CIMC

TRANSFORMATION

UPGRADING

NEW

GROWTH

转型升级

开创新局



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") of the Company is pleased to present the audited consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2017.

The 2017 annual report (the "Report") has been prepared in accordance with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"). The Report has been reviewed by the Audit Committee of the Board (the "Audit Committee").

The financial information of the Group for the year ended 31 December 2017 set out in the Report has been audited by Ernst & Young, certified public accountants, in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young has issued an unqualified opinion on the financial statements of the Group for the year ended 31 December 2017.

The proposed final dividend of the Company for the year ended 31 December 2017 is RMB2.70 (tax inclusive) per 10 ordinary shares, totaling approximately RMB1,000 million. The proposed final dividend is subject to the approval of the shareholders of the Company (the "Shareholders") at the annual general meeting of the Company for the year ended 31 December 2017 (the "2017 AGM"). The proposed final dividend will be distributed to the Shareholders whose names appear on the register of members of the Company on the record date for the 2017 AGM.

Mr. Wang Hong, the Chairman of the Company, Mr. Ma Bin, CEO and Executive Director, and Mr. Zeng Han, General Manager of the Company, attended the annual general meeting of the Company for the year ended 31 December 2016 held on 30 June 2017 (the "2016 AGM"). The Chairman of the Board presided over the 2016 AGM. The Company has arranged sufficient time for Shareholders to raise questions at the 2016 AGM. The Chairman of the Board, the Chairman of the Audit Committee and the Chairman of the Nomination and Remuneration Committee of the Board answered questions raised by Shareholders at the 2016 AGM.

Mr. Wang Hong, Executive Director and Chairman of the Company, Mr. Ma Bin, Executive Director and CEO of the Company, Mr. Zeng Han, Executive Director and General Manager of the Company, Mr. Wang Yuhang, Non-executive Director of the Company, Mr. Shi Jialiang, Mr. Xu Ping and Mr. Lin Zhiling, Independent Non-executive Directors of the Company, attended the 2016 AGM.

F e f Re e ec e e e e , ef g a 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 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 e Sc e e	a e ce 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 , ed a e e a d a ge e a ee g f e C a 17 Se e be 2010.
A ce f A ca	T e A ce 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 fc 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 Raffe	

Sa e de( )	e de( ) fA a e( ) a d H a e( ) f e C a .
Se e L gR e	R e G e g e L g f Sec , e e S e e S c. E c a ge.
Se e S c. E c a ge	e S e e S c. E c a ge.
S e ( )	e e ( ) f e C a .
S e C ee	e S e C ee f e C a .
SESKYC	S e e S. Ca a C ., L d. (深圳天億投資有限公司), a c a c , a ed e PRC 2011 a d a - ed b da f e C a .
US$ U.S. d a	U ed S a e d a , e a f c , e c f e U ed S a e f A e ca.
Zege	Abe Zege G bH, a c a c , a ed Ge a a d a - - ed b da f e C a .
%	e ce age.

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 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 d a c 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 .

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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

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S c. E c a ge c A S a e a e L ed:	S e e S c. E c a ge
Abb e a ed S c. Na e f A S a e:	CIMC
S c. C de:	000039
S c. E c a ge c H S a e a e L ed:	H gK g S c. E c a ge
Abb e a ed S c. Na e f H S a e:	CIMC, ZJHD (N e)
S c. C de:	02039, 299901 (N e)

N e: B e abb e a ed c. a e a d e c. c de e e ed b e g a BS a e de f e C a e PRC e ec f e, ad g f HS a e f e C a af e HS a e f e C a e ed e H gK g S c. E c a ge.

