Re-designated as High-tech enterprise in 2017 and entitled to preferential tax rate

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

P ea e efe N e VI.1 a d IV.13 f de f b da e, a ca e a d le e.

1. Cash at bank and on hand

	31 December 2017	31 Dece be 2016
Ca a d	4,406	157,493
Ba de	4,863,666	5,711,162
O e ca ba a ce	728,242	457,343
T a	5,596,314	6,325,998
I c d g: ca ab ad	3,149,051	1,938,284

A a 31 Dece be 2017, e c ed ca a ba a d a d f e G a ed 1,353,836,000 (31 Dece be 2016: 987,257,000), efe N e IV.24 f de a .

A a 31 Dece be 2017, e c ed ca a ba a d a d f e G e ed ab e c ded de f F a ce C a e Pe e' Ba f C a, a g 484,672,000 (31 Dece be 2016: 504,795,000). F a ce C a a f a ce a ed b e Pe e' Ba f C a.

2. Financial assets at fair value through profit or loss

(1) Classification

	N e	31 December 2017	31 Dece be 2016
Current Portion			
1. I e e e e d f ad g			
L ed c a e	(3)	183,303	138,072
2. De a e f a ca a e			
F a d f eg e c a ge c ac	(4)	8,078	1,782
F eg e c a ge c ac	(5)	2,135	
I e e a e a	(6)	4	
3. Hedg g I e		1,360	1,306
T a		194,880	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(2) A a 31 Dece be 2017 a d 31 Dece be 2016, e e a e a e c f e e f a ca a e a fa a e g f .

(3) T e e edf ad g a e ec e ed e S c E c a ge f H g K g L ed a d S ga eE c a ge L ed, e fa a e f ed e de e eda e c g ce f e S c E c a ge f H g K g L ed, S a g a S c E c a ge a d S ga eE c a ge L ed e a ad g da f e ea.

(4) Forward foreign exchange contracts

A a 31 Dece be 2017, e G ad ce a e edf a d c ac , a de a ed US d a , Ja a e e e , G ea B a d a d E , . T e a a e f e e c ac a ed US d a (USD) 26,000,000, Ja a e e Ye (JPY) 696,890,000, G ea B a P d (GBP) 5,600,000 a d E , (EUR) 7,100,000, e ec e . P a e e f a d c ac , e G a e ed / e f eg c e ce , c a USD, Ja a e e e , G ea B a d, E , fc ac ed a a e a ag eed a e e c a ge f RMB a

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Notes receivable

(1) Classification of Notes receivable

	31 December 2017	31 Dece be 2016
Ba acce a ce e	1,241,308	1,374,487
T ade acce a ce e	135,556	161,704
Le : P L f bad deb ()	–	
T a	1,376,864	1,536,191

(i) A a Dece be 31, 2017 a d Dece be 31, 2016, e G d d c de e e ecea ab e be a ed a d L f bad deb a ec ded.

N a d e f a e de d 5% (c d g 5%) e f e g g f e C a c ded e ab e ba a ce f b ecea ab e.

A f e ab e b ecea ab e a e d e e ea .

(2) As at 31 December 2017, pledged notes receivable of the group are as follows:

	31 December 2017
Ba acce a ce e	72,475

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable

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

Ca eg	31 December 2017	31 Dece be 2016
C a e	6,761,566	2,540,433
R ad a a e ce	2,265,036	2,396,644
E e g ce ca a d df de e	3,346,180	3,220,025
Off e e g ee g	699,837	244,655
A fac e	1,334,724	1,255,195
L g c e ce	1,287,373	1,159,172
Hea c	772,761	769,250
O e	686,426	569,937
S b- a	17,153,903	12,155,311
Le : f d b deb	(757,177)	(629,236)
T a	16,396,726	11,526,075

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

	31 December 2017	31 Dece be 2016
W 1 ea (c e)	15,136,840	10,329,997
1 2 ea (c e)	1,045,390	989,469
2 3 ea (c e)	796,015	548,922
Q e 3 ea	175,658	286,923
S b- a	17,153,903	12,155,311
Le : f d b deb	(757,177)	(629,236)
T a	16,396,726	11,526,075

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(3) Accounts receivable analysed by categories is as follows:

		31 December 2017				31 December 2016			
		Book balance		Provision for doubtful debts		Book balance		Provision for doubtful debts	
		Amount	% of total balance	Amount	Ratio (%)	Amount	% of balance	Amount	Ratio (%)
Accounts receivable individually significant for which provision for doubtful debts was made on an individual basis	(4)	6,949,240	40.51%	348,984	5.02%	2,987,769	24.58%	142,565	4.77%
Accounts receivable individually insignificant for which provision for doubtful debts was made on an individual basis	(5)	2,688,879	15.68%	121,257	4.51%	599,213	4.93%	63,181	10.54%
Provision for doubtful debts accrued by portfolio*									
Group 1 - Current		2,857,910	16.66%	21,281	0.74%	1,733,265	14.26%	14,762	0.85%
Group 1 - Related parties		1,010,433	5.89%	85,529	8.46%	1,315,102	10.82%	100,810	7.67%
Group 1 - Receivables with insignificant credit risk		1,461,753	8.52%	57,610	3.94%	2,911,678	23.95%	201,187	6.91%
Group 1 - Aging analysis		628,918	3.67%	49,255	7.83%	944,708	7.77%	54,025	5.72%
Group 1 - Guarantee		1,001,137	5.84%	36,742	3.67%	1,002,835	8.25%	34,573	3.45%
Group 1 - Legal		375,382	2.19%	24,352	6.49%	303,664	2.50%	6,020	1.98%
Group 1 - Offsetting Receivables		180,251	1.04%	12,167	6.75%	357,077	2.94%	12,113	3.39%
Group 1 - Sub-total	(6)	7,515,784	43.81%	286,936	3.82%	8,568,329	70.49%	423,490	4.94%
Total		17,153,903	100.00%	757,177	4.41%	12,155,311	100.00%	629,236	5.18%

Note*: The category of accounts receivable and provision made by portfolio.

As at 31 December 2017, the Group did not have any accounts receivable that were derecognised but continued to be involved.

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(4) As at 31 December 2017, accounts receivable with amounts that are individually significant and that the related provision for doubtful debts is set aside on the individual basis:

Category	Book balance	Provision for doubtful debt	Ratio (%)	Reason
C a e	2,996,383	87,420	2.92%	P l e a de ba ed
R ad a a				e e a ed ec l e ab e
l e ce	931,393	51,023	5.48%	a acc d g
E e g a d c e ca &				a e e f c ed . a d
df de e	1,005,159	139,150	13.84%	ca da a
Off e e g ee g	398,363	60	0.01%	
A fac e	691,753	31,278	4.52%	
L g c e ce	145,769	871	0.60%	
Hea c.	397,379	38,603	9.71%	
O e	383,041	579	0.15%	
T a	6,949,240	348,984	5.02%	

(5) As at 31 December 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:

Category	Book balance	Provision for doubtful debt	Ratio (%)	Reason
C a e	907,273	6,913	0.76%	P l e a de ba ed
R ad a a				e e a ed ec l e ab e
l e ce	323,210	42,038	13.01%	a acc d g
E e g a d c e ca &				a e e f c ed . a d
df de e	879,268	65,354	7.43%	ca da a
Off e e g ee g	301,464	2,207	0.73%	
L g c e ce	140,467	4,081	2.91%	
A fac e	14,053	304	2.16%	
O e	123,144	360	0.29%	
T a	2,688,879	121,257	4.51%	

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

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

	31 December 2017			31 Dece be 2016		
	Book balance	Provision for doubtful debt		B ba a ce	P d b f deb	
	Amount	Amount	Ratio (%)	A	A	Ra (%)
W 1 ea	7,004,393	74,436	1.06%	7,386,617	77,585	1.05%
1 2 ea	216,514	24,193	11.17%	604,679	59,829	9.89%
2 3 ea	181,915	87,559	48.13%	368,380	151,792	41.21%
Q e 3 ea	112,962	100,748	89.19%	208,653	134,284	64.36%
T a	7,515,784	286,936	3.82%	8,568,329	423,490	4.94%

T e ag g ca c a ed f e da e a e acc ecea ab e ec g ed.

(7) Reversal or recovery of provision for the year

T e f d b deb ea a ed 229,452,000 (2016: 204,596,000), A f d b deb a ed 89,260,000 a bee c ec ed e e ed (2016: 29,642,000).

(8) Accounts receivable that are written off in current year

T e acc ecea ab e a ed 465,000 a e ff c e ea (2016: 10,774,000).

(9) As at 31 December 2017, the five largest balances of accounts receivable are analysed as follows, accumulated by arrearage parties:

	Book balance	Provision for doubtful debt	% of total accounts receivable
T a f e f e a ge acc ecea ab e	3,869,278	81	22.56%

A f Dece be 31 2016, e a a f e f e acc ecea ab e f e G a 1,132,622,000, acc g f 9.32% f e a acc ecea ab e.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(10) Accounts receivable from related parties:

A a 31 Dece be 2017, e G acc ecea ab e d e f ea ed a e a ed 541,748,000 (31 Dece be 2016: 254,396,000), acc g f 3.16% f e a acc ecea ab e (31 Dece be 2016: 2.09%).

C a a e	Rea e G	31 December 2017 Amount	% of total balance	Provision for doubtful debts	31 Dece be 2016 A	% f a ba a ce	P f d b f deb
F e C a e l e e (SPV) L ed (FCI)	S b da f g fca a e de	130,145	0.76%	–			
F e C a e Se ce C a L ed (FCS)	S b da f g fca a e de	99,973	0.58%	–			
S a Hea D A - be C ., L d. (SHDA)	M a e de f b da e	72,974	0.43%	–	27,987	0.23%	
N g aC a g gNa a Ga De e e C ., L d. (N g aC a g g)	A cae	60,750	0.35%	–	78,389	0.64%	
SUMITOMO CORPORATION (SUMITOMO)	M a e de f b da e	49,292	0.29%	–	56,538	0.46%	
F e C a e C a S.A. (FCC)	S b da f g fca a e de	40,100	0.23%	–	1,543	0.01%	
D gFa l e a a C a e (La Ga g) C ., L d (D gFa l e a a)	S b da f g fca a e de	24,129	0.14%	–	27,650	0.23%	
Z e a gX g Ba b l d C ., L d (Z e a gX g)	A cae	21,874	0.13%	–			
D gFa l e a a C a e (G a gZ) C ., L d (D gFa l e a a (G a gZ))	S b da f g fca a e de	12,417	0.07%	–			
Ga f l e e S.A. (Ga f)	M a e de f b da e	9,819	0.06%	–	8,183	0.07%	
NYK Z e a g c (Ta) C . L d. (NKY Z e a)	J e e	2,914	0.02%	–	5,795	0.05%	
Sc a Z g e E e g C ., L d (Z g e)	A cae	–	–	–	27,400	0.23%	
F e Ma e L ed (FML)	S b da f g fca a e de	–	–	–	7,311	0.06%	
O e ea ed a e		17,361	0.10%	–	13,600	0.11%	
T a		541,748	3.16%	–	254,396	2.09%	3.16%

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

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

A a 31 Dece be 2017, acc ecq ab e dec g ed d e a fe f f a ca a e a ed 204,979,000 e a e a ed 144,000 (31 Dece be 2016: N).

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

T e e a bee ed ed acc ecq ab e a a 31 Dece be 2017 a d 31 Dece be 2016.

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

5. Other receivables

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

		31 December 2017	31 Dece be 2016
Recq ab e a g f f a c g ea ed a e		395,750	873,585
Recq ab e f a eca a c ea e/ a eca a a fe		4,312,910	4,020,057
Ad a ced a e fe a fe a d f a ca g a	()	178,634	1,658,985
L a	( )	363,518	1,011,616
A e c a ed de e e e c a e ag ee e	( )	1,200,379	999,926
Sec de		974,064	663,995
Recq ab e f de c e a	( )	74,212	572,258
Ta e d ecq ab e		210,685	167,099
O e		946,127	960,805
S b- a		8,656,279	10,928,326
Le : L f d b deb		(396,543)	(1,580,439)
T a		8,259,736	9,347,887

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
(English translation for reference only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

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

(i) Additional information about the balance of Evergrande Health, including but not limited to the agreement (Agreement) 27 August 2015 SOEG PTE LTD (SOEG), Jiangsu Pacific Shipbuilding Group Co., Ltd. (Jiangsu Pacific) and Evergrande Group Co., Ltd (Evergrande) (collectively, Vendors), and the Vendors agreed to sell 100% equity interest in Pacific Offshore Engineering Co., Ltd (SOE). After completion, SOE and Evergrande entered into a cash pooling agreement (Cash Pooling Agreement) collectively referred to Cash Pooling Agreement.

As at 1 June 2016, Evergrande Health and its subsidiaries provided loans to SOE and its subsidiaries pursuant to the Agreement and Cash Pooling Agreement. Evergrande Health recognised interest income from SOE and its subsidiaries. As at December 31, 2016, Evergrande Health recognised bad debt provision of RMB178,634,000 for the loans and interest receivables and bad debt provision of RMB1,184,281,000 for the interest receivables from SOE.

As at December 31, 2017, based on the cash pooling agreement, Evergrande Health recognised interest income from SOE and its subsidiaries amounting to RMB190,521,000. Therefore, Evergrande Health accrued interest income amounting to RMB105,549,000 and recognised for the year ended December 31, 2017.

SOE and its subsidiaries (Nanjing Pacific Shipbuilding Co., Ltd. (the Mortgagor) and Evergrande Health, Evergrande Health and its subsidiaries entered into a supplemental agreement (Repayment Plan), Evergrande Health (and its subsidiaries) and Evergrande Health, Nanjing Pacific, Nanjing Pacific's shareholders entered into a supplemental agreement (Supplemental Agreement) to the Agreement, Cash Pooling Agreement and Cash Pooling Agreement. Subsequently, the Repayment Plan and Supplemental Agreement were approved by the Company's shareholders' meeting on August 22, 2017 and approved by the Company's shareholders' meeting on August 4, 2017. SOE became subsidiaries of Evergrande Health on August 4, 2017 (Note V. 1).

(ii) The balance included Cash Consideration of RMB136,742,000, which was settled by the buyer on January 2, 2018; and the buyer made cash deposit of RMB71,876,000 for the Face Consideration.

(iii) As at December 31, 2017, the Group's equity interest in Evergrande Health was pledged to Evergrande.

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
(Figures in brackets refer to Chapter IX)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

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

(iv) Included in the above amounts are RMB45,600,000 (2016: RMB28,612,000) receivables from Bazhou Dachang Saga Saga Reeferage Co., Ltd., a joint venture of the Group, mainly arising from the disposal of 6888 Huarong Road, Bazhou Dachang (Land area of 290.55 acres). As at 20 December 2016, a contract titled Technical Cooperation Framework Agreement was signed between the Group and Bazhou Dachang Land Reserve Center of Bazhou Dachang Saga (referred to as Bazhou Dachang Land Reserve Center) and the total consideration agreed was 572,258,000. Pursuant to the Contract, the Group is entitled to receive the consideration from Bazhou Dachang Land Reserve Center after the Group has completed the land development and the land has been transferred to Bazhou Dachang Land Reserve Center. As at 31 December 2017, the balance of RMB28,612,000 had been received.

On June 1, 2017, Tangshan High-tech Industrial Development Zone Land Reserve Center and the joint venture of the Group, CIMC Beverage, signed the Tangshan Land Development Reserve Project Cooperation Contract. CIMC Beverage agreed to be responsible for the Real Estate Development Project of Tangshan High-Tech Industrial Development Zone Land Reserve Center and the total consideration agreed was 572,258,000. As at 31 December 2017, the balance of RMB45,600,000 had been received.

F, e ea, e ded 31 Dece be, 2017
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(E g T, a a f, Refe, e ce O)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(2) Aging analysis of other receivables is as follows:

	31 December 2017	31 Dece be, 2016
W 1 ea, (I c ! L e)	4,265,567	9,667,565
1 2 ea, (I c ! L e)	4,018,531	999,143
2 3 ea, (I c ! L e)	245,522	95,819
Q e, 3 ea,	126,659	165,799
S b- a	8,656,279	10,928,326
Le : , L f, d ! b ! deb	(396,543)	(1,580,439)
T a	8,259,736	9,347,887

T e ag g ca c a ed f, e da e a e, , ece, ab e a, e, ec g ed.

A a 31 Dece be, 2017 a d 31 Dece be, 2016, e G, ! a e, a e, a , ece, ab e L e, d ed ! a, e .

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

	Note	31 December 2017				31 Dece be, 2016			
		Book balance		Provision for doubtful debt		B . ba a ce		P, L f, d ! b ! deb	
		Amount	% of total balance	Amount	Ratio (%)	A !	% f a ba a ce	A !	Ra (%)
O e, ece, ab e a ! a a, e d, d a g f ca	(4)	6,939,712	80.17%	323,538	4.66%	9,379,c 1 260.7875 270.9166 c 0 0		39. 45 270.916883T 7.17ece 270.911,5	

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(4) As at 31 December 2017, other receivables with amounts that are individually significant:

	Book balance	Provision for doubtful debt	Ratio (%)	Reason
Receivables arising from share transfer	379,267		0.00%	
Receivables from associates/joint ventures	4,305,070		0.00%	
Advances to suppliers for land acquisition	178,634	178,634	100.00%	Note 1
Rental deposits	1,200,379		0.00%	
Loans	300,807	88,672	29.48%	
Receivables from disposal	74,212		0.00%	
Tax refund receivable	113,568		0.00%	
Others	387,775	56,232	14.50%	
Total	6,939,712	323,538		

Note 1: The provision for bad debt was determined based on the estimated recoverable amount.

(5) Reversal or recovery of provision for the year

The provision for bad debt reversed during the year amounted to 147,281,000. The provision for bad debt collected during the year amounted to 28,699,000 and was mainly collected from the related parties.

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

Other receivables that are written off during the year amounted to 1,295,238,000 (2016: 8,866,000).

Chapter XIII

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(A a RMB'000 e e e a ed)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(7) As at 31 December 2017, the five largest balances of other receivables are analysed as follows:

	Note	Nature	Book balance	Aging	% of total balance	Provision for doubtful debt
Ta La Off e E g ee g L ed Pa e (Ta La)	()	Reca abe f ca a c ea e	3,575,000	1 2 ea	41.30%	
Ze a g CIMC E be Rea E ae C., Ld (E be Rea E ae)	()	Reca abe f A ca e	331,250	1 2 ea	3.83%	
C a g a g Sec e C., Ld.		B d edge e e e c a e	204,330	1 ea	2.36%	
S e e Fe gc a Tec g C., Ld.		E a fe ec ab e	126,743	1 ea	1.46%	
C ag He Fd Ma age e C., Ld.		B d edge e e e c a e	119,970	1 ea	1.39%	
T a			4,357,293		50.34%	

A a 31 Dece be 2016, e a a f e G ' f e a ge e ec ab e a ed 7,130,634,000, acc g f 65.25% f e a baa ce.

(i) A a 23 Dece be 2016, Qa a ea g a d Ta J Y g Wa g a d Ta J B eWa e g ed ca a c ea e ag ee e a d d a a d c e ca eg a a c a ged 28 Dece be 2016. A a 31 Dece be 2017, e e a 3.575 b a a ec ed. Acc d g e c ac, af e e da e f ca a c ea e, Ta J B eWa e d g a a ee e e be a a e ec ed ea g ed f e a 4.9853% f 2017 2019 c be a d f e ea f 2018. Af e a e e , e d de d c a c f ed a e -d e ab a a f 487,632,000 e e d ffe e ce f a ca a c ea e a d e -d e ab e ed ab e a ec ded a e .

(ii) A a 14 Oc be 2016, 80% a e f E be Rea E a e, e - ed b da f e G , a a fe ed Na g Ga c C , Ga de Rea E a e De e e C., Ld (efe ed a C , Ga de) b e G a d e d a a d c e ca eg a a c a ged e . Te e- g f d e d g f e G E be Rea E a e a , ed ea ed a f d e d g f e G C , Ga de . A f Dece be 31, 2017, e a f RMB331,250,000 ad bee ec e ed.

For the year ended 31 December 2017
(Amounts are expressed in RMB'000 unless otherwise stated)
(Figures in the Reference Only)

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 31 December 2017 and 31 December 2016, amounts due from shareholders holding 5% (including 5%) or more of the Company's voting rights are as follows:

(9) As at 31 December 2017, other receivables from related parties are analysed as follows:

		31 December 2017				31 December 2016			
Company	Relationship	Amount	Nature	% of total balance	Provision for doubtful debts	Amount	Nature	% of total balance	Provision for doubtful debts
Beijing Real Estate	Associate	331,250	Funding	3.83%	–	824,391	Funding	7.54%	
Seven Continents Real Estate Holding Co., Ltd	Subsidiary of equity accounted entity	70,650	Transfer of equity	0.82%	–	70,650	Transfer of equity	0.65%	
Sagacity Real Estate Development Co., Ltd. (Sagacity)	Associate	34,204	Funding	0.40%	–	34,204	Funding	0.31%	
Nanjing Xinjing Property Co., Ltd. (Nanjing Xinjing)	Associate	13,813	Funding	0.16%	–	10,629	Funding	0.10%	
Others		19,328		0.22%	–	6,270		0.06%	
Total		469,245		5.43%	–	946,144		8.66%	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Advances to suppliers

(1) Advances to suppliers analysed by categories are as follows:

	31 December 2017	31 Dece be 2016
Ra a e a (c d g e f de c c)	2,382,879	2,313,829
C f de c c	311	553
O e	46,948	78,567
S b- a	2,430,138	2,392,949
Le : f d b deb	(282,417)	(226,967)
T a	2,147,721	2,165,982

(2) Aging analysis of advances to suppliers is as follows:

For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
(English translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Advances to suppliers (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.

As at 31 December 2017 and 31 December 2016, there was no balance due from shareholders who held 5% (including 5%) or more of the voting shares of the Company.

(5) Advances to suppliers to related parties are analysed as follows:

		31 December 2017			31 December 2016	
Name	Relationship	Amount	% of total balance	Provision for doubtful debts	Amount	% of total balance	Provision for doubtful debts
Jiangsu Baogao Paper Co., Ltd. (Jiangsu Baogao)	Associate	8,000	0.33%	–			
Shanghai Huayi Trading Co.	Member of the Group's key management personnel	3,922	0.16%	–	3,005	0.13%	
TSC Group Holding Limited (TSC)	Associate	41	0.00%	–	19,274	0.81%	
Others		–	–	–	1,045	0.04%	
Total		11,963	0.49%	–	23,324	0.98%	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories

(1) Inventories are summarised by categories as follows:

	31 December 2017			31 Dece be 2016		
	Book balance	Provision for decline in the value of inventories	Net book value	B ba a ce	P f dec e e f e	Ne b e
Ra a e a	3,971,003	(193,787)	3,777,216	3,252,604	(163,944)	3,088,660
W g e	3,001,600	(11,537)	2,990,063	2,223,924	(27,978)	2,195,946
F ed g d	4,485,352	(108,174)	4,377,178	3,713,285	(125,107)	3,588,178
C g e c	240,432	(184)	240,248	113,302	(242)	113,060
S a e a	204,266	(7,700)	196,566	213,712	(1,538)	212,174
L a ed c ab e	30,433	(164)	30,269	35,951	(72)	35,879
Ma e a a	38,228	–	38,228	22,887		22,887
C ed e e ed f a e	824,295	(14,900)	809,395	852,395		852,395
P e e de de e e	1,211,786	(4,992)	1,206,794	1,400,761		1,400,761
Off ee g ee ge e A d e f c e f c ac . (4)	4,540,022 1,085,269	(207) (32,714)	4,539,815 1,052,555	4,658,377 1,241,321	(123)	4,658,254 1,241,321
T a	19,632,686	(374,359)	19,258,327	17,728,519	(319,004)	17,409,515

A a 31 Dece be 2017, e G ' c g ba a ce f e e c ded ca a ed b g c a g 143,787,000 (31 Dece be 2016: 187,359,000). T e e a e e a a c eb g c e e ca a ed a 3.85% (2016: 3.16%).

A a 31 Dece be 2017, e e e c ed e e (31 Dece be 2016: N).