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H gK g S a e Reg a:	C e a e H gK g l e Se ce L ed R 1712-1716, 17 F , H e e Ce e, 183 Q ee ' R ad Ea , Wa C a, H gK g
H gK g La e :	Pa Ha g 21-22/F, Ba . f C a T e, 1 Ga de R ad, Ce a, H gK g
PRC La e :	C e ce & F a ce La Off ce 6/F, NCI T e, A12 Ja g e a A e e, Be g, PRC
A d :	P ce a e e C e Z g Ta LLP 11 F , P ce a e e C e Ce e, 2 L . S a e, 202 H B R ad, H a g D c, S a g a, PRC
T e Ce fed P b c Acc a a e S g a e:	Z We a , Ca Z fe g

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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

	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 Thousand

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

Key financial data	2017	2016	Change from the previous year (%)	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 and 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 financial data disclosed or net profit and total net cash flow from operating activities in the financial data disclosed in quarterly reports

☐ Yes ✓ No

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U : RMB a d

Ie	2017	2016 (Re a ed)	2015
Ga /( ) d a f -c e a e	15,635	264,552	(17,588)
G e e ga ec g ed f f e c e d	472,626	497,336	298,893
Ga e f c a ge fa a ea g f d g f a ca a e a fa a e g f a d f a ca ab e a fa a e g f a d e ga a g f d a ff a ca a e a fa a e g f f a ca ab e a fa a e g f a d a abe-f - ae f a ca a e , d ga e f c a ge fa a e f e e e b e ea ed a fa a e, e ce f e effec e edg gac e ea g eG ' d a ac e	125,295	399,704	122,659
Ne ga f d a f g- e e e Re e a acc ece abe ded f bad deb a d d a ba	458,808 –	361,353	3,333 12,461
O e - e a g c ea de e e e a e ab e e	335,255	139,625	(18,689)
O e f/ e def ed a ec g f/ e	143,549	(1,362,915)	18,330
Effec f c e a	(326,880)	(422,180)	(101,996)
Effec f e e (af e a)	(82,114)	150,765	(42,435)
T a	1,142,174	28,240	274,968

Rea a de a a eC a ' ec g f e a def ed de eE a a A ce e N.1 If a D c eb C a e Offe g Sec e e P bc N -Red g P f L (e E a a A ce e N.1) a d e ed g f e c a e ed a ec g f e de e e e f eE a a A ce e N.1.

☐ A cabe ✓ N A cabe

T e C a dd def e ec g f e a def ed a d ed de eE a a A ce e N.1 a ec g f e d g e Re g Pe d.

V. Financial Assets and Financial Liabilities

Unit: RMB Thousand

	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
Financial assets:					
1. Financial assets at fair value through profit or loss (excluding derivative financial assets)	138,072	56,175			183,303
2. Derivative financial assets	326,969	20,202			328,751
3. Hedging instruments	1,306		3,734		1,360
4. Available-for-sale financial assets	33,244		(2,776)		440,656
Sub-total of financial assets	499,591	76,377	958		954,070
Investments in other equity instruments	1,752,608	5,344	446,976		1,679,189
Total	2,252,199	81,721	447,934		2,633,259
Financial liabilities	(203,041)	29,595			(40,832)
Total	2,049,158	111,316	447,934		2,592,427

VI. Analysis of Differences between Financial Statements Prepared under Accounting Standards for Business Enterprises and under International Financial Reporting Standards

1. Differences between net profit and net assets disclosed in financial reports prepared under CASBE and IFRS

☐ Applicable ✓ Not applicable

2. Differences between net profit and net assets disclosed in financial reports prepared under overseas accounting standards and CASBE

☐ Applicable ✓ Not applicable

3. Reasons for differences in accounting data adjusted due to differences in accounting standards

☐ Applicable ✓ Not applicable

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 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 ed fa ,abe ,e d , g e Re , g Pe d, e, a a ,e e a d , 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 ,ed ca e e , e b g b a e c a g e b ea f g , a d 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 g e e f e a a c a ce , . T e G , e a ded c e ,a g 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 , e 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

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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%.

I

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 e c 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 g ad a ec e ed. D g e Re g Pe d, e c a b e f ee 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 ed ea f ee e e e f S 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 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 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 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

In 2017, the Group continued to implement its strategy of "Manufacturing + Services + Financing", and actively promoted the transformation and upgrading of traditional industries. Leveraging its strengths in industrial parks, the Group continued to develop and operate industrial parks, and provided customers with comprehensive solutions for industrial park development and operation. The Group also continued to develop and operate logistics parks, and provided customers with comprehensive logistics solutions. The Group's financial leasing business continued to develop steadily, and its asset scale and profitability increased steadily. The Group's asset management business continued to develop rapidly, and its asset scale increased significantly. The Group's industrial park development and operation business, logistics park development and operation business, financial leasing business and asset management business have become the Group's four major core businesses. The Group's core businesses have become more prominent, and the Group's profitability has been significantly enhanced. In 2017, the Group's revenue was RMB21,[illegible] billion, representing an increase of [illegible]% over the previous year.

Chairman's Statement

Overview

In 2017, the Chinese economy achieved steady growth with improved quality and efficiency. The Company actively responded to the changes in the macroeconomic environment and the capital market, and continued to implement its strategy of "Focusing on Financial Services, Leveraging on Industrial Platform". The Company continued to optimize its business structure and improve its risk management capabilities, and maintained a stable development momentum. In 2017, the Company was awarded the "Best Chinese Corporate Governance Award" by the Hong Kong Institute of Chartered Secretaries, the "Best Corporate Governance Award" by the Hong Kong Institute of Directors, the "Best Corporate Governance Award" by the Hong Kong Institute of Certified Public Accountants, the "Best

CONTRACT MANUFACTURING

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 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 Thousand

	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 container manufacturing business mainly includes dry cargo containers, reefer containers and special containers. The dry cargo containers mainly include 53-foot High Cube Containers, Standard Containers, Open Top Containers, Flat Rack Containers, Double Door Containers and Side Door Containers. For details, please refer to Note 1 of Section IV of this report.

In 2017, the container manufacturing industry continued to recover. The Group's container sales volume increased as compared with the same period last year. The Group's container sales revenue increased as compared with the same period last year. The Group's container gross profit increased as compared with the same period last year. Measures, such as the increase in container sales volume and the increase in container sales revenue, led to the increase in container operating profit as compared with the same period last year. The Group's container operating profit-to-net profit attributable to shareholders of the Company ratio increased as compared with the same period last year. The Group's container operating profit-to-net profit attributable to shareholders of the Company ratio increased as compared with the same period last year, mainly because the increase in container sales volume affected the increase in container operating profit to a greater extent than the increase in container sales revenue. Please refer to the analysis of changes in container sales revenue and container gross profit for the reasons for the increase in container sales revenue and container gross profit as compared with the same period last year. The increase in container operating profit was mainly due to the increase in container sales volume as compared with the same period last year.

In 2017, the environmental protection policies and regulations issued by the PRC government, such as the Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution (《大氣污染防治法》), and the implementation of the China Emission Standards for Container Manufacturing Industry, led to the increase in the Group's container manufacturing costs. The Group's container manufacturing costs increased as compared with the same period last year, mainly because the Group actively carried out the upgrade, transformation and technological innovation of water-based coating lines to meet the requirements of environmental protection policies and regulations. Before April 2017, the Group's water-based coating lines mainly adopted the Self-Discipline Convention on Container Manufacturing Industry* (《集裝箱行業自律公約》), and the water-based coating lines that failed to meet the requirements of

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 a 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, 3 a f 11 D e 3 a) a c a g a 0.5 e d , 3 a .5(a)d a0.5(c0.5(a) d c .5(c)a ac c0.5( ) T18.(e a e]TJ0.008 Tc 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 1 e 18.1(eage f 1 e G ed)75.21- a Reage aee e ea c 111120 37 1 d 1 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 ed b G 18795e e ae f a

In 2017, the global economy maintained a steady growth momentum. The economic recovery in the U.S. continued. The economic growth in the Eurozone was better than expected. The economic growth in Japan was also better than expected. The economic growth in emerging markets and developing countries was generally stable. The economic growth in China was also stable. The Chinese government implemented a proactive fiscal policy and a prudent monetary policy, and the economy operated within a reasonable range. The Chinese government implemented a proactive fiscal policy and a prudent monetary policy, and the economy operated within a reasonable range.

During the Reporting Period, the Group 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 square meters (2016: RMB14.695 million square meters), representing a year-on-year increase of 32.84%, and the average selling price was approximately RMB1,018 per square meter (2016: RMB767 per square meter), representing a year-on-year increase of 32.78%. The increase in the Group's contracted sales was mainly attributable to the increase in the sales area and the increase in the average selling price.