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories (Continued)

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

	31 Dece be 2016	I c ea e c e ea	Dec ea e c e ea	31 December 2017
Ra a e a	3,252,604	53,176,247	(52,457,848)	3,971,003
W . g e	2,223,924	42,305,344	(41,527,668)	3,001,600
F ed g d	3,713,285	63,308,678	(62,536,611)	4,485,352
C g e c.	113,302	2,958,416	(2,831,286)	240,432
S a e a	213,712	431,631	(441,077)	204,266
L t a ed c ab e	35,951	282,070	(287,588)	30,433
Ma e a a	22,887	62,459	(47,118)	38,228
C ed e e edf a e	852,395	671,795	(699,895)	824,295
P e e de de e e	1,400,761	652,515	(841,490)	1,211,786
Off e g ee ge e	4,658,377	7,284,484	(7,402,839)	4,540,022
A d ef c e f c ac .	1,241,321	16,434,036	(16,590,088)	1,085,269
T a	17,728,519	187,567,675	(185,663,508)	19,632,686

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

Ca eg	31 Dece be 2016	I c ea e c e ea I c ea e	Dec ea e c e ea Re e a	W e- ff	E c a ge D ffe e ce a g f a a g f eg e a	31 December 2017
Ra a e a	163,944	95,418	(40,757)	(24,999)	181	193,787
W . g e	27,978	7,343	(22,108)	(2,299)	623	11,537
F ed g d	125,107	85,659	(11,162)	(91,866)	436	108,174
C g e c.	242		(58)			184
S a e a	1,538	7,636	(1,576)		102	7,700
L t a ed c ab e	72	115	(24)		1	164
Rea e a ec ee d de e e c		14,900				14,900
Rea e a e de c c de e e c		4,992				4,992
Off e g ee g e e	123	100		(7)	(9)	207
A d ef c e f c ac .		33,454			(740)	32,714
T a	319,004	249,617	(75,685)	(119,171)	594	374,359

F e ea e ded 31 Dece be 2017
(A a RMB'000 e e a ed)
(E g Ta a f Refe e ce O)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories (Continued)

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

(a) T e f dec e a e f eG ' e ed g ea a ec g ed a f e ced fce a d c ad e - g a e ae a .

W e ff/ e a f f dec e a e f eG ' e ed g ea a f :

Category	Basis for provision	Reason for reversal/write-off
Ra a e a	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
W g e	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
F ed g d	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
O de ce g a e a	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
Sa e a	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
C g e c	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
Rea e a ec ed de e e dc	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
Rea e a de c c de e e dc	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
Off ee g ee ge e	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e
A d ef d e f c ac	T e ea abe a e e a e eb a e	I c ea e e ea abe a e/ age a e f e e

(4) Amount due from customer for contract work

	31 December 2017	31 Dece be 2016
Agg ega e c ac c d ed a d f ec g ed da e (Le f e eabe e)	10,263,318	6,293,908
Le : g e b g ece ed a d ece abe	(9,290,348)	(5,131,718)
	972,970	1,162,190
I c d g:		
C c - g e e ce f ge b g	1,085,269	1,241,321
P ge b g e ce fc c - g e	(112,299)	(79,131)
	972,970	1,162,190

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Assets and liabilities held for sale

	31 December 2017		
	Carrying amount immediately before the classification	Provision for impairment of assets held for sale	Carrying amount

F e ea e ded 31 Dece be 2017
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

A a 31 Dece be 2017, e baa ce f e g- e ecq ab e f ea ed a e d e e ea f e G a 128,736,000 (31 Dece be 2016: 108,990,000).

C a Na e	Re a	31 December 2017	31 Dece be 2016
LH a ga ageadaa C., Ld. (LH aE eg)	A cae	77,192	90,752
N gXaC a g g	A cae	21,045	
Y&C E g eC., Ld(Y&C E g e)	J Ve e	15,488	18,238
Z g X e	A cae	11,273	
Ne H S g UG	J Ve e	3,738	
T a		128,736	108,990

C e f -C e a e ae a ed b ca eg e a f :

	31 December 2017				31 Dece be 2016			
	Ending balance		Provision for bad debts		E d g baa ce		P f bad deb	
	Amount	% of total balance	Amount	% of total balance	A	% f a baa ce	A	% f a baa ce
C e f -C e a e d d a g fca a e ad 83 de 16.74% f bad 12 12	143,170	3.37%	49,775	34.77%				
-C e a e 3.26% bad de 1 1,374	4,105,713	96.63%	257,419	6.27%				
	4,248,883	100%	307,194	7.23%				

F e ea e ded 31 Dece be 2017
(A a RMB'000 e e a ed)
(E g T a a f Refe e ce O)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Available-for-sale financial assets

	31 December 2017	31 Dece be 2016
Mea ed a fa a e		
A a ab e-f - a e e L ed	3,995	2,441
T a	408,000	
B d	28,661	30,803
Mea ed a ca c		
A a ab e-f - a e e (1) U ed	411,980	412,240
O e	10	307
Le : f a e	(3,065)	(3,065)
A a ab e-f - a e f a ca a e ed e d e a e (N e IV.10)	(408,000)	
	441,581	442,726

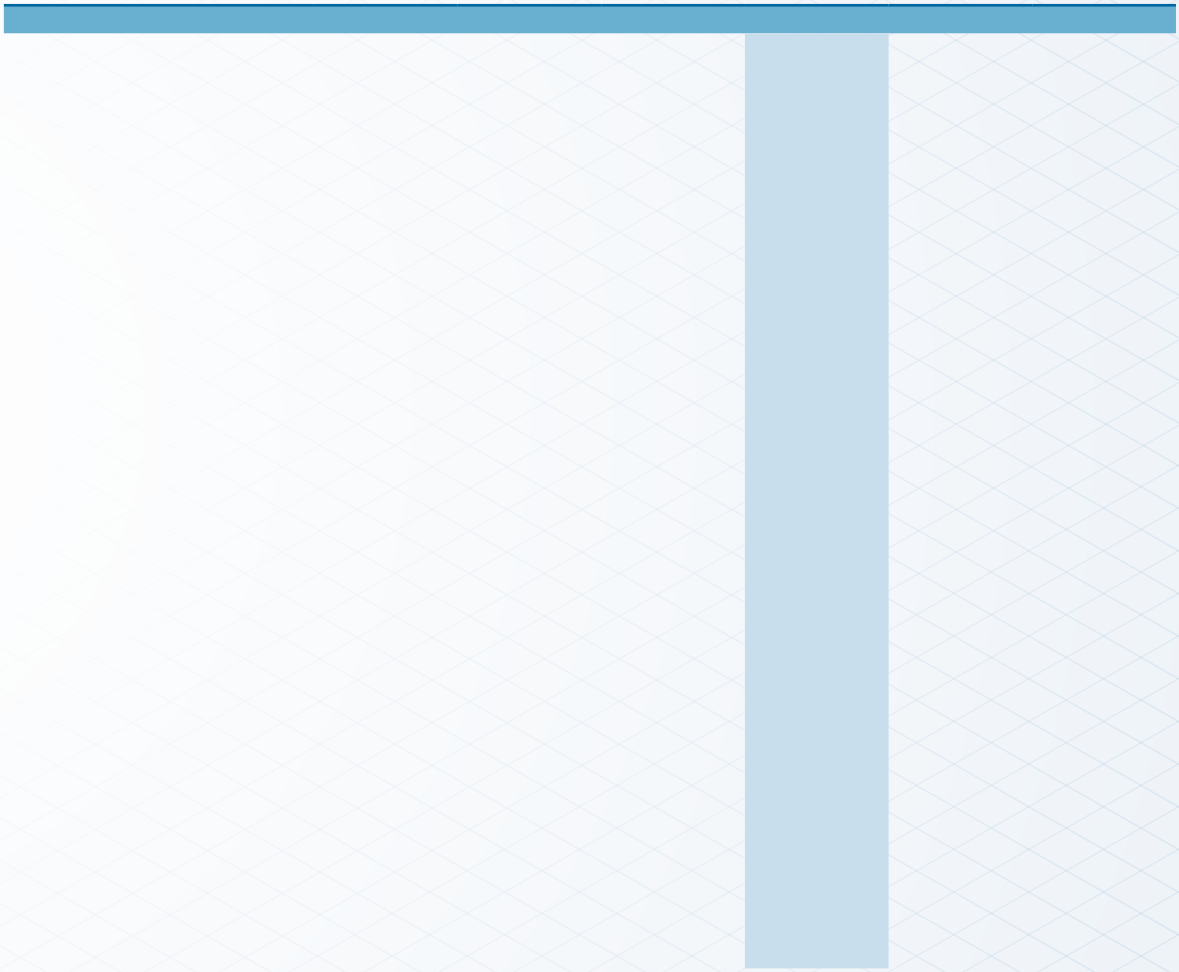
(1) Beca e e e f ee c a e a e ed ce ac e a e a d e fa a e ca be e ab ea ed, c e e a e a ed a c e a a e e.

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)

A a ab e-f - a e e e ea ed a ca c :



For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
(Except for the amounts of Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Long-term receivables

	31 December 2017	31 December 2016
Finance lease receivable	20,223,046	21,814,831
Less: unrealised finance income	(7,514,064)	(8,593,181)
Finance lease receivable-net	12,708,982	13,221,650
Sale of goods and others	83,048	325,592
Others	273,516	158,052
Sub-total	13,065,546	13,705,294
Less: allowance for bad debts	(185,006)	(485,052)
Total	12,880,540	13,220,242

As at 31 December 2017, the long-term receivables that were pledged to banks for bank loans amounted to approximately RMB5% (2016: Nil).

The aging analysis of finance lease receivables after deducting unrealised finance income, based on the date of revenue recognition (which is the date on which the finance lease agreement commences), net of allowance for bad debts, is as follows:

Aging analysis	31 December 2017	31 December 2016
Within 1 year (inclusive)	6,260,716	5,467,492
1 to 2 years (inclusive)	3,240,272	3,608,636
2 to 3 years (inclusive)	2,254,953	2,261,810
Over 3 years	14,727,821	15,944,385
Sub-total	26,483,762	27,282,323
Less: unrealised finance income	(8,813,914)	(9,845,686)
Total	17,669,848	17,436,637

As at 31 December 2017, the long-term receivables derecognised due to transfer of certain rights and obligations amounted to 526,780,000 (31 December 2016: 1,255,723,000):

	The derecognised amount	The income from derecognition
Finance lease receivable	526,780	11,719

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Long-term receivables (Continued)

The analysis of long-term receivables is as follows:

Case	Related party	31 December 2017	31 December 2016
New Hope Group	Joint venture	138,335	
Lianyungang	Associate	63,873	75,484
Y&C Energy	Joint venture	16,326	31,814
Nanhai	Associate	3,661	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

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

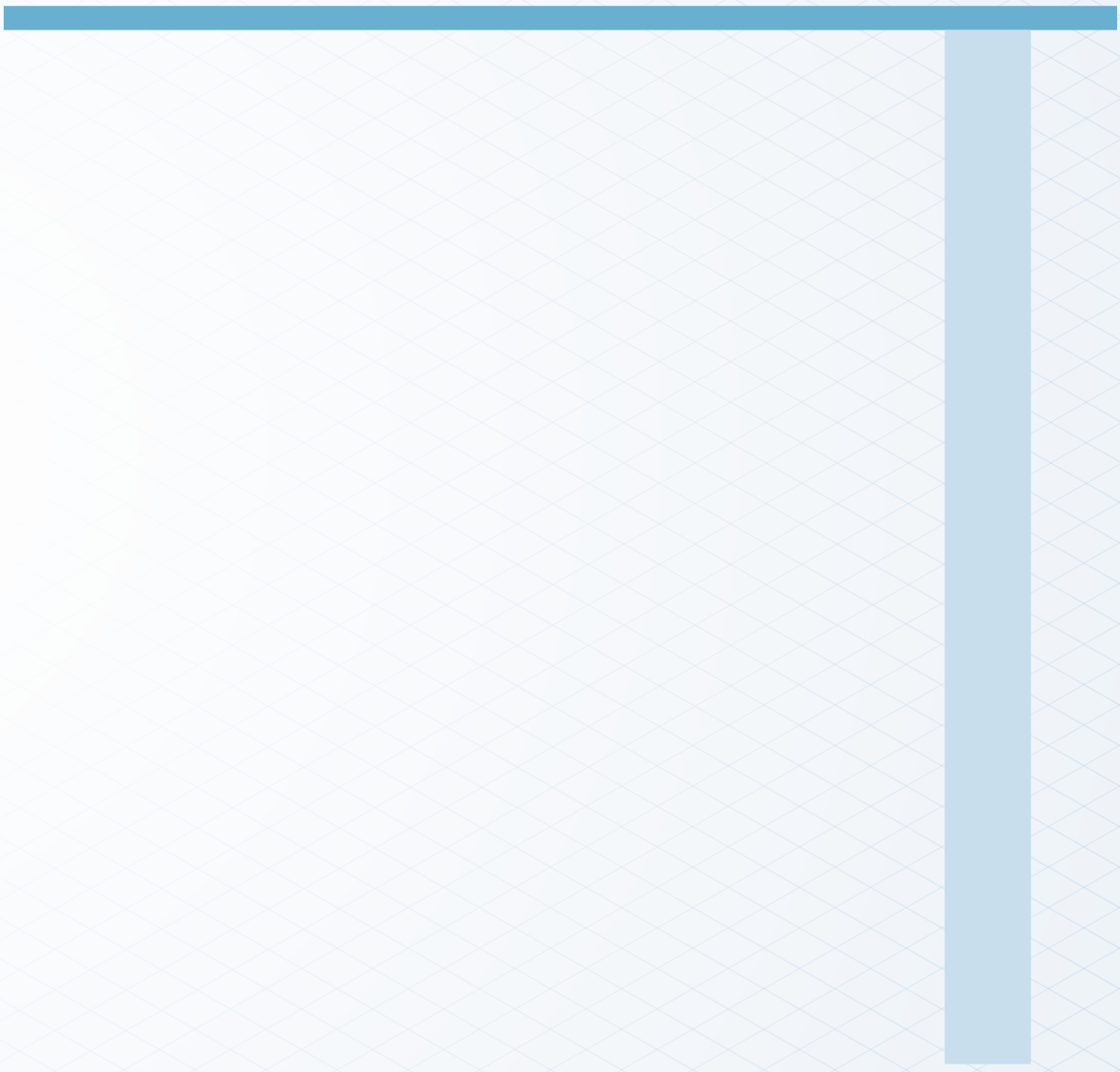
	31 Dece be 2016	M e e C e ea Ic ea e/ Dec ea e	Ne f ad ed b	Ad e f e c e	O e e	Ca d de d dec a ed	C a ge f eg ec a ge a e	31 December 2017	P f a e
G a g S e CIMC L g c E e Ma fac g C . Ld. (G a g S e L g c)	36,294		9,034					45,328	
S ec (S a g a) Ref ge a E e C . Ld	2,171		(357)					1,814	
S a g a Se Seca Ve ce Pa C ., Ld	11,340		457				(665)	11,132	
NKY Ze a	75,432		145			(9,443)		66,134	
Ka a a Ze g a g c (Ta) C . Ld.	22,330		2,781					25,111	
Q gda Jefe g Ba a C a e Ma ea ce C ., Ld.	14,531	1,693	3,435			(4,113)	(486)	15,060	
Da a J g& Ba a L g c C ., Ld.	5,678		866			(1,000)	(344)	5,200	
S a g a Ba a De e C a e Ma ea ce C ., Ld.	23,888	3,648	4,606				(1,217)	30,925	
Ta J Ba a C a e Ma ea ce C ., Ld.	7,933		1,598			(1,826)	(479)	7,226	
Y&C E g e	195,777		16,999					212,776	
S e e C cM b el e a a Se ce C ., Ld	1,630		(1,552)					78	
N gb Me a B ded P A ea C a g La -ce g l e e Ma age e Pa e	50,100	3,000	(1,027)					52,073	
Ha g X e l e e Ma age e Pa e	20,100	1,200	(217)					21,083	
Ne H S g UG	33,287						(1,915)	31,372	
Ha g X e l e e Ma age e Pa e	10	(10)						–	
T a	500,501	9,531	36,768			(16,382)	(5,106)	525,312	

Refe N e VI.2 f e l e e

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in joint ventures



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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in joint ventures (Continued):

		Movements							
	31 Dece be, 2016	Ic ea e/ Dec ea e le e	Ne , f ad ed b c e	Ad e fO e, e le O e l e e	Ca d ded dec a ed	Ca f , eg e c a ge , a e	Rec g ed a , e , l O e,	31 December 2017	P , l f , a , e
Ta S ! g I , &E , Tad g C . L d.	21,110							21,110	
Ja ! a S g C ., L d. (Ja ! a S g)	126,454					(7,208)		119,246	
X d F , eg C ., L d.	688		444					1,132	
C fe g L a ! a Fa C ., L d.	6,296							6,296	
CIMC A , ab a Fac , C a L ed	5,227		(2,256)					2,971	
S a g a Xa g ! A a C ., L d.	679	(600)	(79)					–	
N , ea g a d	14,633	(1,852)						12,781	
N g a C a g g C e g T C ! ca E e C ., L d .	18,331		(41)					18,290	
S e e Rad Ne , . Tec g C ., L d (S e e Rad Ne , .)	2,637		(411)					2,226	
Be g B c E b C ., L d.	7,407	2,000	(1,177)					8,230	
G a g ! C H C , Tec g C ., L d.	12,423		670					13,093	
C a F , e Safe E e , e G ! L ed (C a F , e Safe)	23,829		2,494					26,323	
S a g a Ta . . S C a Tec g D e e C ., L d	485,275		(2,109)	16,448		33,149		532,763	
Z e a g X g Ba b I d , C L d.	2,000		(245)					1,755	
N g ! G a g e Ba b P , d c C ., L d (N g ! G a g e)	14,447		(1,297)					13,150	
R a Q g c e Ba b I d , C ., L d. (Q g c e ba b d ,)	662		405					1,067	
UCS , age LLC	2,448		540					2,988	
Ja g ! Ba . g	5,779					(39)		5,740	
M , (S a g a) I e a Tade C ., L d. (M , S a g a)	23,755		(1,443)			(967)		21,345	
S e e Cad H d a c ! e C ., L d. (Cad H d a c)	851		58					909	
Z g X e	17,858		1,414					19,272	
	22,648		1,716					24,364	

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in joint ventures (Continued):

The Group's investments in TSC, LH Asset Management, Jiangsu Rice, Oil (Singapore), ZPMC, Caofeidian Xinye, Henan Yidaad Senior Radio Technology Co., Ltd. are 20%. Because the Group has appointed directors to these companies, the Group has significant influence over them.

As at 31 December 2017, the fair value of Maersk Sinopec & Cofco, which is listed on the Hong Kong Stock Exchange, is lower than the carrying amount of the long-term equity investment (31 December 2016: Nil).

14. Investment properties

	Buildings and relevant land use rights	Land use rights	Total
1 January 2016	730,168		730,168
Additions	78,176		78,176
Change from acquisition	75,792		75,792
Transfer from fixed assets	131,859		131,859
Transfer from construction in progress	46,843	130,551	177,394
Transfer from construction in progress	786		786
Reclassification	102,062	482,772	584,834
Transfer to assets held for sale	(26,401)		(26,401)
31 December 2016	1,139,285	613,323	1,752,608

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Investment properties (Continued)

	Buildings and relevant land use rights	Land use rights	Total
1 Ja a 2017	1,139,285	613,323	1,752,608
C a ge fa a e	5,344		5,344
T a fe ed f f ed a e	21,120		21,120
T a fe ed f e	90,231		90,231
T a fe ed f c c ge	34,424		34,424
Re a a ga a fe	6,681		6,681
T a fe ed e a e	(26,574)	(150,800)	(177,374)
D a ea	(5,045)	(48,800)	(53,845)
31 Dece be 2017	1,265,466	413,723	1,679,189

I 2017, ca a ed b gc e 0 (2016: 1,266,000). T e ca a a a e ed de e eb gc e gbe f ca a a 2017 0% e a (2016: 4.15% e a).

I 2017, e ac f c a ge fa a e f e e e eG ' c e f a RMB5,344,000. (2016: RMB75,792,000).

I 2017, e G d ed f e e e ab a e f RMB53,845,000 a d e d a c e a RMB104,000,000 (2016: N).

A a Dece be 31, 2017, e b d g ca g a f ab 216,849,000 (Dece be 31, 2016: 113,196,000) ad bee e ed e e ce f ca e d e f ed e g ced e . T e ce f ca e e ec ed be g a ed be ee 2018 a d 2019. A a Dece be 31, 2017, e a d e g ca g a f 208,760,000 a bee e ed e e ce f ca e (Dece be 31, 2016: N).

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets

(1) Fixed assets

	Plants and buildings	Machinery and equipment	Office and other equipment	Motor vehicles	Offshore engineering equipment	Dock, wharf	Total
O, g a c							
31 Dece be, 2016							
bAdd d e d ee T*()T EMC 3(c b a T0 -	18.245.4164D569,4706 4	6.2995.4164Dec4,58 6 4	6.8195.4164De9,525T	5.57795.4164D117,012T	9 .1795.416		

S a <</Ac! a Te <FEFF02003 BDC (T*()T EMC 3(, e,)T 6 - 18.5345.4164D(22,076)

/S a <</Ac! a Te <FEFF02003 BDC (.080 0 98.5104.85978 398.233 T (O)T EMC 3.2 0 0 9 101.86978 398.233 T ([(f, c, 18(Aa g)f, 18(.1(e g]TJ/.70 T S a <</Ac! a Te <FEFF02003

For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
(English translation of Chinese original)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(1) Fixed assets (Continued)

As at December 31, 2017, certain buildings with a carrying amount of RMB353,331,000 (carrying amount of RMB525,361,000) are pledged as collateral for bank loans with an amount of RMB500,000,000 (2016: RMB398,144,000). Refer to Note IV. 24 for details.

In 2017, depreciation charged to cost of sales amounted to 1,794,182,000 (2016: 1,687,106,000), to selling and distribution expenses, general and administrative expenses and research and development expenses amounted to 1,490,953,000, 20,483,000 and 282,746,000 (2016: 1,413,938,000, 20,737,000 and 252,431,000) respectively.

In 2017, depreciation charged to cost of sales for self-constructed assets amounted to 1,975,332,000 (2016: 1,206,156,000).

(2) Temporarily idle fixed assets

As at 31 December 2017, temporarily idle fixed assets, net of accumulated depreciation and provision for impairment, amounted to 148,018,000 (gross amount of 214,983,000) (31 December 2016: carrying amount of 207,894,000 and gross amount of 409,415,000). The following table sets out the temporarily idle fixed assets:

	Original cost	Accumulated depreciation	Provision for impairment	Carrying amount
Packaging	162,813	(37,729)		125,084
Machinery and equipment	51,291	(28,624)		22,667
Transportation	42	(33)		9
Office and electronic equipment	837	(579)		258
	214,983	(66,965)		148,018

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(3) Fixed assets held through finance leases :

	31 December 2017			31 December 2016		
	Book balance	Accumulated depreciation	Carrying amount	Book balance	Accumulated depreciation	Carrying amount
Plants and buildings	–	–	–	2,626	(1,875)	751
Machinery and equipment	14,779	(677)	14,102	527,599	(127,256)	400,343
Offshore engineering special equipments	33,031	(14,377)	18,654	31,113	(12,187)	18,926
Total	47,810	(15,054)	32,756	561,338	(141,318)	420,020

T e f ed a e ed g f a ce ea e a c f ac e a de e f a ca ea ed b Raffe .

(4) Fixed assets with certificates of ownership unsettled

	Carrying amount	Reason for pending
Fac	359,299	P e ce f ca e be g e g e
Off ce b d g	28,401	P e ce f ca e be g e g e
W	155,756	I f a da ed, be g e g e
D a d Ca ee	50,899	P e ce f ca e be g e g e
Wa e e	97,483	U de e a a f e g a e a
O e	29,436	Ce f ca e be g e g e
T a	721,274	

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress

(1) Construction in progress

	31 December 2017			31 December 2016		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Ve e de c ff a c gad ea gc a	18,723,948	–	18,723,948	19,405,489		19,405,489
Raffe H273, H1284 P ec	2,750,212	–	2,750,212	2,754,873		2,754,873
Z ada CIMC H a Lg e ec	76,842	–	76,842			
F aca f a e c c ec	54,583	–	54,583			
C dC a Rea c I e P ec	50,897	–	50,897	47,633		47,633
D gg a M da Ta d g ec	18,030	–	18,030			
D gg a S e CIMC Fe gga g ec	15,633	–	15,633	3,890		3,890
E c c c ec	13,678	–	13,678	88,101		88,101
N gb CIMC Re a ec f ae- ba ed a ca g e	11,522	–	11,522			
Ta CIMC ae-ba ed a ca g e	11,414	–	11,414			
XHCIMCS P dc L ead P e Fac e Rec c P ec	5,352	–	5,352	1,506		1,506
TCCIMC e ca a d ec c ec	4,615	–	4,615	5,400		5,400
D gg a CIMC e ce g c e ec	4,601	–	4,601	11,497		11,497
Raffe a ge ca e e (c d g 2000T e g c a e)	3,178	–	3,178	3,080		3,080
C&C T c c d c e ec	1,956	–	1,956	35,218		35,218
S e a g Ve ce Ga de I d ec	–	–	–	9,760		9,760
C g CIMC d g c c ec	–	–	–	8,732		8,732
Ref ge a ed ca ec f A U ed d g C 78 Td[(8726Rea g)37(V)37(ec e Ga)MC(de d g c ec)]TJ/T1 1 ,178 0 Td( )T /T1 (3,178)T /T12 e(0 /T1 1 T ec						

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

	Budgeted a	31 Dece be 2016	C e ea add	Ta fe f ed a e	Ta fe e	Ta fe ed ae	Ta fe ag be a e	31 December 2017	P f e ed f e C ed dgeted a (%)	P ge f c	C a ed e e	I d g ca a ed e e	I e e ca a a ae (%)	S ce f d	E ca ge dffe ce a g f a a g f eg C e ce
Ve e de c c ff a c ga ea g c a	26,208,671	19,405,489	1,746,767	(1,354,373)				18,723,948	92%	74%-100%	1,321,150	442,055	3.47%	Ba a Se f d g & ba a	(1,073,935)
Raffe H273, H1284 P ec Hd MC g 6 e ec	2,794,565	2,754,873	153,789					2,750,212	98%	95%	226,962	75,835	3.55%		(158,450)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Disposal of fixed assets

	31 December 2017	31 Dece be 2016
Pa a dd d g		

90, Td(201s and buildings)Tj/T10 1 Tf35.0r5512

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Intangible assets and development costs (Continued)

(2) As at 31 December 2017, intangible assets with pending certificates of ownership are as follows:

	Carrying amount in RMB	Reasons for unsettlement
SCIMCEL Ta g e g a d e g	55,000	e g e
C&C T c a d e g	43,000	e g e
SCIMCEL d	2,000	e g e
T a	100,000	

Af e e a f b a d f d ec f e G , ea f e ed a gbea e e ed ce fca e a f a e .