During the Reporting Period, CIMC Vehicles (Group) Co., Ltd. and its subsidiaries recorded revenue of approximately RMB [illegible] million, representing a year-on-year increase of [illegible]%. The increase in revenue was mainly attributable to the increase in the sales volume of trailers and the increase in the average selling price of trailers.

C a e IV

T e G ' b d a CIMC E c c a e gaged e de g , d e e , a fac , g e g ee g a d ae f a a , a , age a d , ce ge e de ed ee ec , , a e e e g , c e ca a d d f de e , a e a , f e a ec ca a d a e a ce e ce . I e e g a d c e ca e e , d c a d e ce a e ed , g C a a d a e e , ed S ea A a, E , e a d N , a d S A e ca ; a d f , d c ba e E , e, d f d e e , d c a d e ce a e ffe ed , d de. CIMC E c a e ab ed a d e a d ca e fea , g e , d' ca CIMC (地方智慧，全球營運) ba ed , d c ba e ca ed C a a d E , e.

I 2017, e a a , ce c ea ed, g ba a , a ga a e , ec e ed, , e g e a , a ga a e g ba , e ec a e acce e a g g f e f , a d e , f LNG. T e PRC g e e a c e , d ced a d e e ed a e e f ce c ce g e a f a , a ga , c g ec a , f a , c , e c , c a d e a a age e , a d a e N ce O Acce e a g e U a f Na , a Ga (《加快推進天然氣利用的意見》) ed b e Na a De e e a d Ref , e [a a e

[illegible] of SOE and acquired [illegible] Nantong CIMC Shanghai Offshore Engineering Co., Ltd. (南通中集太平洋海洋工程有限公司). Nantong CIMC SOE engaged [illegible] in the manufacturing and sales of offshore engineering equipment, and the acquisition of Nantong CIMC SOE [illegible] the Group to enter into the offshore engineering equipment manufacturing industry. Based on the valuation report issued by China Enterprise Appraisal Co., Ltd., the total consideration for the acquisition of Nantong CIMC SOE was RMB105,549,000 and was paid by CIMC Offshore to the shareholders of Nantong CIMC SOE. The acquisition was completed in 2017. For more details, please refer to the announcements published by the Company on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cimc.com) on April 16, 2017 and April 28, 2017.

Chemical equipment business segment: During the Reporting Period, CIMC Enric [illegible] the chemical equipment business segment. Due to the [illegible] the Group's chemical equipment business segment [illegible] the Group's chemical equipment business segment [illegible] 50% during the Reporting Period. In addition, the United States [illegible] the Group's chemical equipment business segment [illegible] CIMC Enric [illegible] 2017. During the Reporting Period, [illegible] the Group's chemical equipment business segment [illegible] the Group's chemical equipment business segment [illegible] In May 2017, [illegible] CIMC Enric [illegible] China-Europe Railway Express [illegible] the Group's chemical equipment business segment [illegible] CIMC Enric [illegible] [illegible]

Liquid food equipment business segment: [illegible] e .5([(:)37([illegible] 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 ab f a a d d , a ed c , c f g -e d ff , e e g ee, ge e a d 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, ge e C a a d q e a a 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, b e d, g a f, , e - b e, b e acc da a f, , ac d g a f, , ac acc da a f, , ga c , e ac , fb a , 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, g a 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 g a , ec q e a ed e g f, ec e e de e f a e q a a b e f, g b e a d, d c . S ce 2017, e a a , ce q e , e a f e, g b 2016 a d ff , e e e q e, e b ded.

U de e g f ca ac f e c edd , e d , a dd e e g f ca , e , de a , ed, e, q 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 , q e e f RMB2.485 b (2016: RMB4.306 b), , e e g a ea - - ea dec ea e f 42.28%; e e a ed RMB1,039 (2016: f RMB213), , e e g a ea - - ea c ea e f 388.82%.

Faced e q 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 q 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 q e g e g ee, g e a a d g -e d e ce d , ea , de ac q e e e a f, a f, a c a a a f fac , e , g e e a , e de c e ff , e e g ee, g b e . CIMC Off , e E g ee, g q e aged a q a age de g a dd d a f, , 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 a f, , , , c e , ff , e c e a d , ec ea a f g a f, . 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 e c 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-q e e ea e f, d g c b e ce e S C a Sea. CR600 a e d , 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, q e c 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 c 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 c e e d.