(3) A a 31 Dece be 2017, e a e ced a gbea e (31 Dece be 2016: N).

(4) A a 31 Dece be 2017, e a gbea e def e el e Ga a F a c e c a ed 53,300,000 (31 Dece be 2016: 53,300,000).

(5) De e e c a f :

	31 Dece be 2016	e ea add	Rec g ed a a gbe a e	31 December 2017
P ec e ce ec g	43,089	57,073	(52,533)	47,629
O e	6,901	16,584	(3,715)	19,770
	49,990	73,657	(56,248)	67,399

I 2017, e G ' de e e c a ed 725,386,000 (2016: 563,792,000) : 651,729,000 f c a d ded e e f a d e (2016: 519,440,000), a da a f 73,657,000 a ca a ed a a gbea e e d (2016: 44,352,000). A a 31 Dece be 2017, a gbea e a fe ed f de e e c e g acc ed f 1.20% (2016: 3.18%) f e a b . baa ce f a gbea e .

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Goodwill

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
(Except for Data of Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Goodwill (Continued)

(2) Impairment test for asset group including goodwill

The goodwill arising from business combinations is allocated to the following asset groups:

	31 December 2017	31 December 2016
Car rental business	120,085	120,085
Radiator valve business	415,664	408,658
Engine and transmission business	1,036,235	1,074,195
Off-road vehicle business	229,460	229,397
Logistics vehicle business	120,558	120,558
Heavy truck business	38,815	38,815
Axle business	121,873	108,196
Automotive financial service business	29,755	27,989
Total	2,112,445	2,127,893

(3) The recoverable amount of goodwill arising from business combinations is based on the financial budget for the next 5 years approved by the management. Cash flows beyond the 5-year period are extrapolated using the estimated growth rate.

Key assumptions adopted in the calculation are as follows:

	Enric	Vehicles UK	TGE SA	YPDI	Bassoe	Pteris	C &C Trucks	Hashenleng	Zhengzhou Logistics
Growth rate	3%	3%	3%	3%	3%	3%	3%	3%	3%
Growth of gross profit	18%	11%	14%	18%	80%	18%-27%	20%	18%	18%
Discount rate	12.5%-14.63%	12.35%	12%	13.14%	11.10%	13.3%	15.7%	11.51%	16%

The growth rate is determined by the average growth rate of the industry to which the asset group belongs. Based on the historical experience and the expectation of the future development of the industry, the growth of gross profit is determined by the management according to the budget. The discount rate reflects the current market assessment of the risks specific to the goodwill arising from business combinations. The table above sets out the key assumptions for the recoverable amount of goodwill arising from business combinations.

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Long-term prepaid expenses

	31 December 2016	Current year additions	Current year amortisation	Exchange difference arising from translation	31 December 2017
Yard facilities	9,691	657	(2,788)	52	7,612
Project relocation costs	133,924	114,806	(146,205)	1,199	103,724
Improvements of leased properties	9,439	10,655	(3,922)		16,172
Improvements of fixtures	19,996	25,298	(25,164)	(607)	19,523
Others	73,524	20,353	(35,692)	23	58,208
Sub-total	246,574	171,769	(213,771)	667	205,239
Less: current portion					–
Total	246,574	171,769	(213,771)	667	205,239

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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

	31 December 2017		31 Dece be 2016	
	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)	Ded c b e/ (a ab e) e a d ffe e ce	Defe ed a a e / (ab e)
Defe ed a a e :				
P f a e a e	3,015,044	710,854	1,546,119	322,474
Acc ed ab	999,526	209,194	690,921	139,994
E ee be ef a ab e	1,750,600	381,558	1,273,607	296,507
Acc ede e e	555,749	120,791	493,541	89,303
Ded c b e e	2,572,434	485,290	1,861,895	332,307
M e e f fa a e ff a c a a e a fa a e g f / edg g e	1,063	266	27,566	6,892
A a ab e-f - a e f a c a a e	3,048	762	14,230	2,134
I a-g ea ed e e	18,136	4,534	18,904	4,726
O e	318,960	74,698	278,319	69,580
[redacted]	9,234,560	1,987,947	6,205,102	1,263,917
On e g a	(2,285,238-1.11	2,576301 Td(7741 3190		(2047)

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Other non-current assets

	31 December 2017	31 Dece be 2016
P e a e f c	64,094	7,429
P e a e f e	13,516	8,695
P e a e f a d e g	6,956	32,235
E ed a	3,249	35,547
O e	71	2,447
T a	87,886	86,353

A a 31 Dece be 2017, T e e -c e a e d e f a e de d g e a 5% (c l e) f e g g ea ed a e . (31 Dece be 2016: N).

23. Provision for asset impairment

	31 Dece be 2016	C e ea add	C e ea dec ea e Re e a	W e- ff	E c a ge d ffe e ce a g f a a g f eg C e ce	31 December 2017
P l f d b f deb						
I c d g: l f d b f deb f acc ece abe	629,236	229,452	(89,260)	(465)	(11,786)	757,177
P l f d b f deb f ece abe	1,580,439	147,281	(28,699)	(1,295,238)	(7,240)	396,543
P l f d b f deb f ad a ce e	226,967	57,228	(504)	(1,261)	(13)	282,417
P l f d b f deb f g-e ece abe (c d g N -c e a e d e ea)	792,246	138,934	(15,275)	(48,432)	(2,481)	864,992
P l f dec e a e f e e	319,004	249,617	(75,685)	(119,171)	594	374,359
P l f a e f g-e e e	2					2
P l f a e fa a abe-f - ae f a c a a e	3,065					3,065
P l f a e ff eda e	369,259	20,252		(99,681)	190	290,020
P l f a e fc c ge	2,421			(1,101)		1,320
P l f a e f a gbea e	175,672			(6,739)	(5,626)	163,307
P l f a e fg d	136,308	38,000			(1,185)	173,123
T a	4,234,619	880,764	(209,423)	(1,572,088)	(27,547)	3,306,325

P ea e efe e e ec l e e f ea e f ea f e l .

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Restricted assets

As at 31 December 2017, the following assets were pledged as collateral:

	Note	31 December 2016	Current year additions	Current year decreases	Exchange difference arising from translation	31 December 2017
Cash at bank and on hand	IV.1	987,257	424,136	(57,557)		1,353,836
Notes receivable	IV.3	206,753	38,486	(151,704)		93,535
Long-term receivable	IV.12	8,164,729	307,977	(457,683)		8,015,023
Fixed assets	IV.15	398,144		(44,813)		353,331
Total		9,756,883	770,599	(711,757)		9,815,725

Long-term receivables are pledged as collateral for long-term borrowings. Notes receivable are pledged for bills payable. Refer to IV.15, ..6( )0.5 , fee ae e8(eca , c1.33 c)

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Short-term borrowings

(1) Classification of short-term borrowings:

	N e	31 December 2017	31 Dece be 2016
Guaranteed	(a)		
USD		417,560	2,938,354
RMB		1,506,156	937,852
EUR		364,490	61,487
S b- a		2,288,206	3,937,693
Pledged	(b)		
RMB		96,987	59,902
Unsecured			
USD		10,133,467	7,427,465
EUR		197,552	478,076
RMB		2,330,975	3,613,782
HKD		249,100	
O e		–	48,649
S b- a		12,911,094	11,567,972
Discounted notes			
RMB		21,060	164,220
T a		15,317,347	15,729,787

(a) A a 31 Dece be 2017, g a a eed b g f e G c ed f e f g: T e b da H g Be g ec ed a g a ee a f RMB112,000,000 f e b da CIMC f a c g a d ea g; e b da CIMC Raff e a g a a eed b CIMC Raff e Ma e E g ee g (S ga e) P e L d a d Ya a CIMC Raff e S a d. G a a eed b g a ed RMB1,100,294,000 a d US$40,393,000 (e a e RMB264,006,000); S b da C&C T c ded g a a eed a f RMB210,000,000 g a a eed b e C a ; S b da CIMC f a c g a d ea g G a a eed a g a a eed b e C a a d CIMC HK RMB3,000,000, USD23,500,000 (e a e RMB153,554,000); G a a eed a f RMB80,862,000 ded b e c a b da C&C T c a e g g a a ee f e C a , EUR46,728,000 (e a e RMB364,490,000) f g a a ee a f

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Accounts payable

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

	31 December 2017	31 Dece be 2016
D e a ae a e	10,124,956	8,303,845
I eg a ed g c e ce c age	559,737	461,925
P ec c ac c age	341,552	259,029
P ec c e e c age	387,357	658,048
D e e e	579,407	150,029
T a a c age	81,816	135,159
P ce g c age	43,661	129,178
O e	97,825	63,738
T a	12,216,311	10,160,951

T e a a facc a abe a f :

	31 December 2017	31 Dece be 2016
W 1 ea (c e)	11,538,059	9,535,350
1 2 ea (c e)	313,282	414,188
2 3 ea (c e)	157,749	153,893
O e 3 ea	207,221	57,520
T a	12,216,311	10,160,951

A a 31 Dece be 2017, acc a abe e 1 ea a ca g a f 678,252,000 (31 Dece be 2016: 625,601,000) a e a a abe ea ed ff e e g ee g b e a d e g a d c e ca b e . S ce e d c c ce f e ff e b e e g ee g ec a d e g a d c e ca

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Accounts payable (Continued)

(2) A a 31 Dece be 2017, e e a acc a abe ed a e de d g e a 5% (c d g 5%) f e g g f e G . Acc a abe ed ea ed a e a ea ed f :

C a a e	Rea e G	31 December 2017 Amount	31 December 2017 % of total balance	31 Dece be 2016 A	31 Dece be 2016 % f a ba a ce
Y&C E g e	J e e	45,506	0.37%	66,157	0.65%
S aa Z g	M a e de f b da e	20,300	0.17%		
Q gc e Ba b	A ca e	17,097	0.14%	8,138	0.08%
N gg g a g e	A ca e	16,999	0.14%		
X CIMC W d C ., L d	A ca e	14,813	0.12%	17,905	0.18%
G a g e g c	J e e	8,884	0.07%		
TSC	A ca e	7,959	0.07%	25,727	0.25%
N g ac a g g	A ca e	2,931	0.02%		
A a T ad g C ., L d	M a e de f b da e	2,162	0.02%	15,902	0.16%
O e ea ed a e		1,844	0.01%	13,108	0.13%
T a		138,495	1.13%	146,937	1.45%

29. Advances from customers

(1) Advances from customers

	31 December 2017	31 Dece be 2016
Ad a ce f g d	4,074,032	3,167,715
Ad a ce f e	282,207	208,583
Ad a ce f c c	168,297	155,912
Ad a ce f ade a d g c	51,218	70,508
O e	48,334	177,976
T a	4,624,088	3,780,694

A a 31 Dece be 2017, ad a ce f d e e 1 ea a ca g a f 289,060,000 (31 Dece be 2016: 330,291,000), a e a e a ad a ce a d ec a e ea ed ff e b e e g ee g b e . S ce e d c cce f e ff e b e e g ee g ec a e a e ea e ad a ce f d e a e e bee e ed.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Advances from customers (Continued)

(2) A a 31 Dece be 2017, e e ad a ce f d e f e d 5% , e f e g g , ea ed a e . P e-ad f ea ed a e a f :

C a a e	Rea e G	31 December 2017 Amount	31 December 2017 % of total balance	31 Dece be 2016 A	31 Dece be 2016 % f a ba a ce
Ne H S g UG	J e e	47,046	1.02%		
S aa Z g	M a e de f b da e	895	0.02%	40	0.00%
Be g B e A a Fac e Ma age e C ., L d. (Be g B e)	M a e de f b da e	–	–	12	0.00%
O e ea ed a e		2	0.00%		
T a		47,943	1.04%	52	0.00%

balancember 2016

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For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Employee benefits payable (Continued)

(1) Short-term wages

	31 December 2016	Current increase	Current decrease	Exchange difference arising from translation	31 December 2017
Wages and salaries, bonuses, allowances and subsidies	1,699,319	5,711,262	(5,181,633)	2,210	2,231,158
Pension and annuities payable	205,151	103,239	(17,051)		291,339
Housing funds	6,118	227,403	(208,571)	(99)	24,851
Labour union funds and employee education funds	62,236	43,526	(40,978)	(740)	64,044
Scheduled payments to be made within one year	12,517	183,995	(178,953)		17,559
Including: Medical insurance	9,564	152,990	(149,110)		13,444
Work injury insurance	1,583	19,921	(19,425)		2,079
Maternity insurance	1,370	11,084	(10,418)		2,036
Other short-term benefits	104,784	687,222	(743,879)	938	49,065
Total	2,090,125	6,956,647	(6,371,065)	2,309	2,678,016

(2) Defined contribution plans

	31 December 2016	Current increase	Current decrease	Exchange difference arising from translation	31 December 2017
Basic pensions	21,455	432,596	(426,205)		27,846
Unemployment insurance	2,554	10,381	(9,125)		3,810
Enterprise annuities	147	2,761	(2,702)		206
Total	24,156	445,738	(438,032)		31,862

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Employee benefits payable (Continued)

(3) Dismission welfare

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(All amounts in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Other payables (Continued)

(3) A a 31 Dece be 2017, e e a e a ab e ed a e de d g e a 5% (d g 5%) f e g g f e G . O e a ab e ed ea ed a e a ea ed f :

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Provisions

	Note	31 December 2016	Additions	Current year additions	Current year utilisation	Current year reversal	Exchange differences arising from translation	31 December 2017
Product warranty	(1)	690,574	99,997	483,364	(117,117)	(229,025)	(10 SQ-1 T2 gf	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Current portion of non-current liabilities

T e G ' C e f -C e ab e a ea a ed b ca eg e a f :

	N e	31 December 2017	31 Dece be 2016
C e f g- e b g	IV.38		
U ed ed		2,134,980	3,401,313
M gaged		1,476,028	
C a eed		371,618	124,397
		3,982,626	3,525,710
C e f g- e a abe			
F a ce ea e a abe		107,388	136,571
Le ea ed f a c ge e e		(14,034)	(15,826)
F a ce ea e a abe- e	IV.40	93,354	120,745
O e		7,255	17,567
		100,609	138,312
O e		2,344	3,850
T a		4,085,579	3,667,872

37. Other current liabilities

	N e	31 December 2017	31 Dece be 2016
C e ca a e ed b e G	(1)		

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term borrowings

(1) Classification of long-term borrowings

	Note	31 December 2017	31 December 2016
Bank borrowings			
Unsecured		10,668,493	11,496,937
Mortgaged	(1)	5,236,902	6,260,830
Guaranteed	(2)	12,217,399	12,791,165
		28,122,794	30,548,932
Less: current portion of long-term borrowings			
Unsecured		2,134,980	3,401,313
Mortgaged	(1)	1,476,028	
Guaranteed	(2)	371,618	124,397
		3,982,626	3,525,710
Total		24,140,168	27,023,222

(1) As at December 31, 2017, the Group's long-term borrowings amounted to USD810,460,000 (equivalent to RMB5,236,902,000). The long-term borrowings mentioned above included current portion of USD225,893,000 (equivalent to RMB1,476,028,000).

(2) As at 31 December 2017, the Group's guaranteed borrowings mainly included USD1,487,000,000 (equivalent to RMB9,718,954,000) borrowings guaranteed by CIMC HK, and USD48,811,000 (equivalent to RMB318,940,000); The guaranteed amount of RMB7,203,000 guaranteed by CITIC Heavy Tech Co., Ltd. for CIMC Heavy Tech Co., Ltd.; guaranteed amount of CIMC Vehicles UK Limited (Vehicles UK) guaranteed by the Company amounted to GBP27,000,000 (equivalent to RMB237,050,000), included in the Group's long-term borrowings guaranteed by GBP6,000,000 (equivalent to RMB52,678,000); guaranteed amount included by Hong Kong Shipyard, CIMC Leasing amounted to RMB150,363,000.

(2) Non-current portion of long-term borrowings bearing fixed interest rate of 5% per annum amounted to RMB1,476,028,000 (2016: Nil).

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Debentures payable

	31 December 2016 and 31 December 2017
Med - e e	7,986,500

(1) Related information is as follows:

Debenture name	Par value	Issuance date	Maturity	Issuance amount
Med - e e -16CIMC MTN1 ( )	3,500,000	2016/8/11	3 ea	3,500,000
Med - e e -16CIMC MTN2 ( )	2,500,000	2016/8/22	3 ea	2,500,000
Med - e e -16CIMC MTN3 ( )	2,000,000	2016/10/17	3+N ea	1,986,500
T a	8,000,000			7,986,500

() T e C a ca e ed - e e e a a e-ba . b d a e . T e c a ed f ed - e e (MTN) a f 3.5 b 11 A g 2016 a ce g f 6 b a l e , e a a e-ba . b d a e ; a l a e f 100 e e a d f ed e e , a e f 3.07% e a . I e e be a d 11 A g eac ea e a , ea , ede a d a l a e be a d 11 A g 2019. T e e a e ec , ed a d a ge a l e , e a a e-ba . a e . A a 22 A g 2016, e C a ade e ec d e a f 2.5 b a l a e f 100 e e a d f ed e e , a e f 3.15% e a a cce ed b c . I e e be a d 22 d A g eac ea , ea , ede a d a l a e be a d 22 A g 2019. T e e a e ec , ed a d a ge a l e , e a a e-ba . a e .

( ) A a 17 Oc be 2016, e C a ed ed - e e a f 2 b a face a e. T e e a a fe ded c g e e fee a RMB1,986,500,000. T e ed - e e a e ed f , ge e a c , a e f a ce , e . T e f , ee e e -bea g ea , a e acc ed a a e e , a e f 3.89% e a a d a e a d a a f Oc be 14, 2017 a d e C a ca c e a defe , ed e e a e . F , e f , e e -bea g ea , ec , a e , e e e e 3 ea . T e ed - e e e a e f e d e , da e a d a be , edee ed b e C a , afe Oc be 14, 2019 a e a l a e, ge e a a e fa acc ed, a d , defe , ed e e . Bef , e e e e e f defe , ed e e (C d g e e e f defe , ed e e), e e ca d , b e d de d, , ed ce ca a , a e a e ec , e a a e fe , e de e . A a , e f e de , ec ca e, e a e f e e de , e C a , e , ed , e a e , c a a d e e f e C a a d b da e a d , e a 80% e a fa ed e e a f a ca a a d e , e ceed ea g eed a . T e ef , e , e ed e e a e , ea ed a ab e .

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Long-term payables

	31 December 2017	31 Dece be 2016
F a ca Lea e a abe	229,806	323,920
Le ea ed f a c ge e e	(10,585)	(34,723)
F a ca Lea e a abe - e	219,221	289,197
Pa abe a e de	–	120,789
De a abe	101,834	117,922
O e	26,214	1,464

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Payables for specific projects

	31 Dece be 2016	C e ea add	C e ea dec ea e	31 December 2017
P ec f d	9,704	5,360	(937)	14,127

42. Deferred income

	N e	31 Dece be 2016	C e ea add	C e ea dec ea e	31 December 2017	Rea
G e e ga	(1)	829,742	189,452	(178,108)	841,086	G e e Ga ec ed, be ec g ed e e d
O e		9,996	776	(5,626)	5,146	C g ae f ea g ea g ec ab e, be ec g ed e e d
T a		839,738	190,228	(183,734)	846,232	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Deferred income (Continued)

(1) Government grants

	31 Dece be 2016	I ea e ec e ea	Dec ea e ec e ea					31 December 2017	A e ea ed/ I c ea ed
			F ed a e	Ge a ad a e O e ad a e c e	F aca e e e	N - ea g c e	N - ea g e e e		
Ya a Raffe Na a De e ead Ref C e ea e f d a gad g ec dge e	200,000			(11,460)				188,540	A e ea ed
E c e ca c e a	184,253			(7,132)				177,121	A e ea ed
E c e fac g e e ga	80,396			(3,469)				76,927	A e ea ed
S a CIMC Ve cel d Ga de c c ga	54,052			(7,668)				46,384	A e ea ed
N gb C a e Ma fac e d f d	38,000							38,000	A e ea ed
TAS d a ba e ec	28,291	4,220		(3,899)				28,612	A e ea ed
QDCRC d ba fa ga e ec		27,730		(193)				27,537	A e ea ed
C&C c g e d dd a	30,000			(2,679)				27,321	A e ea ed
Ma eE g ee g e Te g ad Te g Paf C c Ma eE g ee g e Te g Paf C c		14,840						14,840	A e ea ed
QDSCR d ba fa ga e ec		13,578		(94)				13,484	A e ea ed
Taca g CIMC Sec a L g c e C .Ld.	11,396			(304)				11,092	A e ea ed
TCCIMC a dc e a	9,862			(263)				9,599	I c ea ed
XHCIMCS Z ag e ba ad a ced		4,220		(7,668)					

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Deferred income (Continued)

(1) Government grants (Continued)

	31 Dece be 2016	C e ea add	Dec ea e ec e ea				31 December 2017	A e ea ed/ Ic e ea ed
			Ge a ad		N -	N -		
			F ed a e	O e ad a e c e e e e	F a ca e a g	e a g c e e e e		
MEA eca f d d a a	5,520						5,520	A e ea ed
S e e S e L Yac R&D De g Lab a P ec		5,000	(85)				4,915	A e ea ed
A a e fc ca e face eca e c e ad e d a a ec	3,000	2,180	(1,000)				4,180	A e ea ed
Ya a Raffe Se e Ge e a S e Dee ae D g Paf (B a) l a Seca	26,504	19,013	(41,430)				4,087	A e ea ed
S e e Sa Ba e e adTec g E g ee g Lab a P ec	5,000		(917)				4,083	A e ea ed
La d g d ad ec ca R&D d fS a d g e ce	4,270		(225)				4,045	A e ea ed
Ta f a ec f g-ec Ja g P l ce f Ya g R a g	2,256		(225)				2,031	A e ea ed
C&C T c e f a c g ea e b de		2,626	(613)				2,013	A e ea ed
TAS ec g de e e d	886		(97)				789	A e ea ed
C a e G e e G a f CCHQ		4,000	(4,000)				–	Ic e ea ed
E l e a f ed ega dee ae f a g d c age (FPSO) a da ca f es C a Sea	6,000		(6,000)				–	A e ea ed
G e e b de f XHCIMCS	17,362		(17,362)				–	A e ea ed
G e e b de f X M d a B d g Ma fac g	10,764		(10,764)				–	A e ea ed
O e	82,416	55,004	(53,895)				83,525	A e ea ed/ Ic e ea ed
T a	829,742	189,452	(178,108)				841,086	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Share capital

	31 Dece be 2016 '000	C e ea add '000	C e ea dec ea e '000	C a ge f a e b ec e g e c '000	31 December 2017 '000
Shares subject to trading restriction	4,312	–	200	1,265,813	
He d b d e c a a e	699			(200)	499
Shares not subject to trading restriction					
RMB-de a ed d a a e	1,261,301	4,312		200	1,265,813
F e g a e ed e ea	1,716,577				1,716,577
T a	2,978,577	4,312			2,982,889m.e

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other equity instruments

	31 Dece be 2016	C e ea a ce	O e c a ge C e ea	30 December 2017
Pe e a b d	2,049,035	87,808	(103,800)	2,033,043

	31 Dece be 2015	C e ea a ce	O e c a ge C e ea	30 December 2016
Pe e a b d	2,033,043	119,792	(103,800)	2,049,035

A a 16 e 2015, e G e ed e e a b da a e f 2,000 . T e e a ed 1,981,143,000 af e ded c f ee e e . T e e a ed f c c a e f a c g. T e e e a e 5.19% e a a e f 3 e e -bea g ea . F 16 e 2016, e e e ad ce a ea a d e G ca c e defe e a e . A f e f e e -bea g ea , e c a e e e e e 3 ea . T e a e ed a da e, a d e G ca c e b bac a e a a e ge e a acc ed, a d defe ed e e af e 16 e 2018 a e. Bef e e e e e f defe ed e e (c d g e e e f defe ed e e), e e ca d b e d de d, ed ce ca a a e a e ed e a a e fe e de e f c e e d.

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Capital surplus (Continued)

	31 December 2015	Current year addition	Current year decrease	31 December 2016
Share premium	3,577,648	12,773		3,590,421
Other capital reserve:				
Exchange reserve from foreign currency translation	692			692
Deemed income tax benefit	257			257
Equity-settled share-based payment	402,887	22,316	(5,199)	420,004
Capital reserve from the acquisition of non-controlling interests	14,275	1,692		15,967
Capital reserve from the acquisition of subsidiaries	207,660	227,441		435,101
Decrease in capital reserve from disposal of partial equity interests in subsidiaries (without change in control)	899,128	903		900,031
Capital reserve from cash flow hedging	(42,696)			(42,696)
Capital reserve from the acquisition of non-controlling interests	(224,430)		(22,239)	(246,669)
Capital reserve from the acquisition of subsidiaries	(58,964)			(58,964)
Effect from change in exchange rate	(406,795)			(406,795)
Capital reserve from the acquisition of equity interests in subsidiaries	(51,925)			(51,925)
Recognition of fair value change of share-based payment	(1,249,826)		(300,000)	(1,549,826)
Others	113,952	7,035		120,987
Total	3,181,863	272,160	(327,438)	3,126,585

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Other Comprehensive Income

	2017					
	31 December 2016	Pre-tax amount incurred in current year	Less: Income tax	Post-tax amount attributable to the Company	Post-tax amount attributable to the minority	31 December 2017
Items that will be reclassified subsequently to profit or loss:						
Profit on revaluation of land	43,754	–	–	–	–	43,754
Cash flow hedge reserve of effective portion	(3,344)	862	(294)	568	–	(2,776)
Cash flow hedge	80	4,299	(645)	3,654	–	3,734
Exchange differences on translation of foreign currency	(164,200)	(182,393)	–	(124,633)	(57,760)	(288,833)
Transfer from other comprehensive income to profit or loss	–	(52,115)	13,029	(39,086)	–	(39,086)
Transfer from other comprehensive income to retained earnings	–	16,448	–	16,448	–	16,448
Total gains and losses recognised directly in equity but will be reclassified subsequently to profit or loss after initial recognition of financial assets	481,051	6,681	(1,670)	5,011	–	486,062
	357,341	(206,218)	10,420	(138,038)	(57,760)	219,303

	2016					
	31 December 2015	Pre-tax amount incurred in current year	Less: Income tax	Post-tax amount attributable to the Company	Post-tax amount attributable to the minority	31 December 2016
Items that will be reclassified subsequently to profit or loss:						
Profit on revaluation of land	43,754					43,754
Cash flow hedge reserve of effective portion	(3,240)	(104)		(104)		(3,344)
Cash flow hedge	(4,074)	4,887	(733)	4,154		80
Exchange differences on translation of foreign currency	(554,570)	462,287		390,370	71,917	(164,200)
Gain/(loss) from changes in fair value of available-for-sale financial assets / share of other comprehensive income of associates	3,653	584,834	(83,825)	477,398	23,611	481,051
	(514,477)	1,051,904	(84,558)	871,818	95,528	357,341

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Surplus reserve

	31 December 2016	Current year addition	Current year decrease	31 December 2017
Statutory surplus reserve	1,489,287	2,156		1,491,443
Discretionary surplus reserve	1,790,092			1,790,092
Total	3,279,379	2,156		3,281,535

	31 December 2015	Current year addition	Current year decrease	31 December 2016
Statutory surplus reserve	1,413,486	75,801		1,489,287
Discretionary surplus reserve	1,790,092			1,790,092
Total	3,203,578	75,801		3,279,379

In accordance with the Company Law and the Articles of Association, the Company and its subsidiaries in the PRC (excluding foreign investment enterprises) are required to appropriate 10% of their profit after taxation (calculated under the relevant accounting principles and financial regulations applicable to enterprises established in the PRC) to statutory surplus reserve until the balance reaches 50% of their registered capital. The statutory surplus reserve can be used to make up previous years' losses, if any, and may be converted into capital in proportion to the existing equity interests of the shareholders.

The Company may appropriate profit after tax to discretionary surplus reserve after the resolution of the Board of Directors. The discretionary surplus reserve can be used to make up previous years' losses, if any, and may be converted into capital in proportion to the existing equity interests of the shareholders.

49. Undistributed profits

	Note	2017	2016
Undistributed profits at the beginning of the year		17,495,053	17,805,808
Add: profit attributable to shareholders of the Company		2,509,242	539,660
Less: Interest of perpetual bonds		(87,808)	(119,792)
Less: appropriation to statutory surplus reserve		(2,156)	(75,801)
Less: dividends declared	(1)	(179,837)	(654,822)
Undistributed profits at the end of the year		19,734,494	17,495,053

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Undistributed profits (Continued)

(1) Dividends of ordinary shares declared during the year

For the year ended 31 December 2017
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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

	2017		2016	
	Revenue from other operations	Cost of sales from other operations	Re e e a	C f ae f e a
Re de g f e ce	1,112,771	436,712	786,869	269,449
Sae f a ae a	659,447	263,606	364,767	193,559
T a	1,772,218	700,318	1,151,636	463,008

51. Taxes and surcharges

	2017	2016	Ta ba e
C a e a ce a d c c a	108,394	132,272	7% f VAT a d b e
Ed ca a -c a ge	82,806	99,173	3% 5% f VAT a d b e a ad
Te e a	125,022	96,127	Ac a g a ea f a d a d a
La d a eca a	75,163	55,503	A eca a a fe g e a d a cabe a ae
H g e a	79,706	63,360	Rea e a e e a c ea d a cabe a ae
B e a	–	21,421	3% 5% f e e e
Sa D	33,213	24,272	A be f a abe c e a d a cabe a ae a
O e	12,419	10,971	
T a			

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. Selling and distribution expenses

	2017	2016
Transportation and handling fees	1,138,257	685,992
Employee benefits	811,113	720,700
Sponsorship fees	359,520	333,922
Warranty	207,391	96,219
Entertainment expenses	101,040	68,133
Property insurance fees	40,163	19,161
Agency fees	38,631	39,149
Advertising	49,150	44,307
Storage	14,025	23,834
Others	167,428	125,563
Total	2,926,718	2,156,980

53. General and administrative expenses

	2017	2016
Employee benefits	2,238,096	1,775,770
Technology development expenses	651,729	519,440
Agency fees	269,891	254,440
Depreciation	282,746	252,431
Amortization	265,686	228,404
Performance bonus and long-term bonus	476,910	175,826
Rental	192,377	145,335
Listing expenses and share-based payments	120,275	106,476
Taxes and surcharges	119,552	62,905
Share-based expenses	16,324	32,384
Audit fees	13,460	14,070
Office expenses, travelling expenses and others	835,008	641,117
Total	5,482,054	4,208,598

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Financial expenses-net

	2017	2016
I e e e e	1,666,516	1,409,223
Le : ca a ed b gc	517,890	507,365
Le : e e c e	227,261	142,335
E c a ge e /(ga)	378,290	(175,044)
O e	146,666	134,630
T a	1,446,321	719,109

55. Expenses by nature

C f e ce, e ge e e, ge e a ad a ee e e a d f a ca e e e c e a e e b a e a e a a ed a f :

	2017	2016
F edg d a d - ce e e	(1,549,743)	(311,400)
C f a a e a a d ced a dea a ce, ec	55,997,065	35,135,856
Saa a d age	7,402,385	5,925,685
De eca a da a	2,343,346	2,191,830
Re a	319,052	331,061
S ga d a d gc a ge	1,184,077	817,931
Se g e a e e e	359,520	333,922
Tec g de e e c	651,729	519,440
P e e e e	672,161	519,311
P ce ga d e a ge e e	633,742	535,228
A d fee	13,460	14,070
O e e e e - e a fac ge e e	470,498	423,193
O e e e e - e e ga dd b e e e	557,183	337,318
O e e e e - e ge e a a dad a ee e e	1,647,012	1,074,150
	70,701,487	47,847,595

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Profit arising from changes in fair value

	2017	2016
Financial assets at fair value through profit or loss		
Change fair value recognised in the year		
1. Profit from change fair value for the year	56,175	7,776
2. Profit/(Loss) from change fair value derecognised in the year	21,454	70,286
(Loss)/Profit from derecognised and change fair value in the year	(1,252)	232,153
Sub-total	76,377	310,215
Investment properties at fair value	5,344	75,792
Financial liabilities at fair value through profit or loss		
Change fair value recognised in the year		
1. Profit from change fair value derecognised in the year	12,813	242,308
2. Profit/(Loss) from change fair value of the year-end	16,782	(14,402)
Sub-total	29,595	227,906

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

58. Gain on disposal of assets

	2017	2016	A ec g ed l ed g f 2017
Ga d a ff eda e	100,791	102,444	100,791
Ga d a fl a gbea e	12,543	299,902	12,543
T a	113,334	402,346	113,334

59. Other income

	2017	2016	A e ea ed/ l c e ea ed
F a ca b de	392,270		A e ea ed/ l c e ea ed
Ta e d	56,791		l c e ea ed
O e	23,565		l c e ea ed
T a	472,626		

60. Asset impairment losses

	2017	2016
I e e	173,932	100,725
Acc ec abe	140,192	174,954
O e ec abe	118,582	1,403,702
L g- e ec abe (N -d e a e d e e ea)	123,659	271,429
Ad a ce e	56,724	46,716
G d	38,000	77,557
F eda e	20,252	8,310
I a gbea e	–	5,936
C c ge	–	305
T a	671,341	2,089,634

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Income tax expenses

	2017	2016
C e c ea ca ed ba ed a a d ea ed eg a	1,266,361	985,708
Defe ed c ea	(15,535)	(18,640)
T a	1,250,826	967,068

Rec c a be ee c ea e e e a d acc g f a f :

	2017	2016
P f bef e a	4,409,241	1,702,051
I c e a e e e ca ed a a cab e a ae	974,772	340,144
Effec f a ce e	(148,887)	(112,254)
E e e ded c bef a e	135,909	122,230
O e c e bec a	(37,101)	(1,958)
U a f e ec g ed a e	(128,878)	(41,584)
Ta effec f ec g ed a e	464,203	362,965
Ded c b e e a d ffe e ce ec g ed defe ed		
41,584a e e ea/T 1 Tf34.499 0 Td05(1,958 SQ1 1 Tf9.683 0 Td12740,144		

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Earnings per share

(1) Basic earnings per share

Ba c ea g e a e ca c a ed b d d g c da ed e f a b abe d a a e de f e C a b e eg ed a e age be f d a a e a d g:

	2017	2016
C da ed f a b abe d a a e de a d e e de f e C a	2,509,242	539,660
I f e ce f e g f e e a b d	(87,808)	(119,792)
C da ed f (ad ed) a b abe d a a e de f e C a	2,421,434	419,868
We g ed a e age be f d a a e a d g ('000)	2,980,056	2,978,296
Ba c ea g e a e (RMB/ a e)	0.81	0.14
I c d g: G gc ce ba c ea g e a e	0.81	0.14

(2) Diluted earnings per share

D ed ea g e a e ca c a ed b d d g e f a b abe d a a e de f e C a ad ed ba ed e d e a d a a e b ead ed eg ed a e age be f d a a e a d g:

	2017	2016
C da ed f a b abe d a a e de a d e e de f e C a	2,509,242	539,660
I f e ce f e g f e e a b d	(87,808)	(119,792)
Effec a e g a	(1,371)	
C da ed f (ad ed) a b abe d a a e de f e C a	2,420,063	419,868
We g ed a e age be f d a a e a d g (d ed) ('000) (ad ed)	2,988,147	2,984,119
D ed ea g e a e (RMB/ a e)	0.81	0.14

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(3) Cash received relating to other investing activities

	2017	2016
Cash received from government grants related to assets	189,452	438,526
Others	–	8,394

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(All amounts are expressed in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Information to cash flow statement

(1) Supplementary information to the consolidated cash flow statement

(a) Reconciliation from net profit to cash flows from operating activities

	2017	2016
Net profit	3,158,415	734,983
Add: Provision for asset impairment	671,341	2,089,634
Depreciation of fixed assets	1,794,182	1,687,106
Amortization of intangible assets	335,393	383,811
Amortization of long-term prepaid expenses	213,771	120,913
Loss on disposal of fixed assets, intangible assets and other long-term assets	97,699	151,788
Gain from bargain purchase	(68,701)	
Gain on change in fair value	(111,316)	(613,913)
Finance cost	1,666,516	1,798,022
Investment income	(510,351)	(234,410)
Share-based payment expenses	16,324	32,384
Increase in deferred tax assets	(158,967)	(60,668)
Deferred tax liabilities	(178,108)	(116,575)
Increase in deferred income	64,627	64,998
Increase in inventories	(1,772,602)	(451,064)
Increase in operating receivables	(5,369,090)	(4,372,074)
Increase in operating payables	4,426,246	1,126,684
Net cash flows from operating activities	4,275,379	2,341,619

(b) Net (decrease)/increase in cash and cash equivalents

	2017	2016
Cash and cash equivalents at end of year	5,442,857	6,338,667
Less: cash and cash equivalents at beginning of year	6,338,667	3,259,123
Net (decrease)/increase in cash and cash equivalents	(895,810)	3,079,544

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Information to cash flow statement (Continued)

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

	2017	2016
I. If a ac f b da e		
Ca ad ca e l ae adf ac	814,800	965,036
Le : Ca ad ca e l ae ed b b da e ad e b e ac da e	250,655	226,674
Ne ca ad ac e b da e	564,145	738,362
Ne a e ed b ea ac ed b da e		
C e a e	1,677,482	604,411
N -c e a e	653,113	505,556
C e ab e	(1,306,414)	(537,137)
N -c e ab e	(107,244)	(123,640)
M e	(14,194)	(20,764)

(3) Information on disposal of subsidiaries or other undertakings:

	31 December 2017	31 December 2016
I. If a d a f b da e :		
1. Ca ad ca e l ae ec ed d a f b da e e de a g	506,972	232,000
Le : Ca ad ca e l ae e a ed d ad a f d ed b da e e de a g	31,343	25,579
2. Ne ca ad ca e l ae ec ed d a f b da e e de a g	475,629	206,421
P ce fd ed b da e 2017	651,133	548,257
Ne a e fd a b da e		
C e a e	189,441	1,374,610
N -c e a e	332,514	203,105
C e ab e	(404,461)	(1,454,511)
N -c e ab e	(915)	(12)
M e	75,746	

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Information to cash flow statement (Continued)

(4) Cash and cash equivalents



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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

67. Monetary items denominated in foreign currency

	31 December 2017		
	Functional currency (in thousands)	Exchange Rate	in RMB
Monetary assets			
EUR	201,013	7.8003	1,567,965
USD	44,772	6.5359	292,628
HKD	313,508	0.8359	262,061
GBP	21,750	8.7796	190,960
THB	357,810	0.2005	71,741
AUD	8,434	5.0916	42,942
JPY	300,288	0.0579	17,387
Others			100,178
			2,545,862
Accounts receivable			
USD	1,275,585	6.5359	8,337,096
EUR	93,764	7.8003	731,391
GBP	41,424	8.7796	363,688
JPY	1,192,742	0.0579	69,060
HKD	60,556	0.8359	50,619
AUD	9,503	5.0916	48,387
THB	14,429	0.2005	2,893
Others			209,435
			9,812,569
Other receivable			
USD	90,038	6.5359	588,479
EUR	16,532	7.8003	128,958
GBP	3,992	8.7796	35,052
HKD	23,227	0.8359	19,416
AUD	480	5.0916	2,443
THB	699	0.2005	140
Others			75,858
			850,346
Long-term receivable			
USD	1,363,911	6.5359	8,914,386
GBP	11,448	8.7796	100,509
Others			11,095
			9,025,990

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

67. Monetary items denominated in foreign currency (Continued)

	31 December 2017		
	Functional currency (in thousands)	Exchange Rate	in RMB
S - e b g			
USD	1,614,319	6.5359	10,551,027
EUR	72,054	7.8003	562,042
O e			249,100
			11,362,169
Acc a ab e			
USD	148,781	6.5359	972,415
GBP	44,393	8.7796	389,756
EUR	47,716	7.8003	372,200
CHF	13,664	6.6779	91,248
HKD	57,729	0.8359	48,256
AUD	7,195	5.0916	36,632
THB	41,111	0.2005	8,243
JPY	21,960	0.0579	1,271
O e			112,185
			2,032,206
O e a ab e	1,271		
USD	122,789	6.5359	802,534
EUR	15,971	7.8003	124,577
GBP	13,231	8.7796	116,160
JPY	209,390	0.0579	12,124
HKD	9,074	0.8359	7,585
AUD	1,328	5.0916	6,762
THB	17,503j/T1 THB		

12,185

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V. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Business combinations involving enterprises not under common control

(1) Business combinations involving enterprises not under common control

The acquiree	The acquisition date	Cost of acquisition	Acquired equity percentage	Acquisition method	Deterministic accordance of the acquisition date	Revenue of the acquiree from the acquisition date to the end of the year	Net loss of the acquiree from the acquisition date to the end of the year	Cash flows from operating activities of the acquiree from the acquisition date to the end of the year	Net cash flows of the acquiree from the acquisition date to the end of the year
SOE (2)	4 A g 2017	799,800	100%	B ca	Re ga a a a ed b ed ee ga da ed b C ee c		13,001	(2,539)	44,450
Z e g L g c (3)	30 e 1 Tf3.611 -65.838 0 Td(B ca)T09e450B ca								

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V. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations involving enterprises not under common control (Continued)

(2) Nantong CIMC Sinopacific Offshore & Engineering Co., Ltd.

O 4 A g 2017, a ed b e PRC c , E c, a b da f e CIMC ae ed 100% f e ed a e SOE, c c a e gaged ff e , a a d age f efed ga , ff e c a e, de d e, ca g e a d a fac g f e g - e e e , f a ca c de a f RMB799, 800,000.

(a) Details of SOE of the costs of combination and profit or loss recognized are as follows

Costs of combination	
Ca	799,800
Le : fa a e f de fab e e a e b a ed	(868,501)
Ga f ba ga c a e	(68,701)

T e G be e e a e ab e- e ed c da ed ea g a d e e fac a af e SOE e ed ba c ceed g, e c a d e a age ed a de e de a a e, a e e ea ed a e f a e de ea f ba c da f SOE, a d de e ed e f deb da a d e ae c de a a ab e b e G . H e e, e G ' a e e f e fa a e f de fab e a e f SOE e ae da e ba ed e a f a d c a d e a .T e a d ea a fa e de ea f ba c da g ea ed ce e a ea d be e a e a ea e ed de ea f a d c a d e a .

V. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations involving enterprises not under common control (Continued)

(2) Nantong CIMC Sinopacific Offshore & Engineering Co., Ltd. (Continued)

(b) The assets and liabilities of Acquirer at the acquisition date are as follows:

		Acquisition date Fair value	Acquisition date Carrying amount	31 December 2016 Carrying amount
Ca a ba a d a d		249,792	249,792	92,204
Acc ece abe	( )	288,884	288,884	235,749
O ece abe	( )	764,090	764,090	592,674
I e e		330,700	310,077	409,476
F eda e		415,890	299,130	395,726
C c ge		72,900	42,515	83,553
I a gbea e		117,000	72,884	105,313
S - e b g				(1,279,755)
Acc a abe		(1,279,755)		

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V. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations involving enterprises not under common control (Continued)

(3) Zhengzhou Logistics

I e 2017, k a CIMC A a c g ce e C .,L d, a b da f e G , ae ed 100% f ed a e Z e g L g c , c e gaged e a e , de g a d ec ca e ce f de g c a a e a d g - eed g e . Acc d g e a e a d c a e ag ee e , e e ge c c de:

( ) Ca f RMB5,000,000;

( ) 8.03% e f k a CIMC A a c g ce e C .,L d,. T e fa a e f 8.03% e e a RMB12,000,000; a d

( ) C ge c de a , e g e f RMB3,000,000 a d 3% f a e f Z e g L g c e e ee ea .

Af e a ac a c ed, Z e g L g c beca e a 54.7% ed b da f e G .

(b) Details of the costs of combination and goodwill recognized are as follows:

Costs of combination	
Ca	5,000
8.03% e e k a CIMC A a c g ce e C .,L d	12,000
Ne a e f c ge c de a (c)	2,610
Le : fa a e f de fabe e a e b a ed	(5,966)
G d	13,644

V. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations involving enterprises not under common control (Continued)

(3) Zhengzhou Logistics (Continued)

(b) The assets and liabilities of Acquired party at the acquisition date are as follows:

	Acquisition date Fair value	Acquisition date Carrying amount	31 December 2016 Carrying amount
Ca a ba . a d a d	514	514	58
Acc ecea ab e	311	311	736
P e a e	91	91	581
O e ecea ab e	42	42	773
I e e	7,601	7,006	5,893
O e d e a e			37
F eda e	192	79	109
I a gbea e	6,880	2,732	5,374
Defe ed a a e	751	751	
Acc a ab e	(1,301)	(1,301)	(1,328)
Ad a ce f c e	(2,395)	(2,395)	(2,853)
O e a ab e	(5,254)	(5,254)	(5,962)
E ee be ef a ab e	(141)	(141)	
Ta e a ab e	(630)	(630)	(7)
Defe ed a ab e	(695)		
Ne a e	5,966	1805	3,411

(c) Contingent consideration

A e a age e e a e a 3% a e f Z e g L g c e e ee ea be e a RMB3,000,000, e a age e a e ed a e a f c ge c de a be ad be RMB3,000,000. A f Dece be 31, 2017, e a age e ad e a ed e d c ed f e a e g e e f a ee- ea b g a e, e d e a e f e c ge c de a a RMB2,610,000 a d a ec g ed e a abe e c da ed baa ce ee .

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V. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

2. Disposal of subsidiaries

(a) The relevant information for the disposal of major subsidiaries during the year is summarized as follows:

Name of the subsidiary	The disposal price	The equity percentage disposed	Disposal method	The disposal date	Deterministic accordance of the disposal date	The difference between the disposal price and the share of the net assets if the disposed subsidiary in the consolidated financial statements consolidated financial statements	The amount of other comprehensive income related to the equity investment of the Company transferred to the investment gains and losses Company transferred to the investment gains and losses
S e e CIMC eec c g c ec g c ., LTD (CIMC E-c e ce.)	633,715	78.236%	Se g	30 Oc be 2017	O 30 Oc be 2017, e a fe ag ee e a ed b e ge e a ee g f a e de ; e c a e a ead ad 80% f e c a e ce, a a ed ed ec a d ge e a age, a d a ac a		

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V. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

2. Disposal of subsidiaries (Continued)

(b) The disposal of gain and loss information is as follows:

(i) CIMC E-commerce.

T ed a ga a ecad aeda f :

D a ce	633,715
Le : e a e f e e a e f Ya g a e ce c da ed f a ca a e e	150,127
O e c e e e a fe ed c e f a d e	
I e e ga f d a	483,588

(ii) Highfield

T ed a ga a ecad aeda f :

D a ce	17,418
Le : e a e f e e a e f Hg fe d c da ed f a ca a e e	42,198
O e c e e e a fe ed c e f a d e	
I e e ga f d a	(24,780)

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VI. EQUITY IN OTHER ENTITIES

1. Equity in subsidiaries

A b da e f eG e e ab ed , ac , ed , g c b a de c c , .
T e a f b da e , g c b a de c c , .

A a 31 Dece be 2017, e be f c a e c ded e c e f c da added 620. E ce f , e , a b da e ed a be , e be f e b da e ed b eG a 351, ad- ca a a g 745,236,291.O e b da e a c ded e e gaged a fac , g , e ce , , c a e ea e a cae f e a a d e ad- ca a a be 20 , USD3 .O e b da e a c ded e e d g c a e e a gac e , eg e ed H gK g, B V, g l a d , e e ea c , e .