In recent years, driven by the rapid development of offshore oil and gas industry, the Group has accelerated the pace of transformation and upgrade. In 2017, CIMC Raffles entered into contracts for the construction of 4 sets of FPSO hulls with a total contract value of USD250 million, including Ocean Ambassador, ASC Asia Navigator, Asia Pacific Global Service and Sea Impala, the Belt and Road Project, successfully delivered Kaombo Norte FPSO, the first FPSO project undertaken by CIMC Raffles' overseas subsidiary, and commenced the construction of CIMC Raffles' first semi-submersible platform. In December, CIMC Raffles entered into contracts for the construction of 2 sets of FPSO hulls with a total contract value of approximately RMB1.1 billion, accelerating the construction of FPSO hulls and further consolidating its leading position in the industry. In addition, during the year, CIMC Raffles received 15 contracts for the construction of 2 deep water semi-submersible platforms, which will be delivered in 2018 and 2019, respectively.

In terms of R&D capabilities: Based on Technology, Based on Engineering, Ocean Engineering and Design & Research, the Group's R&D centers, including CIMC and CIMC Marine Engineering Academy Co., Ltd., focusing on the development of Qingdao Headquarters, Nanhai, Shanghai and Yantai, have been dedicated to the development of R&D capabilities in offshore engineering and the development of offshore engineering equipment. Currently, the Group has mastered the core technologies of the 7th-Generation Ultra-deep Semi-submersible Drilling Platform, the BT5000 Ecological Mid-deep Semi-submersible Drilling Platform, the FPSO, the deep water semi-submersible platform and other offshore engineering equipment.

The Group has established a complete management system for the construction of offshore engineering equipment, which covers the whole process from the design, procurement, construction, testing to delivery, and has obtained the relevant qualifications from the classification societies.

In 2017, the Group's offshore engineering equipment business recorded revenue of RMB8.195 billion (2016: RMB7.129 billion), representing a year-on-year increase of 14.95%; the gross profit was RMB86 million (2016: RMB359 million), representing a year-on-year decrease of 75.95%. The decrease was mainly due to the fact that the construction of some projects was in the early stage and the gross profit was relatively low.

A

T e G ' a , a e a e a , fac e e b e , g b d a e P e , CIMC Ta da a d Zege. T e G ' a e g a e a d ac ę e e g CFE e a 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 ę 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 ę 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 ę e a d e - c e ce d , e , ę ded g d ' ' e f , e a a ed g c e b e d , . T e a a bee c ea g c ce ed e ' e f ' ba a . g a d ce e G 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 ę e , b g g a ę e ac e a a . g fac e d , .

I 2017, e G ' ' a , fac 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 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 ę e ce b e ' c , b , e ' , 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 aed , g ec ge f , a aed g c , , ec c , ac g c e ę 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 , ę 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 ę e 95% f , ed e c , ec b d f , d , g e e a . 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 , ę e ce a g a d a bee ę ed C a , e e b ' , e , ę g , d c a a d ec , g - e de ę e .

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

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

- T e a , a , g b e : a a effec ę e a ę 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 Pe a de e Ta daf eG ad e, e a a e eag ee e .

Chapter IV

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

I 2017, c e ed fd e cec a d d , e c , g, CIMC F a ca Lea g C a ga ed a e , e, a dc , e g e ed e ega f d , a df a ce ac dffe 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 , d e e, c ed e d , - , f , , e d a e a , e d a a ge, ca e a d c ea ed c e e ad a ge , d c dffe e a . A e a e e, c ea ed, c , e g , d , e, , c c , ed a f e e d 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