(1) Subsidiaries obtained through establishment or business combination

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
6	Da a CIMC C a e, C ., L d. (DLCIMC)	B e e	Da a , La g	Da a , La g	Ma ! fac , e a d ae fc a e, a , ee, a ec ca ad , ; c a e, c. g ! e	USD39,956,400	18.50%	81.50%
7	N gb CIMC L g c E ! e C ., L d. (NBCIMC)	B e e	N gb Z e a g	N gb Z e a g	Ma ! fac , e a d ae f c a e, a d, ea ed ec gca c ! a c ; c a e, , age	USD15,000,000		100.00%
8	Taca g CIMC C a e, C ., L d. (TCCIMC)	B e e	Taca g Ja g !	Taca g Ja g !	Ma ! fac , e a d, e a, f c a e,	USD31,000,000		100.00%
9	Ya g ! R ag L g c E ! e C ., L d. (YZRYL)	B e e	Ya g ! Ja g !	Ya g ! Ja g !	Ma ! fac , e, , e a, a d ae fc a e,	USD20,000,000		100.00%
10	S a g a CIMC Ya g a L g c E ! e C ., L d. (SHYSLE)	B e e	S a g a	S a g a	Ma ! fac , e a d ae f c a e, a e a , ee, a ec ca ad ,	USD29,480,000		100.00%
11	S a g a CIMC Reefe, C a e, C ., L d. (SCRC)	B e e	S a g a	S a g a	Ma ! fac , e a d ae f , ef, ge a d ea , e e, a de ce f, eefe, c a e, , ef, ge a , ca, a d Hea ; P, e e, a ca	USD31,000,000	72.00%	20.00%
12	Na g CIMC S eca T a , a E ! e Ma ! fac , e C ., L d. (NTCIMCS)	B e e	Na g Ja g !	Na g Ja g !	Ma ! fac , e, ae a d, e a, f a ! , ! g , a . a e a , a ! eca , ga d, a , g e ! e a d a ,	USD10,000,000		71.00%

VI. EQUITY IN OTHER

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
13	X CIMC S eca Ta a Ve e C., Ld. (XHCIMCS)	B e e	Ja g e Da gd g	Ja g e Da gd g	Ma fac ead ae f a c ae e- f edc a e dcad eea c e dcad eea c e ad a eace e ce	USD65,498,958		100.00%
14	Na g CIMC Ta Ve e C., Ld (NTCIMCT)	B e e	Na g Ja g	Na g Ja g	Ma fac ead ae f a c ae e- f edc a e dcad eea c e dcad eea c e ad a eace e ce	USD35,000,000		70.57%
15	Na g CIMC La ge- ed Ta C., Ld. (Na g CIMC)	B e e	Na g Ja g	Na g Ja g	De g dcad e ea ad ea ed c e de a e ge e a c ac g ec a ga	USD47,700,000		70.57%
16	S e e CIMC eca ca C., Ld. (CIMCSV)	B e e	S e e Da gd g	S e e Da gd g	De e dc ad ae f a eca- e e ce a ea ea c e ad a	RMB200,000,000		63.33%
17	Q gda CIMC S eca Ve ce C., Ld. (QDSV)	B e e	Q gda Sad g	Q gda Sad g	De e dc ad ae f a eca- e e ce ef g a e ea ea ea c e ad a	RMB62,880,000	44.34%	35.25%

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
18	F a CIMC L g c. E e C., Ld. (F a L g c)	B e e	F a G ag d g	F a G ag d g	De g, , d c , ae a d a ea ce f g c ad ge e	RMB3,000,000		100.00%
19	S ag a CIMC Ve ce L g c E e C., Ld. (SHL)	B e e	S ag a	S ag a	De e e, c , c , ea ea g ae f ae ga da a fac e	RMB90,204,100		63.33%
20	S e e CIMC W d C., Ld. (CIMC W d)	B e e	S e e G ag d g	S e e G ag d g	P, d c a d ae ff , f, c a e, a d, ea ed , d c ; ee a e, ce	RMB30,000,000	12.00%	86.76%
21	CIMC Ve ce (La g) C., Ld. (LNVS)	B e e	Y g La g	Y g La g	De e e a d , d c ta , ae, eca e, e ce a ea c e a d a ; , fe a e, ce	RMB60,000,000		63.33%
22	Ta P, CIMC Ze a L g c C., Ld. (Ta P, CIMC)	B e e	Ta	Ta	I e, a a add e c feg age c	RMB100,000,000		61.50%
23	CIMC SHAC (X'A) Seca Ve ce C., Ld. (XASV)	B e e	X'a Saa	X'a Saa	De e e a d , d c ta , ae, eca e, e ce a ea c e a d a ; , fe a e, ce	RMB50,000,000		47.50%
24	Ga CIMC Ha Ve ce C., Ld. (GSHJ)	B e e	Ba Ga	Ba Ga	Ref g f eca e ce, a fac , e f , ae, a d f ga ea a d bef g ; ae f , ee a ae, a	RMB25,000,000		63.33%

Appendix

For the year ended 31 December 2017
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(English translation for reference only)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
25	Xuzhou CIMC Special Vehicle Manufacture CO., LTD (XHCM)	Subsidiary	Jiangsu Province	Jiangsu Province	Production, design, sales and after-sales service of special vehicles, vehicle accessories, parts and components	RMB129,000,000		63.33%
26	Qingdao CIMC Energy Equipment Co., Ltd. (QDHB)	Subsidiary	Qingdao City	Qingdao City	Design, manufacture, assembly, garbage treatment equipment and accessories and after-sales service	RMB137,930,000		63.33%
27	Shanghai CIMC Security Vehicle Co., Ltd. (SHCIMCV)	Subsidiary	Shanghai	Shanghai	Design and manufacture of armored vehicles, bullet-proof materials and equipment	RMB10,000,000		63.33%
28	CIMC Financial Leasing Co., Ltd. (CIMC Financial Leasing)	Subsidiary	Shenzhen City	Shenzhen City	Financial leasing; domestic and overseas purchase, transfer, disposal and maintenance of leased assets; consulting and guarantee of financial leasing	USD70,000,000	75.00%	25.00%
29	Qingdao Refrigerated Truck Equipment Co., Ltd. (QDRV)	Subsidiary	Qingdao City	Qingdao City	Manufacture and after-sales service of refrigerated vehicles, vehicle accessories, parts and components	USD29,405,000		76.44%
30	Nantong CIMC Energy Equipment Co., Ltd. (Nantong Energy Equipment)	Subsidiary	Nantong City	Nantong City	Manufacture and after-sales service of storage tanks, storage containers, pressure vessels, vehicle accessories, parts and components	RMB69,945,600		70.57%

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
37	CIMC S e fa De e e C ., Ld. (CIMC SD)	B e e	S a g a	S a g a	l e e , c c ad ea f , fa c e ; ea e ae de e e ad ea	RMB204,123,000	98.53%	1.47%
38	CIMC Ve ce (X ag) C ., Ld. (SJ4S)	B e e	U , X ag	U , X ag	P dc ad ae f ec a ca e ea e a , ee a ec ca de e e	RMB80,000,000		63.33%
39	CIMC Ve ce (G) C ., Ld. (HI)	B e e	Se e da gd g	Se e da gd g	De e e , , dc ad ae f a g ec ad g e f , a ce eca e ce ead , a e , e	USD212,225,100	44.33%	19.00%
40	Q gda CIMC S eca Reefe , C ., Ld. (QDCSR)	B e e	Q gda Sad g	Q gda Sad g	Ma fac e f a c a e , e f ed c a e , dc ad , ee a c e ad a ,	USD39,184,100		100.00%
41	Ta CIMC L g c E e B e e C ., Ld. (TJCIMCLE)	B e e	Ta	Ta	De g , a fac e , ae , a e a ce A d , ee a ec ca ad , f , g c e ad , ee a c e ad a ,	USD10,000,000		83.50%
42	Da a CIMC L g c E e B e e C ., Ld. (DLL)	B e e	Da a La g	Da a La g	De g , a fac e , ae , a e a ce ad , ee a ec ca ad , f , e a a , ade , e , e , ade , g c e ad , e , e e	USD20,120,000		100.00%

Chapter XIII

For the year ended 31 December 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)

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
43	Chongqing CIMC Logistics Equipment Co., Ltd. (CQLE)	Subsidiary	Chongqing	Chongqing	Design, manufacture, assembly, sales, technical consultation, leasing and after-sales service of containers	USD8,000,000	75.00%	25.00%
44	Dalian CIMC Heavy Logistics Equipment Co., Ltd. (DLZH)	Subsidiary	Dalian	Dalian	Investment holding; design, manufacture, assembly and after-sales service of containers	USD45,170,000	62.70%	37.30%
45	Shenzhen CIMC Intelligent Technology Co., Ltd. (CIMC Tech)	Subsidiary	Shenzhen	Shenzhen	Design, development, sales, technical consultation and after-sales service of electronic products	RMB70,294,188	59.46%	8.54%
46	CIMC Tianda Refrigerated Vehicle Equipment Co., Ltd. (TCCRC)	Subsidiary	Tianjin	Tianjin	Research and development, manufacture, assembly, sales and after-sales service of refrigerated vehicles	RMB450,000,000		100.00%
47	Hainan CIMC Building Development	Subsidiary	Sanya	Sanya	Manufacture, assembly and after-sales service of buildings	RMB28,000,000		85.60%
48	CIMC Jiangling (Qingdao) Vehicle Manufacture Co., Ltd (QHDV)	Subsidiary	Qingdao Hebei	Qingdao Hebei	Sales of commercial vehicles	RMB70,000,000		47.50%
49	Sea Star CIMC Logistics Co., LTD (Sea Star)	Subsidiary	Shenzhen	Shenzhen	Logistics	RMB80,000,000		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)

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
56	Shenzhen CIMC Investment & Development Co., Ltd. (CIMC Center)	Wholly-owned	Shenzhen, Guangdong	Shenzhen, Guangdong	Real estate development	RMB339,512,100		61.50%
57	Yantai CIMC Guanke Real Estate Development Co., Ltd (CIMC Hotel)	Wholly-owned	Yantai, Jiangsu	Yantai, Jiangsu	Real Estate Development, sales and leasing	RMB25,000,000		76.90%
58	Ningbo Rongcheng Co., Ltd (Ningbo Rongcheng)	Wholly-owned	Ningbo, Zhejiang	Ningbo, Zhejiang	Construction, development, sales and leasing	RMB5,000,000		60.00%
59	Chengdu CIMC Investment Parks Real Estate Development Co., Ltd. (Chengdu Investment Parks)	Wholly-owned	Chengdu, Sichuan	Chengdu, Sichuan	Construction, management and development of real estate; sales of self-developed commercial properties	RMB60,000,000		63.33%
60	CIMC Facade Co. (Facade Co.)	Wholly-owned	Shenzhen, Guangdong	Shenzhen, Guangdong	Production of facade products for buildings and sales of self-produced products	RMB500,000,000	100.00%	
61	Shenzhen CIMC Real Estate Holdings Co. (SZ Real Estate Holdings)	Wholly-owned	Shenzhen, Guangdong	Shenzhen, Guangdong	Real estate development; sales of self-developed commercial properties	RMB75,000,000	100.00%	
62	Zhuhai CIMC Haiwei Technology Co., Ltd. (HJQM)	Wholly-owned	Zhuhai, Hainan	Zhuhai, Hainan	Sales of real estate, sales of self-developed commercial properties	RMB10,000,000		63.33%
63	Zhuhai CIMC Haicang Co., Ltd. (HJCAST)	Wholly-owned	Zhuhai, Hainan	Zhuhai, Hainan	Casting and forging of steel products	RMB297,762,000		63.33%

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

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

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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
88	K a CIMC A a c g c e C., Ld. (K a CIMC)	B e e	K a Ja g	K a Ja g	A a c g c e, a da, ca, g a d g e	RMB80,000,000		50.31%
89	CIMC Ta da (L g a) I, e e De, e e C., Ld.	B e e	L g a P a	L g a P a	Te a. g , e e, a e a age e a d , ea e a ede, e e b e	RMB20,000,000		32.82%
90	Abe, Zege, G bH (Be g) Sae C., Ld. (Zege,)	B e e	Be g	Be g	F, e c., ec e, ce a d, ee a acce , e, ac e e , e , b e , ee a age b e	EUR1,500,000 15B20,000,000		60.00% 90 e C., 37((a c cd[(T)1N e RMB20,000,0
91	S e e CIMC Tec g C., Ld. (S e e CIMC Tec g)	B e e	S e e G a gd g	S e e G a gd g	A aca de f , d c , ad f e c d[(T)18((-1 e 7T0 cg)]TJ L d. c d[(T)1c a , e, cSa e			

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Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding Percentage

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Name	Category	Registration Place	Main Premises	Business scrdt009 .55

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
110	Z a g aga g CIMC 3 Sc C, ge ce e Mac e, C .,Ld.(3 Sc C, ge c)	B e e	Z a g aga g	Z a g aga g	Ma fac, e, ce a d ae fc, ge c e e, e, e ce ca e e a, d c a d , ee a a, ea ed ad , e, ce	RMB30,000,000		63.51%
111	Ta H g Be, g Lea g C. Ld.(Ta H g Be, g)	B e e	Ta	Ta	F Sca ea g	RMB170,000,000		51.00%
112	CIMC M da Ta , De, e e C .,Ld. (CIMC M da Ta , De, e e)	B e e	S e e	S e e	M da g c e, ce	RMB100,000,000		80.00%
113	S e e CIMC X a Tec g C .,Ld.(3 e e CIMC X a Tec g)	B e e	S e e	S e e	S f a e, f, a ec g e, ce	RMB100,000,000		81.30%
114	3 e e CIMC T gc a g S Ca C .,Ld. (3 e e CIMC T gc a g S Ca)	B e e	S e e	S e e	I, e e d g	RMB200,000,000		73.39%
115	CIMC Off , e H d g C .,Ld (CIMC Off , e H d g)	B e e	S e e	S e e	I, e e d g	RMB2,335,000,000	100.00%	
116	S e e CIMC Ta da J ae, a ca Ref, ge a C ., Ld(CIMC Ta da J)	B e e	S e e	S e e	P, d c fa a , ef, ge a e e , . ec g , a d e , b e	RMB50,000,000		38.29%

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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
117	Ta Y g a g Mac e E e Lea g C .Ld. (Ta Y g a g Mac e E e)	B e e	Ta C a	Ta C a	F aca e, ce	RMB6,500,000,000		15.00%
118	G a gd g CIMC B d g C /c C .Ld (G a gd g CIMC B d g C /c)	B e e	G a gd g	G a gd g	M d e	RMB50,000,000		100.00%
119	CIMC Ka g Lg c De e e C .Ld. (CIMC Ka g Lg c De e e)	B e e	Na g Ja g	Na g Ja g	Lg c e, ce	RMB150,000,000		51.00%
120	Ja g Ka g S g C .Ld. (Ja g Ka g)	B e e	Na g	Na g	Lg c e, ce	RMB20,000,000		51.00%
121	CIMC E, c E g E e (S) C ., Ld. (CIMC E, c E g E e (S))	B e e	Ja g	Ja g	E g e de g, 7()]T ae d E ec c, (e de C (			

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
128	CIMC Ka g (S aa) L g c D e e C . L d . (Ka g (S aa))	B e e	X'a	X'a	L g c e, ce	RMB20,000,000		30.60%
129	CIMC Z e a g (S a g a) L g c C ., L d . (Z e a g (S a g a))	B e e	S a g a	S a g a	L g c e, ce	RMB30,000,000		100.00%
130	CIMC Ka g Ja g ! I e, a a M da T, a , C ., L d (Ka g Ja g ! I e, a a M da T, a ,)	B e e	Na g	Na g	L g c e, ce	RMB20,000,000		33.15%
131	CIMC D g a (S a g a) S g C ., L d . (CIMC D g a)	B e e	S a g a	S a g a	D e c a e, a , , ad f eg , a , , e a a ca g , a , age c , ca g , a , age c e, a a g age c , d e c g age c	RMB20,000,000		30.60%
132	A e ! I e, e f T g Tec g (S !) C ., L d . (A e !)	B e e	S ! , Ja g !	S ! , Ja g !	Tee c ! ca B e e, a ; De e e fc ! e, ad a ead f a e, De e e fc ! e, e ec g , c ! e, e e ega , b e e f a e ec g	RMB30,000,000		70.75%

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For the year ended 31 December 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)

(ii) Overseas subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
143	China Rail Holding Limited (China Rail)	Established	Hong Kong, China	Hong Kong, China	Unlisted	HKD10,000		70.57%
144	China Beam Energy Limited (China Beam)	Established	British Virgin Island	British Virgin Island	Unlisted	USD50,000		63.33%
145	Sanay Holding Limited (Sanay)	Established	Hong Kong, China	Hong Kong, China	Unlisted	HKD1		100.00%
146	Stadway Holding Limited (Stadway)	Established	British Virgin Island	British Virgin Island	Unlisted	USD50,000		70.57%
147	Grand Rail Limited (Grand Rail)	Established	Hong Kong, China	Hong Kong, China	Unlisted	HKD1		100.00%
148	Peread Holding Ltd. (Peread)	Established	British Virgin Island	British Virgin Island	Unlisted	USD10		100.00%
149	CIMC Vehicles U.A. (CIMC Vehicles U.A.)	Established	Holland	Holland	Unlisted	EUR75,000,000		70.57%
150	Vehicles B.V. (Vehicles B.V.)	Established	Holland	Holland	Unlisted	EUR90,000		70.57%
151	CIMC Financial Leasing (HK) Co. Ltd. (Financial Leasing (HK))	Established	Hong Kong, China	Hong Kong, China	Financial Leasing	HKD500,000		100.00%
152	CIMC Offshore Holding Limited (CIMC Offshore)	Established	Hong Kong, China	Hong Kong, China	Unlisted	HKD2,234,855,000 And RMB1,000,000,000		85.00%
153	CIMC U.A. (COOP)	Established	Holland	Holland	Unlisted	EUR25,500,000	99.00%	1.00%

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For the year ended 31 December 2017
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Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(ii) Overseas subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
164	CIMC M d a B d g S e (A a) P L d (MBS AU)	B e e	A a	A a	M d e	AUD500,000		100.00%
165	EVERISE CAPITAL PTY LTD (EVERISE)	B e e	A a	A a	I e e d g	AUD10		100.00%
166	GLOBAL PLUS PTY LTD (GLOBAL)	B e e	A a	A a	I e e d g	AUD1		100.00%
167	HARVEST AVENUE PTY LTD (HARVEST)	B e e	A a	A a	I e e d g	AUD1		100.00%
168	CIMC I e ge ce (H gK g) C ., L d. (CIMC I e ge ce (H gK g))	B e e	H gK g	H gK g	R&D Te a l e ge Te a E e P de l e e f T g S	HKD10,000		68.00%
169	Aq e e L ed (Aq e e)	B e e	H gK g	H gK g	I e e d g	HKD1		100.00%
170	Ga Ea L ed (Ga)	B e e	H gK g	H gK g	I e e d g	HKD1		100.00%
171	I ae A ace L ed (I ae)	B e e	H gK g	H gK g	I e e d g	HKD1		100.00%

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(2) Transactions between subsidiaries based on long-term equity investment

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

(i) Domestic subsidiaries

For the year ended 31 December 2017
(All amounts in RMB'000 unless otherwise stated)
(English translation for Reference Only)

	Name	Category	Registration Place	Main Premises	Business Scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
13	Dongguan Chengtai Technical Service Co., Ltd. (DHCTS)	Subsidiary	Songshan Lake	Songshan Lake	Construction engineering design, planning and management consulting; real estate development; construction engineering supervision and construction	USD4,500,000		70.00%
14	Yangtze Tungsee Reefer Container Co., Ltd. (TLC)	Subsidiary	Yangzhou, Jiangsu	Yangzhou, Jiangsu	Manufacturing and trading of refrigerated containers			

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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)

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

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business Scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
31	Ze aLg c G C., Ld.(Ze aG)	B e e	Ta	Ta	C a e a dca g D , f eg a d e a e	USD51,956,000		75.00%
32	Xa e H g Be gLea g C .Ld.(H g Be g)	B e e	Xa e, a	Xa e, a	F ac a ea g a d ea g e	USD21,300,000		51.00%
33	Ta Ze aHa g Lg c C .Ld.(Ze a Ha g)	B e e	Ta	Ta	C c a d e a f a e gfac e, c a e de	RMB145,000,000		45.00%
34	Ta Ze al e a a Lg c C .Ld.(Ze a IL)	B e e	Ta	Ta	N e ec a e, f eg age	RMB133,970,000		75.00%
35	Ta Ze ad B e C .Ld.(Ta CB)	B e e	Ta	Ta	C ce a ce a d e a edc g e ce	RMB12,516,400		75.00%
36	Ze al e a a S g Age c (Q gda) C ., Ld. (Q gda S g Age c)	B e e	Q gda S a d g	Q gda S a d g	I e a a g age c e	RMB10,000,000		75.00%
37	Ta Ze al e a a S g Age c C .Ld. (Ta S g Age c)	B e e	Ta	Ta	I e a a g age c e	RMB10,000,000		75.00%
38	Saga Ze al e a a S g Age ce Ld (Saga S g Age ce)	B e e	Saga	Saga	I e a a g age c e	RMB10,000,000		75.00%

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	Name	Category	Registration Place	Main Premises	Business Scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
39	Ze aD gag(Ta) C ., Ld.(Ze aD gag (Ta))	B e e	Ta	Ta	C a d eca f, eg , a ,	RMB50,000,000		75.00%
40	Ta Ze al e, a a T, ade B ded Wa, e g Ta Ze a T, ade B ded	B e e	Ta	Ta	Ca, g , a , age c e, ce	RMB5,628,8[(T)18(a)]TJ90 1, 04Te SQBT 5		

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(i) Domestic subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business Scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
52	Shenzhen Wanke (Beijing) Investment Management Co., Ltd. (Shenzhen Wanke Beijing Company)	Subsidiary	Beijing	Beijing	Investment management, asset management, investment consulting	RMB30,000,000		50.00%
53	Qingdao Landscape Construction Co., Ltd. (Qingdao Landscape Construction)	Subsidiary	Shandong	Shandong	Manufacturing and sales of prefabricated components; construction and installation of prefabricated components	RMB30,000,000		59.47%
54	Zhengzhou Logistics Asset Service Co., Ltd. (Zhengzhou Logistics Company)	Subsidiary	Zhengzhou, Henan	Zhengzhou, Henan	R&D and manufacturing of equipment	RMB20,000,000		54.70%
55	Qingdao Landscape Rubber & Plastic Products Co., Ltd. (Qingdao Landscape Rubber & Plastic)	Subsidiary	Shandong	Shandong	Manufacturing and sales of rubber and plastic products, R&D of equipment	RMB1,000,000		59.47%
56	Safety Office & Engineering Co., LTD. (SOE)	Subsidiary	Nanjing	Nanjing	Transportation and management of refined gasoline, diesel and petrochemical products. Warehousing and cargo handling	RMB1,023,966,800		70.57%
57	Beijing CIMC Tianda Testing Co., LTD (Beijing CIMC Tianda Testing)	Subsidiary	Beijing	Beijing	Legal and accounting	RMB20,000,000		50.00%

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(ii) Overseas subsidiaries

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
58	CIMC R gS c. A , a a P Ld. (CIMC R gS c. A , a a)	B e e	A , a a	A , a a	Sae f e ce	AUD50,000		74.33%
59	7375 TD6. , c E ea							

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(ii) Overseas subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
69	H T e B.V.	e e	H a d	H a d	P d c a d ae f a dc e a d a	EUR45,378.02		100.00%
70	g Se ce B.V.	e e	H a d	H a d	A e b a d ea f ad a ce a d a e	EUR150,000		70.57%
71	LAG T a e N.V.	e e	Be g	Be g	Ma fac g a e	EUR3,245,000		63.33%
72	Ze a H e a N.V.	e e	Be g	Be g	P d c a e	EUR991,600		70.57%
73	g N.V. B ee	e e	Be g	Be g	P d c f ad a ce	EUR248,000		63.33%
74	Ze a H e a A/S	e e	De a	De a	P d c a e	DKK1,000,000		70.57%
75	D ec C a LLC (DCEC)	e e	USA	USA	Ma fac g a d ae f eca e ce	USD10,000,000		63.33%
76	CIMC TGE Ga I e e SA (TGE SA)	e e	e g	e g	I e e d g	EUR50,000		60.00%
77	TGE Ga E g ee g G bH (TGE Ga E g ee g G bH)	e e	Ge a	Ge a	P l de EP+CS (De g , P c a e a d C c S e) , e ec ca , ec e ce LNG,LPG a d age a dd a f e	EUR1,000,000		60.00%

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(ii) Overseas subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
78	CIMC Raffe Off , e (S ga , e) L ed (Off , e (S ga , e))	B e e	S ga , e	S ga , e	P, d c f, a ! f, ff , e a d ga , c d g ac. ! d g af, , e ! b e, bed g Paf, , FPSO , FSO	SGD594,416,915 a d USD303,122,013		85.00%
79	CIMC Raffe l, e e L ed	B e e	H gK g C a	H gK g C a	l, e e d g	HKD2		85.00%
80	CIMC Raffe Lea g Pe. L d.	B e e	S ga , e	S ga , e	Lea g f a, e	SGD2		85.00%
81	Ca a D, e, Pe. L d.	B e e	S ga , e	S ga , e	Lea g f a, e	USD30,000,000		85.00%
82	Tec d e l e, a a L ed (Tec d e)	B e e	U ed K gd	U ed K gd	Re ea, c a d de, e e fe, g e ! e	GBP100		60.00%
83	Gad dae AB.	B e e	S ede	S ede	l, e e d g	SEK1,000,000		85.00%
84	Pe, fec Vc , l, e e L ed (Pe, fec Vc ,)	B e e	H gK g C a	H gK g C a	l, e e d g	USD1		100.00%
85	Ze a H, , e. a G bH (Ze a H, , e. a G bH)	B e e	Ge, a	Ge, a	De g , , d c a d ae f bee, fe, e a ac e	EUR16,000,000		70.57%
86	Abe, Zege, G bH (Zege,)	B e e	Ge, a	Ge, a	De g a f Ma, e e g ee, g	EUR13,543,000		60.00%

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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
87	Ba e Tec g AB (Ba e)	B e e	S ede	S ede	De g a f Ma, e e g ee, g	SEK1,000,000		100.00%
88	CIMC MBS LIMITED (Ve, B S e)	B e e	U ed K gd	U ed K gd	M d e	GBP3,884,303		100.00%
89	Ze a g c (H g g) C., Ld. (Ze a H g g)	B e e	H gK g, C a	H gK g, C a	L g c	USD6,600,000		75.00%
90	CIMC A, a a R ad Ta, B e P Ld (A, a a R ad Ta, B e P)	B e e	A, a a	A, a a	I e e d g	AUD8,300,000		63.33%
91	B, ga el e, a a H d g L ed (B, ga e I e, a a H d g)	B e e	H gK g, C a	H gK g, C a	I e e d g	HKD10,000,000		70.00%
92	B, ga e Se, ce L ed (H g g B, ga e Se, ce)	B e e	H gK g, C a	H gK g, C a	C a e, , e a, a d , e a , c a e, , ade	HKD5,000,000		70.00%

75.00%

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

(ii) Overseas subsidiaries (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
96	Ve U S e L d (VSL)	B e e	U ed K gd	U ed K gd	M d e	GBP1		100.00%
97	B gg G L ed	B e e	U ed K gd	U ed K gd	Bee, d a , a ace ca, ea , b f e a d e d , e e g ee g de g a d e. e e e	GBP3,385,000		70.57%
98	Re a Ma fac , g L ed	B e e	U ed K gd	U ed K gd	P, d c e , a e	GBP692,041		63.33%

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(4) Subsidiaries with significant minority interests

	Minority interests	Net Profit attribute to minority interests in 2017	Dividends distributed to minority interests in 2017	Grand total Minority Interests on 31 December 2017
Entity	29.43%	154,391	2,022	1,825,025
CIMC Office	15.00%	(402)		917,757
CIMC Cases	38.50%	88,873		944,003

Certain financial information of subsidiaries mentioned above is disclosed below:

	As at 31 December 2017					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Entity	10,305,316	3,861,903	14,167,219	7,668,853	637,388	8,306,241
CIMC Office	986,501	4,190,144	5,176,645	62,290	–	62,290
CIMC Cases	4,624,339	344,794	4,969,133	2,361,595	268,963	2,630,558

	As at 31 December 2016					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Entity	9,542,728	3,345,695	12,888,423	5,735,979	1,850,379	7,586,358
CIMC Office	9,322	4,484,063	4,493,385	71,171		7,586,358

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(5) Significant partial disposal of subsidiary equity in current year (not losing control)

T e e g fca a ad a f b da e c e ea (gc).

(6) The acquisition of significant minority interests in the current year.

() A a 17 2017, eG ' b da CIMC C a c e g, ced ae gc e C Ga de Rea E a e g ca a c ea e a d a e e a . Acc d g e ag ee e C Ga de Rea E a e c ea e RMB926,322,000 f CIMC C a c e g, d a 25% e e f CIMC C a c e g f g e ag ee e . Afe e ca a c ea e a c e ed, eG ' a e d g e ce age f CIMC C a c e g a ed ced f 82% 61.5%.

T e d ffe e ce be ee e c de a a d e a e f e de fab e e a e f e b da a g RMB301,846,000, a ec ded ca a e e e.

() A a Dece be 7, 2016, Ad a ced Ma fac g l d l e e d (L ed Pa e) (Ad a ced Ma fac g l d l e e d) e e ed a ca a c ea e ag ee e CIMC HK a d CIMC Off e, ec RMB984,258,000 CIMC Off e a e 15% e CIMC Off e. T e c ea e ca a a c e ed Dece be 2017. T eG ' ed e e f CIMC Off e f 100% 85%.

T e d ffe e ce be ee e c de a a d e a e f e de fab e e a e f e b da a g RMB698,253,000, a ec ded ca a e e e.

() A a Ma 5, 2017, T e a e de f e C a ' b da , M de L g c a d CIMC Ka g L g c De e e c ea ed ca a RMB150 a e a e e, a d a a ed e g a S a e d g e ce age c a ged. M a e de c ea ed e ca a CIMC Ka g L g c De e e b RMB34,300,000.

() A a Ma c 28, 2017, eC a a d e a e de S e e l e e Ma age e C a e e ed a e a fe ag ee e ae e a 3.82% a e C&C T c a c de a f RMB81,616,000. T eG ' a e d g e ce age c ea ed f 66.24% 70.06% af e ea e .

T e d ffe e ce be ee e c de a a d e a e f e de fab e e a e f e b da a g RMB78,103,000, c ed ced ca a e e e.

() A a 2017, T eG ' b da CIMC C a c e g a d S de e ed a e a fe ag ee e ae e a 40% a e Ya g a g , f a c de a f RMB169,024,000. U e c e f ea e , CIMC C a c e g d a 100% a e Ya g a g , ea e a e de e e .

T e d ffe e ce be ee e c de a a d e a e f e de fab e e a e f e b da a g RMB13,766,000, a ec ded ca a e e e.

() A a 14, 2017, SZ l e e , a b da f eC a , e e ed a e a fe ag ee e

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in associates and joint ventures

(1) Basic information of major associates and joint ventures

	Main Premises

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in associates and joint ventures (Continued)

(3) Core financial information of major associates

	LiHua Energy		Shanghai Fengyang		TSC		Jiahua Shipping		China Fire Safety		Shouzhong Investment	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016
Cash and cash equivalents	8,772	44,908	30,425	104,944	90,238	190,589	96,552	96,552	124,707	132,576	24,608	16,413
Other current assets	940,834	833,315	819,426	462,820	2,630,219	2,739,011	46,822	46,822	661,697	468,249	291,230	176,743
Total current assets	949,606	878,223	849,851	567,764	2,720,457	2,929,600	143,374	143,374	786,404	600,825	315,838	193,156
Total non-current assets	705,772	688,979	50,775	45,782	631,744	776,956	1,089,581	1,089,581	787,180	724,783	109,141	69,577
Total Assets	1,655,378	1,567,202	900,626	613,546	3,352,201	3,706,556	1,232,955	1,232,955	1,573,584	1,325,608	424,979	262,733
Current liabilities	679,996	702,131	623,129	354,154	1,957,621	1,949,175	152,448	152,448	331,117	241,436	11,583	1,010
Non-current liabilities	255,035	209,256	–		109,804	313,488	658,995	658,995	–		–	
Total liabilities	935,031	911,387	623,129	354,154	2,067,425	2,262,663	811,443	811,443	331,117	241,436	11,583	1,010

	LiHua Energy		Shanghai Fengyang		TSC		Jiahua Shipping		China Fire Safety		Shouzhong Investment	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016
Minority shareholders' equity	–		–		1,893	13,182	–		–		–	
Total shareholders' equity attributable to the Company	720,347	655,815	277,497	259,392	1,282,883	1,430,711	421,512	421,512	1,242,467	1,084,172	413,396	261,723
Adjustments to fair value	–		1,085	1,085	155,764	155,764	–		533,410	533,410	–	
Total shareholders' equity attributable to the Company (adjusted)	720,347	655,815	278,582	260,477	1,438,647	1,586,475	421,512	421,512	1,775,877	1,617,582	413,396	261,723
Shareholding percentage	15.58%	15.58%	40.00%	40.00%	13.12%	13.42%	30.00%	30.00%	30.00%	30.00%	45.00%	45.00%
Net assets calculated based on shareholding (1)	112,230	102,176	111,433	104,191	193,066	212,905	126,454	126,454	532,763	485,275	186,028	117,775
Carrying amount of equity investment	112,230	102,176	111,433	104,191	193,066	212,905	126,454	126,454	532,763	485,275	186,028	117,775
Fair value of equity investment with public quotation	–		–		65,937	92,144	–		383,549	300,995	–	

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in associates and joint ventures (Continued)

(3) Core financial information of major associates (Continued)



For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
(Explanation of Reference Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in associates and joint ventures (Continued)

(4) Summary of information of insignificant associates and joint ventures

	2017	2016
Joint ventures:		
Total carrying value as at 31 December 2017	246,402	229,293
Subtotal of aggregate amount calculated according to shareholding ratio:		
Net profit (1)	19,624	16,828
Other comprehensive income	–	
Total comprehensive income	19,624	16,828
Associates:		
Total carrying value as at 31 December 2017	611,209	512,941
Subtotal of aggregate amount calculated according to shareholding ratio:		
Net Profit (1)	(29,235)	10,760
Other comprehensive income	–	
Total comprehensive income	(29,235)	10,760

(1) The basis for determining the existence of significant influence on investees is mainly the accounting policy for long-term equity investments.

(5) Excess deficit of associates and joint ventures

The Group has no excess deficit of associates and joint ventures as at 31 December 2017.

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

The Group has no structured entities included in the scope of consolidated financial statements.

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Information of other related parties

Company name	
SUMITOMO CORPORATION	M , a e de f b da
S a Hea D A b e	M , a e de f b da
O e I e a a	S b da f g fca a e de
FML	S b da f g fca a e de
Ga f	M , a e de f b da
FCC	S b da f g fca a e de
A a T ad g C ., L d	M , a e de f b da
O e a I e a a C a e (J) L ed	S b da f g fca a e de
FCS	S b da f g fca a e de
FCI	S b da f g fca a e de
Ea e I e a a C a e (G a g) L ed	S b da f g fca a e de

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VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions

T e f g a ac ea ed a e e ec d ced de a c e ca e ee a ag ee e .

(1) Purchase of goods and receiving of services

The Group

Na e	Na e f e a ac	2017 Amount	2016 A
Y&C E g e	P c a e fg d	557,315	301,945
S a Hea D A b e	P c a e fg d	236,412	101,317
N gg G a g e	P c a e fg d	149,041	67,117
O gc e Ba b	P c a e fg d	136,819	42,536
X W d	P c a e fg d	126,447	65,225
Z e a gX g Ba b	P c a e fg d	105,467	
Se S a g a	P c a e fg d	66,700	76,521
SUMITOMO CORPORATION	P c a e fg d	14,797	13,670
TSC	P c a e fg d	7,113	53,877
A a T ad g C ., L d	P c a e fg d	6,313	19,117
O e ea ed a e	P c a e fg d	20,456	20,440
S b- a	P c a e fg d	1,426,880	761,765
O e ea ed a e	Rece g f e ce	26,151	7,369

The Company

F e e f ed ec , e , a d e a age e f e C a , ea e efe N e VIII.5(4).

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Sales of goods and rendering of services

The Group

Name	Nature of relationship	2017 Amount	2016 Amount
Sany Heavy Equipment International Holdings Company Limited	Principal activities	733,497	247,240
OOS-International Limited B.V.	Principal activities	385,375	
FCI	Principal activities	372,760	
FCS	Principal activities	171,003	
SUMITOMO CORPORATION	Principal activities	108,475	159,688
Zoomlion Heavy Industry Science and Technology Development Co., Ltd.	Principal activities	78,943	
Overseas Investment Limited	Principal activities	74,953	42,518
FML	Principal activities	56,913	124,800
Eastern International Capital Corporation Limited (Note)	Principal activities	46,354	8,866
Ningbo Changgang Co., Ltd.	Principal activities	44,589	8,645
FCC	Principal activities	40,179	22,700
Overseas International Capital Corporation (Hong Kong) Limited	Principal activities	22,890	19,454
NYK Zenith	Principal activities	602	228
Changsha Sunward Logistics Co., Ltd.	Principal activities	–	8,359
Others	Principal activities	45,455	18,911
Sub-total	Principal activities	2,181,988	661,409
Others	Reference	31,365	31,404

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VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(3) Financing

The Group

Na e	A Sa gda e	E d gda e	Interest income earned/ interest expense recognized in 2017	N e
Financing received				
Ga f	51,329 19 Se e be 2008	Re a e da e f ed	1,040	L a f P a e de e a
	51,329			
Financing provided				
R Rea E a e	331,250 31 Dece be 2012	Re a e da e f ed	3,460	L a f P a e de e a
S a g a Fe g a g	34,204 25 Dece be 2007	Re a e da e f ed	–	L a f P a e de e a
S a g a X ba	12,408 20 Oc be 2017	20 Ja a 2018	108	L a f a e de e a
Na g Ne A a c	13,813 24 Ja a 2017 27 Feb a 2017 27 Dece be 2017	24 Ja a 2018 27 Feb a 2018 27 e 2018	918	L a f a e de e a
X a g W d l d	4,075 20 e 2006	Re a e da e f ed	–	L a f a e de e a
	395,750			

For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
(Explanation of Reference Only)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions

(i) The Company adopted the share option scheme on 28 September 2010 (see Note IX). Details of the granted share options to the directors and senior management of the Company for the year ended 31 December 2017 are as follows:

Name	Position	Number of granted share options (in'0000)
Ma Bangguo	Presidents, Executive Directors	285
Wu Fangbo	Vice Chairman	75
Li Yinquan	Vice Chairman	75
Yu Ya	Vice Chairman	65
Li Xiaobo	Vice Chairman	100
Zang Baowen	Vice Chairman	75
Gao Xiang	Vice Chairman	38
Zeng Hao	General Manager, Financial Manager and Secretaries of the Board	29
Yu Yuanhui	Secretaries of the Board	75
Total		817

Save as the above mentioned granted share options, the Company granted certain share options to certain employees of the Company. Details of the granted share options to the directors and senior management of the Company for the year ended 31 December 2017 are as follows:

Name	Position	Number of granted share options (in'0000)
Wu Fangbo	Vice Chairman	50
Yu Ya	Vice Chairman	25
Gao Xiang	Vice Chairman	190
Zeng Hao	General Manager, Financial Manager and Secretaries of the Board	25
Yu Yuanhui	Secretaries of the Board	129.8
Total		419.8

Note: After the approval of the resolution regarding the change of the Board of Directors of the Company at the 2017 annual general meeting, Mr. Jiang ceased to be the vice chairman of the Company and Mr. Zeng Hao was appointed as the chief financial officer of the Company.

On 31 December 2017, Mr. Jiang had 516,000 unexercised share options of the Company and 1.4 million shares were exercised.

For details of the fair value of the granted share options, please refer to Note IX.

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

(ii) Emoluments of the directors, supervisor and senior management of the Company (Continued)

D ec ', e a d e e a age e e e' e e f e ea e ded 31 Dece be 2017 a e a f (C ed):

Name	Remuneration	Emoluments for other management service of the Company or subsidiaries				
		Salary and allowance	Pension	Bonus	Others	Total
Supervisors						
X g B	–	245	42	48	13	348
Z a g M g e	–	–	–	–	–	–
L S e g	N e()	–	–	–	–	–
Wa g H g e	N e()	–	–	–	–	–
S b- a	–	245	42	48	13	348

N e(): O 26 Se e be 2017, a ed b e c a ' f E a d a Ge e a Mee g 2017, M. L Se g e g ed d e e e a f e f ffce f e S e , a d M. Wa g H g e a ec e ded b e S e C ee be e e , f e e e a e a e de f e 8 S e , C ee.

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VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

(ii) Emoluments of the directors, supervisor and senior management of the Company (Continued)

D ec ' e ' a d e e a age e e e ' e e f e ea e ded 31 Dece be 2017 a e a f (C ed):

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

(ii) Emoluments of the directors, supervisor and senior management of the Company (Continued)

D ec ', e a age e e e' e e f e ea e ded 31 Dece be 2016 a e a f :

Na e	Re e a	E e f e a age e e ce f eC a , b da e Sa a, a d a a ce	Pe	B	O e	T a
Directors						
Wa gH g						
Z a gLa g	N e()					
Wa g a g	N e()					
Ma B a g		2,660	64	2,805	444	5,973
W S g	N e()					
Wa gZ a	N e()					
L C g	N e()					
Pa C e g e		200				200
Wa g		200				200
L Ke	N e()					
Pa Z e g	N e()	200				200
S b- a		600	2,660	64	2,805	444	6,573

N e(): O 31 Ma 2016 a , L ed b e 2015 a a ge e a ee g f eC a , M. Z a gLa g, M. W S g ad M. L Ke e ged d e e a f e e ffce.

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F, e ea, e ded 31 Dece be, 2017
(A a ! RMB'000 e e, e a ed)
(E g T, a a f, Refe, e ce O)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

(ii) Emoluments of the directors, supervisor and senior management of the Company (Continued)

D, ec , ', ! e, , ' a d e , a age e e, e ' e ! e f, e ea, e ded 31 Dece be, 2016 a, e a f (C ed):

Na e	Re ! e, a	E ! e f, e, a age e e, ce f eC a , ! b da, e Saa, a d a a ce	Pe	B !	O e,	T a
Supervisors						
He Jae	N e( )					
X gB		236	39	54	12	341
L W !	N e( ),( )					
Za gM g e	N e( )					
L Seg !	N e( )					
S b- a		236	39	54	12	341

N e( ): O 31 Ma 2016, a , ed b e 2015 a ! a ge e, a ee g f eC a , M. Wa g ! a g a , ed b eb a d fd, ec , a e, ce ca, a a d -e ec ! ed, ec , f ee g e f eb a d fd, ec , . M. L C g a a ed a e -e ec ! ed, ec , f ee g e f eB a d fD, ec , . M. Pa Ze g a a ed a de e de -e ec ! ed, ec , f ee g e f eB a d fD, ec , .

N e( ): O 31 Ma 2016, a , ed b e 2015 a ! a ge e, a ee g f eC a , M. Wa g Z a a d M. He Jae ef e ffce d e e e, a f e, e f ffce. M. Wa g Z a a a ed b eb a d fd, ec , a e -e ec ! ed, ec , f ee g e f eB a d fD, ec , , M. L W ! , M. Za g M g e a , ed b e b a d f ! e, , a e a e de, e, e e a ! e ! e, , f ee g e f e ! e, , c ee.

N e( ): O 20 Dece be, 2016, a , ed b eC a ' 1 E, a d a, Ge, a Mee g 2016, M. L W ! , e g ed d e bc a ge a d a ed M. L Seg ! a ! e, , f e 8 S e, , C ee f eC a .

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

(ii) Emoluments of the directors, supervisor and senior management of the Company (Continued)

D ec ', e ' a d e a age e e e f e ea e ded 31 Dece be 2016 a e a f (C ed):

Na e	Re e a	E e f e a age e e ce f eC a b da e Sa a d a a ce	Pe	B	O e	T a
Other Senior Executives						
W Fa e		1,325	107	1,220	31	2,683
L Y		886	105	1,130	31	2,152
L X eb		1,379	107	1,220	31	2,737
Z a g Ba g		1,325	92	1,220	25	2,662
Ya		864		1,220		2,084
Ga Xa g		1,439	89	620	22	2,170
J Ja g		1,325		1,140		2,465
Ya g R g	N e( )	1,013	71	660	31	1,775
		1,444	64	1,100	31	2,639
S b- a		11,000	635	9,530	202	21,367
T a	600	13,896	738	12,389	658	28,281

N e( ): Af e e e f e ec d ee g f e e e f e B a d f D ec f e C a 2016, M . Ze g Be a e g ed d e e e a f e e ff ce a d a a ed M . Ya g R g a e ge e a a age f e c a ' f d a age e de a e .

T e d d a ece ed e g e a e c ded af e a d 2016.

O e be ef a c f g d , e , ed ca a ce, e c.

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VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (C

For the year ended 31 December 2017
(All amounts in RMB'000 unless otherwise stated)
(English translation for Reference Only)

IX. SHARE-BASED PAYMENTS

1. Information about share-based payments

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(E g T a a f Refe e ce O)

IX. SHARE-BASED PAYMENTS (CONTINUED)

2. Information on equity-settled share-based payment

(1) Information on share-based payment of Enric

E c a b d a f e C a , ca ed a a e a , c a a L ed b e a e de ' ee g 11 N e be 2009. Acc d g e Pa , e e a age e e ead e e ee E c e e g a ed a e f E c a c de a b c be f , a e f E c. T e a e 50% e e c abe afe e ea f e da e f g a a d a e e 100% e e c abe afe ea f e da e f g a . Eac g e e de e g b c be f , e d a a e E c. T e a be f a e g a ed a 43,750,000, e e e c e ce f HKD4 e a e.

E c ca ed a e a e a , c a a L ed b e a e de ' ee g 28 Oc be 2011. Acc d g Pa II, e b a d f d ec f e C a a ed g a a e e e a age e e ead e e ee f E c a c de a b c be f , a e f E c. T e a e 40% e e c abe afe e ea f e da e f g a a d, 70% e e c abe afe 2 ea f e da e f g a , a d e 100% e e c abe afe 3 ea f e da e f g a . Eac g e e de e g b c be f , e d a a e E c. T e a be f a e g a ed a 38,200,000, e e e c e ce f HKD2.48 e a e.

E c, a b d a f e C a , ca ed a a e a , c a a L ed b e a e de ' ee g 5 e 2014. Acc d g e Pa , e e a age e e ead e e ee E c e e g a ed a e f E c a c de a b c be f , a e f E c. T e a e 40% e e c abe afe ea f e da e f g a , 70% e e c abe afe , ee ea f e da e f g a a d 100% e e c abe afe f , ea f e da e f g a . Eac g e e de e g b c be f , e d a a e E c. T e a be f a e g a ed a 38,420,000, e e e c e ce f HKD11.24 e a e.

M e e f a e f E c:

	2017 '000	2016 '000
Beg g ba a ce	83,572	86,599
E e c ed c e e d	(5,814)	(1,211)
Ca ce ed c e e d	(417)	(1,776)
F fe ed c e e d	(967)	(40)
E d g ba a ce	76,374	83,572

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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 a e c e e a a ,l ed e a e de ' ee g f e C a ed 28 Se e be 2010. Acc d g e Sc e e, eb a d fd ec , f e C a a ed g a a e e e a age e e ead e e ee b c be f , e a e f e C a . T e effec l e e d f e Sc e e e ea f e f , g a da e f a e . T e a e e e c abe e d . T e a e 25% e e c abe f e f , a ac da e af e 24 ce e g a da e e a , a ac da e af e 48 ce g a da e. T e , e a g 75% a e e e c abe f e f , a ac da e af e 48 ce g a da e e a , a ac da e f e Sc e e. Eac g e e de e , g b c be f , e d a a e e C a . I add , e de a e a fac , a ec d a f :

(a) T e de d a e , e ea ' e a a .

(b) T e c ea e f e , f a , b abe , d a a e de f e C a af e ded c g ec , g , f d be e a e 6% a d e e age , e , e a e af e ded c g ec , g , f d be e a 10% f , e , e ea f ee e c e da e.

(c) D , g e a g e d, e e , f a , b abe , d a a e de f e C a a d e e , f a , b abe , d a a e de f e C a af e ded c g ec , g , f , d be e a e e age f , e f e , ee f ca ea bef , e ega da , ega l e.

O 12 Ma 2015, Acc d g e , e e a da , l a a ee g ee g f e e e e f e B a d f D ec , 2015, e ec de e c e e d f e f , ba c f c . , eac ed e c d f ee e c e. T e ac a e e c e e d a f , 2 e 2015 27 Se e be 2020, e a be f e e c abe , g a 39,660,000. O 9 O5 , e 2015, Acc d g e e e a da , l a a e14 ee g B a d f D ec , 2015, e ec de e c e e d f e (e)0.5ec d ba c eac ed e c d f ee e c c e e d a f 024 O5 , e 201g 27 Se e , e 2205, e af , e f e e c abe , g a 4,132,5000.

e af , e f ea a ga d a 660,000,000 , ea afga)1718(a)32( )]TJ0 Tc 0 T 0 -1.333 TD[e e , c e a ce e l de de a e e e e c e , c e RMB10.49e e a e.

e a e de ee g f ecC a c e d 22 Se e , e 211e g a e d6 a e d c . e a d a , e db f ecC a 'ee de 28 Se e , e . 210 a a e e c e , c e fRMB137.7e e a e. eaef , a d e e , c e a ad ed fRMB160.0e

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IX. SHARE-BASED PAYMENTS (CONTINUED)

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

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

M e e f a e f e C a :

	2017 '000	2016 '000
Beg g ba a ce	25,229	25,986
E e c ed c e e d	(4,312)	(757)
E d g ba a ce	20,917	25,229

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

A eac ba a ce ee da e d g e e g e d, e C a a e e be e a acc d g e a e f a f e be fe ee a e g a ed e a d e e e be fe e e ec ed e . O e g da e, e e a e a be e a e be fe e a a e e ed.

T e e a g f ca d ffe e ce fe a be ee c e ea a d a ea.

A a 31 Dece be 2017, Acc a ed a ec g ed ca a e e e f a e-ba ed a e	400,716
T a e e ec g ed f e - e ed a e-ba ed a e f c e ea I c d g:	
a b ed e C a	
a b ed E c	16,324
	16,324

For the year ended 31 December 2017
(All amounts are in RMB'000 unless otherwise stated)
(Figures in this section are prepared on a consolidated basis)

X. CONTINGENCIES

1. Contingent liabilities

CIMC Raffles and its subsidiaries are engaged in the leasing business. The leasing business of CIMC Raffles has been carried on through CIMC Raffles and its subsidiaries. As at 31 December 2016, CIMC Raffles and its subsidiaries provided guarantees of USD37,400,000 (equivalent to RMB244,379,000). As at 31 December 2016, CIMC Raffles and its subsidiaries provided guarantees of US$18,700,000 (equivalent to RMB122,189,000) to certain banks. As the directors of the Company consider that the likelihood of CIMC Raffles and its subsidiaries being required to perform under the guarantees is remote, no provision has been accrued.

YZTH and its subsidiaries engaged in certain litigations with customers and suppliers in the ordinary course of business. Provision of RMB3,096,000 (31 December 2016: RMB19,778,000) has been accrued, based on the advice of the directors and the legal counsel.

2. Guarantees provided for external parties

CIMC Raffles and its subsidiaries provided guarantees to banks in respect of credit facilities granted to customers. As at 31 December 2017, the guarantees provided by Raffles to banks amounted to RMB258,646,000 (31 December 2016: RMB382,000,000).

CIMC Vehicles Group and its subsidiaries provided guarantees to China Merchants Bank, China Everbright Bank, Hangzhou Bank and Industrial and Commercial Bank of China in respect of credit facilities granted to customers of CIMC Vehicles Group and its subsidiaries. As at 31 December 2017, the

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X. CONTINGENCIES (CONTINUED)

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

T e G de ec g eb a abe e e fc ed ed a de . C e d g e e, ad a ce e ad e a abea e ec g eda ea e f eda e fde e fg d a d e a da e f eb ed. A a 31 Dece be 2017, e G ad b ed b acc ed f, RMB4,180,000 a d a d g e e fc ed RMB274,253,000, a g RMB278,433,000 (31 Dece be 2016: RMB1,143,013,000).

A a 31 Dece be 2017, e C a ad a d g baa ce f g a ee f, b da e RMB779,996,000 a d USD30,000,000 (e e RMB196,026,000), e ec e, a g RMB976,022,000 (31 Dece be 2016: RMB1,053,740,000).

A a 31 Dece be 2017, ea f e e ed e e fg a ee f e G ' b da ed b eba a RMB90,121,000, f c eba a ce f e e f, a ce g a ee a RMB59,349,000, eba a ce f ea e g a ee a RMB10,440,000, a d eba a ce f e a g a ee a RMB6,950,000, eba a ce fc g a ee a RMB6,000,000, eba a ce fad a ce a e g a ee a RMB4,073,000, eba a ce fbdb d a RMB1,950,000, eba a ce f, e d g a ee a RMB1,299,000, a d eba a ce fge e a d g a ee a 60,000 a (31 Dece be 2016: RMB55,889,000).

A a 31 Dece be 2017, eba a ce f a d g g a ee f e G ' b da Ta da A, a ed b eba a RMB857,578,000, f c eba a ce f e f, a ce g a ee a RMB409,001,000, a d eba a ce fad a ce g a ee a RMB281,602,000. T eba a ce f -f a c g g a ee a RMB68,991,000, eba a ce f a g a ee a RMB16,842,000, eba a ce fbdb d a RMB41,679,000, eba a ce f, e e f d / e e b d a RMB2,214,000, a d eba a ce f a g a ee a RMB37,249,000 (31 Dece be 2016: RMB682,818,000).

A a 31 Dece be 2017, CIMC E , c a d b da e ad a d g baa ce fg a ee ed b , e e a ba a RMB994,460,000, f c eba a ce f e , ec g a ee a RMB382,927,000, a d eba a ce f e e f, a ce a d a g a ee a RMB329,295,000, eba a ce fad a ce a e g a ee a RMB154,849,000, eba a ce fP, g e G a ee a RMB113,667,000, eba a ce f a g a ee a RMB5,923,000, a d e e g a ee a RMB7,799,000 (31 Dece be 2016: RMB779,018,000).

A a 31 Dece be 2017, CMIC Raffe ad a d g baa ce fg a ee ed b , e e a ba a US$3,110,000 (e e RMB20,321,000), f c eba a ce f e e f, a ce g a ee a US$310,000 (e e RMB2,025,000). T eba a ce f a g a ee a USD2,800,000 (e e RMB18,296,000) (31 Dece be 2016: RMB905,730,000).

A a 31 Dece be 2017, CIMC F a ce C a , e b da f e G , ad a d g baa ce f g a ee f, e b da f e G , f c eba a ce a RMB7,559,000, eba a ce f e f, a ce g a ee a RMB476,000, a d eba a ce f a g a ee a l ea f RMB4,000,000, eba a ce f ea e g a ee a RMB2,000,000, a d eba a ce f e e, a e f e g a ee a RMB1,083,000 (31 Dece be 2016: RMB28,396,000).

X. CONTINGENCIES (CONTINUED)

4. Significant pending litigations

On 23 January 2018, Saga Natural Resources Trade (2016) Singapore Pte. Ltd. ("Saga Natural Resources Trade"), a wholly-owned subsidiary of the Company, filed an application to the Singapore International Commercial Court against Saga Natural Resources Trade Co., Ltd. and Nanjing Pacific Co., Ltd., claiming for the payment of the outstanding balance of the purchase price and the interest thereof. As at the date of approval of these financial statements, the case was under trial. As at 31 December 2017, the amount involved in the case was RMB102,525,000.

XI. COMMITMENTS

1. Significant commitments

(1) Capital commitments

	2017	2016
Significant capital expenditure contracted for but not provided for in the financial statements	98,366	108,730
Investment contracted but not yet paid in the financial statements	10	129,423
Significant capital expenditure approved by the Board but not contracted for	44,342	179,633
Total	142,718	417,786

(2) Operating lease commitments

The Group leases various offices, warehouses and equipment under non-cancellable operating lease agreements. The lease terms are between 1 and 5 years.

	2017	2016
Within 1 year (inclusive)	54,387	45,683
Over 1 year but not more than 2 years (inclusive)	24,211	26,155
Over 2 years but not more than 3 years (inclusive)	10,288	20,690
Over 3 years	49,855	49,420
Total	138,741	141,948

Operating lease expenses recognised for the year ended 31 December 2017 amounted to 78,490,000 (2016: 88,124,000).

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XII. EVENTS AFTER THE BALANCE SHEET DATE

1. Dividend distribution after the balance sheet date

D de d ed (N e (1))	805,380

(1) Dividend for ordinary shares proposed after the balance sheet date

A a 27 Ma c 2018, b a d f d ec ed d b ca d de d e d a a e de f RMB0.27 e a e, a d ea f a e ca a ed a f 31 Dece be 2017 a RMB805,380,000 (2016: RMB0.06 e a e, a a f RMB179,887,000). T a e bea ed b e a e de ee g. T ed de d d b a ba ed e be f a e ed de d eg a da e. D de d ed af e eba a ce ee da ea e ec g ed a ab e a eba a ce ee da e.

2. Revision of accounting policy

I 2017, e M f F a ce a e ded e f g e acc g a da d (c ec e, e Ne a da d) e Acc g Sa da d f B e E e, e N.14 Re e e (e Ne Re e e Sa da d), Acc g Sa da d f B e E e, e N.22 Rec g a d Mea e e f F a ca I e, Acc g Sa da d f B e E e, e N.23 Ta fe f F a ca A e, Acc g Sa da d f B e E e, e N.24 Hedge Acc g, Acc g Sa da d f B e E e, e N.37 P e e a a d Re g f F a cal e (c ec e, Ne F a cal e Sa da d). T e af e a d Ne Sa da d a bee ad ed ce 1 Ja a 2018, e G a ed c e acc g a e e de e e e f e Ne Sa da d c ec g f ef a e e f 2018.

T e Ne Re e e Sa da d def e e e e ec g ed e ed e ba c f e e a g d e ce. Acc d g ec e ge ce e f e Ne Sa da d, c a e d eed e a e e e d' c a abe f g e, ec a e ac f e e e a f e e a da d e f da be ad ed e e a ed ea g a e beg g f e e d e e a ed e e f a ca a e e. T e a age e a a e ed e ac f e a ca f e Ne Re e e Sa da d e G ' f a ca a e e: (1) T e Ne Sa da d e e e a a e g f c ac a e a d c ac ab e e ba a ce ee, c e e e a eca f ca f e e c e c ded e ba a ce ee; (2) W e a fe e f g c d e a g d (c d g ea e a e), d ced d g e e f a ce ce a e e aceabe e, a d e e a d g e e ec ac e d, e a e e g eca e a e f ec a e e f a ce a a a e bee c e ed fa a d ea e a e a e a be ec g ed a e e e ba ed e e f a ce e a e ea ed b e e d, acc d g ec d f f f g e b ga a ce a e d f e. T e a age e be e a e Ne Re e e Sa da d a e g f ca ac e f a ca a d e a g e f e G .

XII. EVENTS AFTER THE BALANCE SHEET DATE (CONTINUED)

2. Revision of accounting policy (Continued)

Chapter XIII

For the year ended 31 December 2017
(All amounts are in RMB'000 unless otherwise stated)
(English translation for reference only)

XIII. SEGMENT REPORTING

In accordance with the Group's internal organization structure, management requirements and internal reporting system, the Group has identified operating segments based on business segments. Business segments are identified by the Group's management and are used to allocate resources and assess performance. Information about each of these segments is prepared in accordance with accounting policies adopted for preparing the Group's financial statements.

1. Segment profits, losses, assets and liabilities

In order to assess the performance of each segment and allocate resources among segments, the Group's management has reviewed the operating results, assets and liabilities attributable to each segment. The basis of measurement is as follows:

Segment assets include all assets with the exception of deferred tax assets. Segment liabilities include all liabilities with the exception of deferred tax liabilities.

Segment revenue and expenses (including segment revenue and expenses from external customers and from transactions with other segments) that are directly attributable to a segment and the relevant portion of revenue and expenses that can be allocated on a reasonable basis to a segment are allocated to that segment. Transaction prices between segments are determined on an arm's length basis.

XIII. SEGMENT REPORTING (CONTINUED)

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

If a business segment is mainly engaged in providing products or services to external customers, the Group's management will measure the segment profit or loss, segment assets and segment liabilities of the reportable segments based on the accounting policies adopted by the Group. The segment profit or loss is adjusted based on the following:

Item	Containers 2017	Road transportation vehicles 2017	Energy and chemistry & food equipment 2017	Offshore business 2017	Airport facilities 2017	Logistic services 2017	Finance 2017	Property development 2017	Heavy trucks 2017	Others 2017	Elimination between segments 2017	Total 2017
External revenue	24,936,966	19,312,933	11,649,409	1,241,605	3,592,934	8,128,290	2,339,934	986,797	2,516,229	1,594,833	–	76,299,930
Inter-segment revenue	109,731	207,731	196,791	1,243,812	3,577	67,162	707	19,995	49,516	1,524,504	(3,423,526)	–
Cost of sales	20,772,143	15,729,623	9,496,115	2,451,403	2,793,427	7,387,048	896,360	584,561	2,413,675	2,908,088	(3,840,046)	61,592,397
Income tax (expense)/												

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For the year ended 31 December 2017
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XIII. SEGMENT REPORTING (CONTINUED)

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

The following is an analysis of the Group's operating segment profit (adjusted earnings before interest, tax, depreciation and amortization) reconciled to profit before tax (Continued):

Item	China	Hong Kong, Macau and Taiwan	Europe, America and Australia	Japan	Korea	Southeast Asia	India	Middle East	Africa	Other	Inter-segment offset	Total
	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016
External revenue	10,521,948	14,462,631	9,093,044	459,747	3,213,229	7,081,494	2,302,412	895,106	1,641,820	1,440,221		51,111,652
Inter-segment revenue	545,051	232,051	260,742	3,845,883		47,962		(172,016)	83,946	779,355	(5,622,974)	
Segment revenue	9,672,008	11,838,314	7,414,373	3,809,783	2,496,377	6,300,173	1,012,075	379,143	1,685,239	1,930,739	(5,519,215)	41,019,009
Income tax (expense)/credit and deferred tax	(998)	(3,107)	(2,070)		14,585	61,632	17,403	4,703	1,946	(6,828)		87,266
Amortization	18,016	152,894	1,464 3 a.961 570 Td32Td[(3,9,355)T 60 T025 Td(61,632)T 7411 98 Td(18,016)T 72911 80[(6,2,355)T 6.61350 Td[(9,355)T 6971 -0 Td(17,40)T 7.731 -0 Td(8,016)T 7.80 T Td(7742016)T 7.31 71434(41,019,075)T -107.23									

XIII. SEGMENT REPORTING (CONTINUED)

2. Geographic information

The geographical segment information of the Group's operations is presented based on the location of the customers. The geographical segment information of non-current assets is presented based on the location of the assets. The geographical segment information of revenue from external customers is presented based on the location of the customers. The geographical segment information of non-current assets is presented based on the location of the assets (financial assets and deferred tax assets are excluded).

Geographic information (according to the receiving party division)

	Total revenue from external customers		Total non-current assets	
	2017	2016	31 December 2017	31 December 2016
P.R.China	32,769,171	23,563,045	53,560,445	53,280,989
Asia (excluding China)	5,412,665	7,266,749	696,672	714,570
America	18,482,055	9,718,213	359,408	391,179
Europe	18,029,736	8,068,004	1,863,541	1,544,659
Others	1,606,303	2,495,641	65,098	85,495
Total	76,299,930	51,111,652	56,545,164	56,016,892

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, interest rate risk and foreign exchange risk.

- Credit risk;
- Liquidity risk;
- Interest rate risk;
- Foreign exchange risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

1. Credit risk

C ed e a e a af a ca e ca ea f a ca f e e a b fa g d ca ge a b ga . Te G ' c ed a a b abe ca a ba ece abe, deb e e a dde a e f a ca e e ed f edg g e a dec. E e ec ed a e edb a age e a g gba .

Te ca a ba f e G a ed e - f a ca . Ma age e d e f e ee a g f ca c ed f ee de a dd e ec a ee f a ca a defa a d ca e e e G .

I e ec f ece abe, e a age e c ee f e G a e ab ed a c ed c de c d d a c ed e a a e e f ed a d e dee e e c ed a d e a cabe e d e . Te e e a a f d ee e a a g f e d e a d e, ba c ed ec d e e a a abe a d e a e ec d (f a a abe). Rece abe a e d e f 30 90 da f e da e f b g. N a , e G de ba c a e a f d e , b ea e , e a e e e ed e e d e e d e ' a .

Te a age e ea f e G ad ade e a f f a ca ea g ece abe a age e , ba ed e e ea c d e , ec ed a g f c e a e a d e . edge f e c e a e ' b e e a d f a ca a d g . If e defa f c ac cc , e a age e ea f e G a a f e , g d a g e g ea ed e , de e d g e a cabe e d d a ca e . If e dea f e a e cc , e a age e ea ee e g c ec e defa e e ba ed e a f e d e e a e a d defa e e a e e e d e a e a e bee ad. I add , e a age e ea a a f e de c ca be a d f e e ed b e ea ee, de e d g d d a ca e . We e G a e e ec ed a g a age, e c a d c e e -c ce a f ec ed e eca eg a a e g ea ee' ab a e e a e .

Ba ed e d ca c a a e c d a d f f eca f ea ca e a d e e G de f d e a d c e e ec ge a d b e c d , e e e ec e ab f d.

I add , e ece abe f e G a a e e e e d e a ed a d e f a de a ge f c e f e e a ece f defa .

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

1. Credit risk (Continued)

T e G ' e e ced . f e ced a b e d d a c a ac e c a d d e f eac c e a e a c a ea c e d e e a e. A d e ef e g f ca c ce a f ed a e a e eG a g f ca e e d d a d e . A e ba a ce ee da e, eG a d eC a ad a ce a c ce a f ed a 31.54% (2016: 30.89%) f e a acc ece abe a d e ece abe e e d e f e f e a ge d e f eG .

I e e a e a ade d ed e ed a ec g ed c e c a ge (e ce f e e f g- e a eg c e). Be de e ed a g f c e a d be e a e abe e eG . F a ac g de a e f a ca e c e a e d e ed a g a d eG a a g ed e g ISDA ag ee e (I e a a S a De a e A ca). G e e g ed a g a age e de1 a Dc 8 c da 2

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk (Continued)

T ef g abe e e a gc ac a a e a e baa ce ee da e f eG ' f a ca a e ad f a ca ab e, c a e ba ed c ac a d c ed ca f (c d g e e a e c ed gc ac a a e ff a g ba ed e a g e e a e a 31 Dece be) ad e ea e da e eG ca be e ed a :

	31 December 2017 Undiscounted contractual cash flow					
	Within 1 year or on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount at balance sheet date
Financial assets						
Ca a ba a d a d	5,596,314	–	–	–	5,596,314	5,596,314
F a ca a e a fa a e g f	194,880	206,604	111,930	–	513,414	513,414
Acc ecea abe a d e ecea abe	27,187,046	–	–	–	27,187,046	27,187,046
C e f -c e a e	6,294,086	–	–	–	6,294,086	4,314,250
A a abe-f - a e f a ca a e	–	–	36,301	411,980	448,281	441,581
I e ecea abe	19,092	–	–	–	19,092	19,092
D de d ecea abe	4,408	–	–	–	4,408	4,408
L g- e ecea abe	–	3,589,848	5,449,700	11,540,062	20,579,610	12,880,540
S b- a	39,295,826	3,796,452	5,597,931	11,952,042	60,642,251	50,956,645
Financial liabilities						
F a ca ab e a fa a e g f	40,832	–	–	–	40,832	40,832
S - e b g	15,317,347	–	–	–	15,317,347	15,317,347
N e a abe	1,785,456	–	–	–	1,785,456	1,785,456
Debe e a abe	264,000	6,210,029	2,233,400	–	8,707,429	7,986,500
Acc a abe a d e a abe	19,070,852	–	–	–	19,070,852	19,070,852
I e e a abe	377,793	–	–	–	377,793	377,793
D de d a abe	254,434	–	–	–	254,434	254,434
C e f -c e ab e	4,085,579	–	–	–	4,085,579	4,085,579
O e c e ab e	588,235	–	–	–	588,235	595,907
L g- e b g	1,015,960	4,860,647	20,562,836	831,199	27,270,642	24,140,168
L g- e a abe	–	182,388	175,466	–	357,854	347,269
O e -c e ab e	278,214	278,214	278,214	1,349,863	2,184,505	1,737,505
S b- a	43,078,702	11,531,278	23,249,916	2,181,062	80,040,958	75,739,642
Ne a	(3,782,876)	(7,734,826)	(17,651,985)	9,770,980	(19,398,707)	(24,782,997)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk (Continued)

	31 December 2016 Undiscounted cash flow					
	Within 1 year or on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
Financial assets						
Cash and bank and cash equivalents	6,325,998				6,325,998	6,325,998
Financial assets at fair value through profit or loss	141,160		325,187		466,347	466,347
Accounts receivable and other receivables	24,619,828				24,619,828	24,619,828
Current portion of non-current assets	5,513,253				5,513,253	3,941,689
Available-for-sale financial assets			36,803	412,240	449,043	442,726
Interest receivable	9,250				9,250	9,250
Dividend receivable	41,959				41,959	41,959
Long-term receivables		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 at fair value through profit or loss	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
Debentures payable	189,000	189,000	8,175,500		8,553,500	7,986,500
Accounts payable and other payables	15,315,024				15,315,024	15,315,024
Interest payable	303,375				303,375	303,375
Dividend payable	16,746				16,746	16,746
Current portion of non-current liabilities	3,667,872				3,667,872	3,667,872
Other 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 payables		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
Net amount	(3,358,947)	(7,845,886)	(19,255,113)	8,146,678	(22,313,268)	(26,983,702)

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk (Continued)

A a 31 Dece be, 2016, e G ! a g c e f, a f a ca ! , l de e ! g , e e, e ! d , , de, a f , - e, a d g - e, de a d f , . g ca a.

A a e ba a ce ee da e, e G, ! ' f a ca g a, a ee , l ded e e, a a, e a, e a a ed be ba ed e a ! a ! a d e ea, e e, d c e g a, a ee c ! d be ca ed:

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk

Fixed and floating interest-bearing financial assets and liabilities expose the Group to interest rate risk. The Group's interest rate policy is based on the principle of prudence. The Group's interest rate risk arises from interest-bearing financial assets and liabilities. Financial assets and liabilities with floating interest rates expose the Group to cash flow interest rate risk. Financial assets and liabilities with fixed interest rates expose the Group to fair value interest rate risk.

(1) As at 31 December 2017, the Group had the following interest-bearing financial instruments:

	31 December 2017		31 December 2016	
	Interest rate (%)	Amount	Interest rate (%)	Amount
Fixed rates interest-bearing financial instruments				
Long-term receivable	2.58%-17.53%	12,880,540	2.58%-17.53%	13,220,242
Current portion of long-term receivable	2.58%-17.53%	4,314,250	2.58%-17.53%	3,941,689
Financial liabilities				
Short-term borrowing	1.30%~6.09%	3,917,219	0.65%-16.41%	6,280,953
Debentures payable	3.07%-3.89%	7,986,500	3.07%-3.89%	7,986,500
Current portion of long-term borrowing	2.53%-5.46%	1,281,655	2.65%-2.90%	800,000
Long-term borrowing	1.20%-7.03%	3,529,147	1.45%-6.37%	1,043,007
Other current liabilities	0.01%-1.00%	588,235	0.01%-1.00%	1,666,966
Other non-current liabilities	4.99%-12.00%	1,737,505	4.99%-12.00%	2,037,458
Total		(1,845,471)		(2,652,953)

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(All amounts are expressed in RMB'000 unless otherwise stated)
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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk (Continued)

(1) As at 31 December 2017, the Group's interest-bearing financial instruments: (Continued)

	31 December 2017		31 December 2016	
	Interest rate (%)	Amount	Interest rate (%)	Amount
Floating rates interest-bearing financial instruments				
Financial assets				
Cash at bank and on hand	0.30%-2.75%	5,596,314	0.30%-2.75%	6,325,998
Financial liabilities				
Current portion of long-term borrowings	1.775%+1M libor~6M libor+195bps	2,700,971	1M Libor+145bps~1M Libor+245b	2,725,710
Long-term borrowings	1.15%+1M libor~3M libor+240bps	20,611,021	1M Libor+145bps~6M Libor+310b	25,980,215
Short-term borrowings	6M libor+2.8%~1M libor+150bps	11,400,128	1M Libor+125bps~6M Libor+230b	9,448,834
Long-term payable	8.02%~12.86%	347,269	8.02%~12.86%	529,372
Current portion of long-term payable	8.02%~12.86%	100,609	8.02%~12.86%	138,312
Total		(29,563,684)		(32,496,445)

(2) Sensitivity analysis

As at 31 December 2017, assuming an increase/decrease of 25 basis points (31 December 2016: 25 basis points) in interest rates, with all other variables held constant, the Group's profit before tax would decrease/increase by approximately RMB55,432,000 and RMB55,432,000 (2016: RMB60,931,000 and RMB60,931,000, respectively).

The sensitivity analysis above indicates the instantaneous change in the Group's profit before tax that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In addition, the Group's profit before tax is affected by the impact on floating rate borrowings and deposits when such interest expense or income is expected to be recognised in profit or loss in the next year. The analysis is performed on the same basis for 2016.

Case XIII

A A

For the year ended 31 December 2017
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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

4. Foreign exchange risk (Continued)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

4. Foreign exchange risk (Continued)

(3) Sensitivity analysis

A g e , a abe e a e e c a ge , a e a c a ged, e e c a ge , a e f e RMB aga e U.S. d a a d H g K g d a ca ed e RMB a , ec a e b 2.30% a d 2.27% 31 Dece be 2017 (RMB e c a ge , a e aga e U.S. d a a d H g K g d a ca ed e RMB de , ec a e b 2.80% a d 2.70% a f 31 Dece be 2016). A e a e e, RMB e c a ge , a e aga e e , a d e Ja a e e e de , ec a ed e a e f e RMB b 3.06% a d 1.22% (31 Dece be 2016, e e c a ge , a e f e RMB aga e e , a d e Ja a e e e de , ec a ed e RMB b 2.80% a d 1.90%), a d e f g c ea e/(dec ea e) a e de e a d e , f . T effec c e ed RMB a e e c a ge , a e eba a ce ee da e.

	E	Ne f
31 Dece be 2017		
USD	124,096	124,096
EUR	29,792	29,792
HKD	(1,263)	(1,263)
JPY	669	669
T a	153,294	153,294
31 Dece be 2016		
USD	(415,669)	(415,669)
EUR	26,128	26,128
HKD	(2,115)	(2,115)
JPY	1,716	1,716
T a	(389,940)	(389,940)

A a 31 Dece be 2017, e a a e , a abe , e a c a ged, e e c a ge , a e c a ge f RMB d a a d H g K g d a de a ed RMB2.30% a d 2.27% (31 Dece be 2016 e e c a ge , a e c a ge f RMB aga US d a a d H g K g d , , e c ade RMB a , ec a 2.80% a d 2.70%), a d e e c a ge , a e c a ge f RMB aga e , a d e ade RMB , e. T e a e f 3.06% a d 1.22% (RMB e c a ge , a e c a ge f e , e b aga e e , a d e 31 Dece be 2016 a d e a , ec a f RMB2.80% a d 1.90%) ead e a e c a ge e e a d , f a d f a e de , a d e a e b e d , ec .

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates

The following table analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The following table presents the Group's assets that are measured at fair value at 31 December 2017:

Assets	Note	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at fair value through profit or loss					
Investment funds	IV.2	183,303	–	–	183,303
Derivative financial assets	IV.2	–	328,751	–	328,751
Hedging derivatives	IV.2	–	1,360	–	1,360
Available-for-sale financial assets	IV.11	3,995	436,661	–	440,656
Financial assets		187,298	766,772	–	954,070
Non-financial assets					
Investment properties	IV.14	–	–	1,679,189	1,679,189
Total		187,298	766,772	1,679,189	2,633,259

Liabilities	Note	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	IV.26	–	(3,025)	–	(3,025)
Hedging liabilities	IV.26	–	–	–	–
Financial guarantee contracts	IV.26	–	–	(37,807)	(37,807)
Total		–	(3,025)	(37,807)	(40,832)

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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)

T ef g abe e eG ' a e a d ab e a a e ea ed a fa a e e ab e ee e e a a 31 Dece be 2016:

Assets	N e	Le e 1	Le e 2	Le e 3	T a
Financial assets					
F a ca a e a fa a e g f					
I e e e ed f ad g	IV.2	138,072			138,072
De a e f a ca a e	IV.2		326,969		326,969
Hedg g e	IV.2		1,306		1,306
A a ab e-f - a e f a ca a e	IV.11	2,441	30,803		33,244
F a ca a e a		140,513	359,078		499,591
Non-financial assets					
I e e e	IV.14			1,752,608	1,752,608
T a		140,513	359,078	1,752,608	2,252,199

Liabilities	N e	Le e 1	Le e 2	Le e 3	T a
F a ca ab e a fa a e g f					
De a e f a ca ab e	IV.26		(15,838)		(15,838)
Hedg g e	IV.26		(4,244)		(4,244)
F a ca g a a ee c ac	IV.26			(57,419)	(57,419)
C ge c de a				(125,540)	(125,540)
T a	IV.26		(20,082)	(182,959)	(203,041)

T e G a e eda e a e cd ed c e g f ca a fe be ee e ee e e a e f a fe. D g e ea, e e e g f ca a fe be ee Le e 1 a d Le e 2 e e Le e 2 a d Le e 3.

F aded ac e a e f a ca e e g ea e fa a e a ac e a e ce; f aded ac e a e f a ca e e g e a a ec e de e e fa a e. Va a de a ed a e ed c ed ca f de a d a e c a abe c a de e c. I a e f e a a ec e c de e f ee e e a e, be c a e e a e, e c a ge a e, c ed ead, d e , EBITDA e, e ac f d d c e c.

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 Group adopted the discounted cash flow method for the fair value measurement of investment properties. The expected cash flow is determined by considering the expected rental growth rate, void period, maintenance requirements, etc.

The following table presents the reconciliation of Level 3 fair value measurements:

	Investment properties

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For the year ended 31 December 2017
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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 presents the fair value measurement using significant unobservable inputs (Level 3):

	Fair value as at 31 December 2017	Valuation techniques	Significant unobservable inputs			
			Name	Scope/ weighted average	Relationship with fair value	Observable/ Unobservable
Investment property			Rate of return/capitalisation rate	6%-8%		
Completed investment property	1,265,466	Income model	Monthly rental (RMB/square meter/month)	7-98	(a)	Unobservable
			Budgeted construction cost to be incurred (RMB/square meter)	650-4,600		
Land use right	413,723	Cost model	Anticipated developer's profit margin	9%-12%	(a)	Unobservable
		Direct comparison	Market price (RMB/square meter)	450-2,200	(a)	Unobservable

(a) The relationship between unobservable inputs and fair value is as follows:

- The higher the rental/capital appreciation rate, the higher the fair value;
- The higher the expected vacancy rate, the lower the fair value;
- The higher the rate of return, the lower the fair value;
- The higher the appreciation, the higher the fair value;
- The higher the budgeted construction cost to be incurred, the lower the fair value;
- The higher the anticipated developer's profit margin, the lower the fair value.

	Fair value as at 31 December 2016	Valuation technique	Significant unobservable inputs			
			Name	Scope/ weighted average	Relationship with fair value	Observable/ Unobservable
Investment property			Rate of return/capitalisation rate	6%-8%		
Completed investment property	1,139,285	Income model	Monthly rental (RMB/square meter/month)	7-95	(a)	Unobservable
			Budgeted construction cost to be incurred (RMB/square meter)	650-4,600		
Land use right	613,323	Cost model	Anticipated developer's profit margin	9%-12%	(a)	Unobservable
		Direct comparison	Market price (RMB/square meter)	450-2,200	(a)	Unobservable

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

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

T e -d e a e ed f aea e ea ed a e e f eb l a ea d e fa l a e e ed a e e e. A a 31 Dece be 2017, e G ' a e ca fed a a abe f ae c de l e e e f 26,401,000, f ed a e f 91,825,000, a gbea e f 102,665,000 a d c c ge f 14,312,000 ea ed a fa l a e e d a e e e (N e IV.8). T e fa l a e e a ed ba ed e e e l a e fe a ed f eca f (26,401,000, 124,243,000, 124,260,000 a d 21,885,000), c be g e dee.

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

F a ca a e a d ab e eg ea ed b ea ed c e d f c d g: acc ece abe, - e b g, acc a abe, g- e b g, debe e a abe, g- e a abe e c.

A a 31 Dece be 2017, a f a ca e a eca ed a a ae a d ffe e f e fa l a e.

T e a ac l a e f b d a abea d fa l a e de ed b e a ea ac l e a e, c be g ef ee. Fa l a e f g- e b g, g- e a abe a d debe e a abe ac l e a e de ed b e d c ed f eca f f ec ac acc da ce e a c a abea d ffe e a eca f de e a ec d , c be g e d ee.

(4) Estimation and assumption of fair values

T e f g a e e a e d a da ed e a g e fa l a e f f a ca a e a fa l a e g f a d f a ca ab e a fa l a e g f , a a abe-f - a e f a ca a e eba a ce ee da e.

(a) Equity investments

Fa l a e ba ed ed a e ce a eba a ce ee da e f fa l a e f f a ca a e a fa l a e g f a d f a ca ab e a fa l a e g f (e c d g de l a l e), a d a a abe-f - a e f a ca a e f e e a ac l e a e.

(b) Receivables

T e fa l a e e a eda e e e l a e f e f eca f , d c eda e a e e a e a eba a ce ee da e.

(c) Borrowings, debentures payable, long-term payables and other non-derivatives financial liabilities

T e fa l a e f b g, debe e a abe, g- e a abe a d e -de l a l e f a ca ab e e a eda e e e l a e f f eca f , d c eda e a e, a e f e e a eba a ce ee da e.

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(4) Estimation and assumption of fair values (Continued)

(d) Derivatives

Te fa L a e ff a de c age c ac e e ba ed e ed a e ce b d c g ec ac a f a d ce a dded c g ed e a e. Te fa L a e f e e a e a ba ed b e . Te e a e ed f ea abe e b d c ge a ed f eca f ba ed e e a d a f feac c ac a d g a e e e a e f a a e e a e e a e ea e e da e.

(e) Financial guarantees

Te fa L a e ff a ca g a a ee ed de e ed b efe e ce fee c a ged a a e g a ac f a e ce, e c f a ba abe, e e a ed b efe e ce e e a ed ffe e a, b c a g e ac a a e c a ged b e de e e g a a ee ade a a abe e e a ed a e a e e de d a e c a ged, ad e g a a ee bee a a abe, e e abe e a e f c f a ca be ade.

XV. CAPITAL MANAGEMENT

Te G ' bec e f a ag g ca a a e afe a d e g ' ab f a abe de e e de L de e f a e de a d be ef f e a e de a d a a a a ca a c e ed ce ec f ca a.

I de a a ad e ca a c e, e G a ad e a f d de d ad a e de e ca a a e de, e e a e e ed ce deb.

Ta ca a f e g a e de ' e ec da ed baa ce ee. Te g bec e e a a da ca a e e , a d e deb a e a ca a.

Te G ca a e ba f Deb -A e a. T a ca ed a a ab e d ded b a a e.

I 2017, e G a age ca a a b c g e Deb -A e a e ceed 70% (2016: e ceed 70%). Te Deb -A e a a a 31 Dece be 2017 a d 2016 e ea f :

	31 December 2017	31 Dece be 2016
Ta Lab e	87,366,945	85,479,956
Ta A e	130,604,379	124,614,748
Deb -A e a	66.89%	68.60%

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XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS

1. Cash at bank and on hand

	31 December 2017	31 December 2016
Bank deposits	1,360,476	2,647,574
Other cash balances	6,400	12,648
	1,366,876	2,660,222
Including: cash abroad	–	519

As at 31 December 2017, restricted cash balances and deposits for the Company's pledged bank loans amounted to 31,146,000 (31 December 2016: 2,752,000).

As at 31 December 2017, restricted deposits for the Company's Foreign Exchange Control Policy, amounted to 1,000,000,000 (31 December 2016: 942,000,000).

2. Dividends receivable

	31 December 2017	31 December 2016
CIMC Hong Kong	3,210,156	3,435,198
SCIMC	592,706	592,706
SCIMCEL	462,372	462,372
CIMCVG	398,970	
CIMCVL	156,034	149,577
TJCIMCLE	48,915	48,915
Model Logic	29,146	29,146
SCIMCEL	19,263	19,263
Tank Kangde Logistics Equipment Co., Ltd	411	411
XHCIMC	396	
CIMC Wood	–	874
QDSV	–	17,356
Total	4,918,369	4,755,818

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

3. Other receivables

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

	31 December 2017	31 Dece be 2016
A d e f ea ed a e	13,104,034	13,109,464
De a d a g	14,739	15,711
O e	82,949	10,821
S b- a	13,201,722	13,135,996
Le : l f bad deb	(4,580)	(4,580)
T a	13,197,142	13,131,416

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

	31 December 2017	31 Dece be 2016
W 1 ea (l c l e)	9,713,039	9,642,304
1 2 ea (l c l e)	684,266	1,530,022
2 3 ea (l c l e)	1,434,185	574,631
O e 3 ea	1,370,232	1,389,039
S b- a	13,201,722	13,135,996
Le : l f bad deb	(4,580)	(4,580)
T a	13,197,142	13,131,416

T e age g ca d a ed a g f e da e e ec ab e ec g ed.

A a 31 Dece be 2017 a d 31 Dece be 2016, e C a d d a e l e d e ec ab e a e a ed.

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

3. Other receivables (Continued)

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

	31 December 2017				31 Dece be, 2016			
	Ending balance		Provision for doubtful debts		E d gbaa ce		P, v f, d! b! deb	
	Amount	% of total balance	Amount	% of total balance	A !	% f a baa ce	A !	% f a baa ce
O e, ecq abe a ! a a, e d d a g fca	13,161,642	99.70%	–	–	13,066,919	99.47%		
O e, ecq abe a ! a a, e d d a g fca	40,080	0.30%	4,580	11.43%	69,077	0.53%	4,580	6.63%
T a	13,201,722	100.00%	4,580	0.03%	13,135,996	100.00%	4,580	0.03%

T e, e e c a e, a a e C a e d f , e, ecq abe a e, e ade a, e af , e a d.

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

A a 31 Dece be, 2017 a d 31 Dece be, 2016, e C a a e, ecq abe a ! a a, e d d a g fca a d a e, ea ed , v f , d! b! deb , v ded e d d a ba .

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

A a 31 Dece be, 2017 a d 31 Dece be, 2016, e C a a e, ecq abe a ! a a, e d d a g fca b a e, ea ed , v f , bad deb , v ded e d d a ba .

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F , e ea, e ded 31 Dece be, 2017
(A a ! RMB'000 e e, e a ed)
(E g T, a a f, Refe, e ce O)

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

3. Other receivables (Continued)

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

	31 December 2017	31 Dece be, 20161 0 e1(1, e0150.027.819 0 9

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

3. Other receivables (Continued)

(9) As at 31 December 2017, the five largest other receivables are analysed as follows:

	Nature	Amount	Aging	% of total balance	Provision for doubtful debts
CIMC H g K g	d a fe da a fe	3,761,960	W 1 ea, 1 2 ea	28.50%	
J C&C T c.	d a fe	1,417,182	W 1 ea, 1 2 ea , 2 3 ea , e a 3 ea	10.73%	
H g Be g	d a fe	1,079,848	1 2 ea	8.18%	
CIMC Lea g	d a fe	865,250	1 2 ea	6.55%	
CIMC RAFFLES	d a fe	876,402	1 2 ea	6.64%	
		8,000,642		60.60%	

T e C a ' f e a ge e ecea abe a a 31 Dece be 2016 a ed 7,609,722,000 a d acc g f 57.93% f e a e ecea abe .

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

A a 31 Dece be 2017 a d 31 Dece be 2016, a d e f a e de d g e a 5% (c d g 5%) f e g g f e C a c ded e ab e ba a ce f e ecea abe .

(11) Receivables from related parties

	Relationship with the Company	31 December 2017 Amount	31 December 2017 % of total balance	31 Dece be 2016 A	31 Dece be 2016 % f a ba a ce
A cae	A cae	82,252	0.62%	575,378	4.38%
S b da e	S b da e	13,021,782	98.64%	12,534,086	95.42%
T a		13,104,034	99.26%	13,109,464	99.80%

(12) Other receivables derecognised due to transfer of financial assets

A f Dece be 31 2017, e e e e ecea abe dec g ed d e a fe ff a ca a e f e C a e d e ea (31 Dece be 2016: N).

(13) Amount of assets and liabilities recognised due to the continuing involvement of securitised other receivable

A f Dece be 31 2017, e e e ed ed e ecea abe d g ea (31 Dece be 2016: N).

F e ea e ded 31 Dece be 2017
(A a RMB'000 e e e a ed)
(E g T a a f Refe e ce O)

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

4. Available-for-sale financial assets

	31 December 2017	31 Dece be 2016
Mea ed a c		
A a ab e-f - a e e (1)	391,970	391,970
Le : L f a e	(3,065)	(3,065)
	388,905	388,905

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

A a ab e-f - a e f a c a a e ea ed a c :

	31 Dece be 2016	I c ea e c e ea	Dec ea e c e ea	31 December 2017	S a e d g (%)	Ca d de d dec a ed
A a ab e-f - a e e C BOCM Sc de S d Ma age e	8,125			8,125	5.00%	
C a Ra a U ed L g c	Be a Y a 0 -1.332998.0 16.97 1,70a46 - 1 Tf4.297 0 Td(8,125)T /T1 1 Tf6.203 0 Td(5.00%)T 8.391					

XVI.

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

5. Long-term equity investments (Continued)

(1) Subsidiaries (Continued):

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

6. Fixed asset

	Plants and buildings	Machinery and equipment	Office and other equipment	Total
Original cost				
31 December 2016	115,451	24,240	124,075	263,766
Transfer from construction in progress	33,294	3,604	18,105	55,003
Decrease in current year	–	(88)	(10,191)	(10,279)
31 December 2017	148,745	27,756	131,989	308,490
Accumulated depreciation				
31 December 2016	(48,594)	(18,219)	(94,581)	(161,394)
Depreciation charged in current year	(3,829)	(1,488)	(7,881)	(13,198)
Decrease in current year	–	79	9,154	9,233
31 December 2017	(52,423)	(19,628)	(93,308)	(165,359)
Net book value				
31 December 2016	66,857	6,021	29,494	102,372
31 December 2017	96,322	8,128	38,681	143,131

The amount of depreciation charged for the year ended 31 December 2017 amounted to RMB13,198,000 (2016: RMB12,772,000).

The carrying amount transferred from construction in progress amounted to RMB55,003,000 (2016: RMB11,323,000).

7. Short-term borrowings

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

	31 December 2017	31 December 2016

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

11. Other payable

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

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

13. Long-term borrowings

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

	31 December 2017	31 Dece be 2016
Bank borrowings		
U ed ed	1,322,000	1,621,000

A a 31 Dece be 2017, e e e ded e g- b g f c ed a a e e ded (31 Dece be 2016: N).

A a 31 Dece be 2017, e e e a e f g- b g a ged f 1.20% 4.45% (31 Dece be 2016: 1.20% 3.65%).

14. Debentures payable

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15. 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

	31 December 2017		31 Dece be 2016	
	Deductible/ (taxable) Temporary differences	Deferred tax assets/ (liabilities)	Ded c b e/ (a ab e) Te a d ffe e ce	Defe ed a a e / (ab e)
Defe ed a a e :				
E ee be ef a ab e	291,949	72,986	205,760	51,440
M e e f fa a e f f a ca a e a fa a e g f	614	154	3,360	840
S b- a	292,563	73,140	209,120	52,280
Off e ga	–	–		
Offsetting balances	292,563	73,140	209,120	52,280
I c d g:				
A e a ed e e e 1 ea (c e)		73,140		52,280

For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
(Explanations of References are in Chapter XII)

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

16. Capital surplus

	1 January 2017	Increase in current year	Decrease in current year	31 December 2017
Share premium	3,601,855	73,823	–	3,675,678
Other capital reserves:				
Exchange reserve from foreign currency capital	687	–	–	687
Deemed contribution from equity shareholders	87	–	–	87
Effect of equity-based payment	253,012	–	(30,077)	222,935
Others	(568,492)	–	–	(568,492)
Total	3,287,149	73,823	(30,077)	3,330,895

	1 January 2016	Increase in current year	Decrease in current year	31 December 2016
Share premium	3,589,082	12,773		3,601,855
Other capital reserves:				
Exchange reserve from foreign currency capital	687			687
Deemed contribution from equity shareholders	87			87
Effect of equity-based payment	258,211		(5,199)	253,012
Others	(568,492)			(568,492)
Total	3,279,575	12,773	(5,199)	3,287,149

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

17. Other comprehensive income

	1 January 2017	Amount incurred in current year		31 December 2017
		Pre-tax amount incurred in current year	Post-tax amount attributable to the Company	
Items that will be reclassified subsequently to profit or loss:				
Provision for impairment	43,754	–	–	43,754

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

For the year ended 31 December 2017
(All amounts are stated in RMB'000 unless otherwise stated)
(English translation of Financial Statements originally issued in Chinese)

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

20. Financial expenses – net

	2017	2016
Interest expenses	537,640	313,968
Less: Interest income	(332,379)	(203,925)
Exchange gains and losses	469,649	(468,808)
Others	15,150	5,157
Total	690,060	(353,608)

21. Profit arising from changes in fair value

	2017	2016
Financial assets at fair value through profit or loss		
– Gains from financial assets held for trading	2,747	10,895

22. Investment income

(1) Investment income by projects

	2017	2016
Income from long-term equity investments accounted for using the cost method	947,752	1,242,065
Income from long-term equity investments accounted for using the equity method and investments in associates and joint ventures	4,000	8,000
(Loss)/income from disposal of long-term equity investments	(7)	7,225
Other income	7,904	1,775
Total	959,649	1,259,065

23. Non-operating income

(1) Non-operating income by categories:

	2017	2016
Government grants	–	33,047
Others	7,408	10
Total	7,408	33,057

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

23. Non-operating income (Continued)

(2) Details of government grants

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

26. Notes to the cash flow statement

(1) Supplementary information to the cash flow statement:

(a) Reconciliation from net profit to cash flows from operating activities:

	2017	2016
Ne f	79,106	1,827,623
De ec a ff ed a e	13,198	12,772
A a f a gbea e	259	259
A a f g- e e ade e e	11,103	7,107
L /(P f) d a ff eda e , a gbea e	647	(50)
P f c a ge fa a e	(2,747)	(10,895)
F a ca e e e	777,404	101,868
I e e c e	(959,649)	(1,259,065)
(I c ea e)/Dec ea e defe ed a a e	(20,860)	164,168
I c ea e e a g ecea abe	(140,627)	(478,098)
Dec ea e/(I c ea e) e a g a abe	1,771,143	(5,160,495)
Ne ca f /(f) f e a gac e	1,528,977	(4,794,806)

(b) Net change of cash and cash equivalents:

	2017	2016
Ca a d ca e a e e d f e ea	335,730	1,715,470
Le : ca a d ca e a e beg g f e ea	1,715,470	652,865
Ne (dec ea e)/ c ea e ca a d ca e a e	(1,379,740)	1,062,605

(2)

For the year ended 31 December 2017
(Amounts are expressed in RMB'000 unless otherwise stated)
(Explanation of Reference Only)

SUPPLEMENTARY TO THE FINANCIAL STATEMENTS

1. STATEMENT OF NON-RECURRING PROFIT OR LOSS

	2017	2016
Profit and loss from disposal of non-current assets	15,635	264,552
Government grants recognised through profit or loss for the current period	472,626	497,336
Gains arising from changes in fair value of financial assets held for trading and financial liabilities held for trading, and investment income from disposal of financial assets held for trading and financial liabilities held for trading and available-for-sale financial assets, except for effective hedging activities relating to the Company's normal business operations	125,295	399,704
Income from entrusted investment or asset management	458,808	361,353
Other non-operating income and expenses other than the above	335,255	139,625
Other profit and loss items that meet the definition of non-recurring profit or loss	143,549	(1,362,915)
Effect of income tax	(326,880)	(422,180)
Effect of minority interests (after tax)	(82,114)	150,765
Total	1,142,174	28,240

Note: After the reclassification of items of non-recurring profit or loss as mentioned above.

Basis for preparation of statement of non-recurring profit or loss

Under the Explanatory Notice No.1 for the Information Disclosure of Companies Offering Securities to the Public [2008] of CSRC, non-recurring profit or loss refers to the profit or loss generated from transactions or matters which are irrelevant to the normal business operations of the Company, or which, although relevant to the normal business operations, are of a one-off nature or occur occasionally, and which have significant impact on the profit or loss for the year.

C a e XIII

F e ea e ded 31 Dece be 2017
(A a RMB'000 e e a ed)
(E g Ta a f Refe e ce O)

2. RETURN ON NET ASSETS AND EARNINGS PER SHARE

I acc da ce I e e P ce e e P e a a f I f a D c e f C a e I g P b c S a e N. 9 Ea g e a e a d e e a e (2010 ed) a d e a e f acc g a da d, ecad a fea g e a e a d e e a e f e C a eda f :

Case XIV

According to the Law and Measures of the PRC Securities Law and Measures of Implementation of the Code of Conduct for Securities Officers issued by the CSRC, and the Decision of the Management of the Securities Exchange Commission on the Amendment of the Securities Law and Measures of Implementation of the Code of Conduct for Securities Officers, the Securities Exchange Commission has decided to amend the Securities Law and Measures of Implementation of the Code of Conduct for Securities Officers, and to add the following provisions to the Securities Law and Measures of Implementation of the Code of Conduct for Securities Officers.

C a e XV

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T ef gd c e be a abef ec a e ead a e f eC a Se e ,e e b e,ee a ,eg a , a , e a dSa e de acc da ce C e e a a d,eg a , eA ce fA ca :

1. T ea a e , gedb ec a a .
2. T ef a ca ae e de e a d a d ea f e ega ,e e a e a , ed e , e e c a ge facc gaffa a d e ead f e acc gde a e (acc g ff ce).
3. T e , g a f e a d , e , de e ea f Acc a F a d de e a d a d ea f Ce fed P b c Acc a .
4. T e , g a c e f e d d e a d a ce e f e C a b ed e e a e a edb e CSRC d , g e Re , g Pe d.
5. C e f ea C e e a d E g a ce e f e C a b ed e eb e f H g K g S c E c a ge a d e C a d , g e Re , g Pe d.
6. T e A ce f A ca .

CIMC R&D Center, No.2 Gangwan Avenue, Shekou,
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