C a e IV

Modular Building Business: CIMC M d a, a b da f eG , e,a e d a,b d gb e ,a d
de e ed a e e ce de f Ma fac , g + F a ce + Se ce eg,a g d , a d f a ce.
D , g eRe , gPe d, ,e ec f e e,a a a.e, CIMC M d a, f, e,e a ded E ga d,
A e ca, A ,a a, Ne Zeaa d, Af ca a d e c , e a d,eg eg,a ed c e e,e g ,
ca,ef d a ed e e a da a, e g a.e, a de a ded e g-e, ea ga a, e
a d e de, e a.e. F g e de e, f, ec f e,a a,e ed E g e a d
de ,e de ce a a, e f, ,d-e ed e, e, CIMC M d a, B d gl e e C a
L ed g ed , ec c ,ac A e,ca, e ga de, e b e a .I e A ,a a a d Ne
Zeaa d a.e, CIMC M d a, B d gl e e C a L ed ac ,ed a b,ea , g d,e e
a b a ed ,de f, g , e b d g a d b c afe e, ce fac e. A f, ed e c a.e,
CIMC M d a, a c ed ,e a , a , ec e d a b d g b e f ed e c a.e, a d
ec ca edge, e G, e b d f, e e a d ff ce b d g , ec e X g'a e, ce
de ,e. e AdIM F a ec e, ee ac ee 3.3%) 0G 2018 37.0 1 (C 17.0 1 a( ) 18 C 4 (e) 5 0 d 0.5 (e) 5 ( ) 5 ( ) 0 18 4 0 a 0 8 5 (Te) 0 1 5 (1.333 T D [( ) a 0
c g a d e GUS a e e , ef a e d d . a d , e G g - e g f , , a , a e e a g] TJ 0.0094 Tc 0.0856 T
c g b e a d G , 31 ef G e d a e e e c

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 . T e ef e, ed c ed a e de a d f c a e 2018 e a a a fa ab e e.

Chapter IV

In respect of the logistics services business, 2018, ec , de e f ec c g de cab age c ce , ec ge ad de , effec e ega g a , e ce ade ac g ega ad eg be ee d , e.I ege ca e be e ab ed e , f bg daa, e , a g ad a c ab a .I de ee de ad a gf e a f a ad , e f a 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.). , e f 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 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 d f , e e de e , ad 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 a.e, a d, eb df , 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 effce c, e , g a d ega , e e a da da a e e a e ec ed , gge de a d f E , ea a.e , a dde a d f , ac , ce , a-a e ce c ea e g fca d e e, ad eg a .

In respect of the airport facilities equipment business, 2018, eg ba a , , b e g ead , a d e ec ed a e b a d g b dge a d e, e a b 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 eg 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 d e e , a. g a a add e a. g e be fea b e a d effec e. I add , e e f a a ca a d , e a a bee g ad a , 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 , da df , - e c e f, a da ea. A e a d e e a a g , da df , - 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, e e a ue ad fa abe f eg ba ec 2018, e ed e cec e ec ed e c ead e ffe g d e f g. U de e c f S c Reg a ad c e c Sab , e ec ed ad e cca a c e g e ad a e ae c e e, gc ae ge f c ea g f ace c f ed e c f ace ea g d . S ce eg a f ce e f ace ea g d a c ae e ea ec , ad dffe e de e e a ac e, ue de e e a ad ead ac e e c de e e a a ada d e, fe a e a ad dffe e ae. T e 19 Na a C g e f e C Pa f C a, e Ce a Ec c W C fe e ce a d e Na a F a ca W C fe e ce a e a ed e ace fac ue g e g eg a e e gf a ca . P ce be ee ed b e g de e f e f a ca ec e e a ec ad g e, e- ce a ed f a ca eg a e , a d g eg a c e a d be e ed.

3.

L gf a d, 2018, e G e a egc g f Ma fac g + Se ce + F a ce, c e e e f a a d g ade f b e e, a de ed a fac g eg e a d e e ce eg e ba ed c e eed. T e G a c e e ue g ba e a gca ab e, e b e e a d a e, acce e a e c e g f d e, a d c ue ad a age d a ca . I e f ec gca g ade, b e de a d a age e ec a , e G e ef c a ue a d c . T e G a e g a c a ge e a e a d c ee e a f e e g g d e a d ua e b e e de ac e ec ed g a .

In respect of the container manufacturing business, 2018, f e a e b e e, ca g ua e g ade, e c e a d e a d c a e a de e a e e G ' c e c e ue e ec a e, a fac g b e, e e g e a d e a ce ea d g e c a e, a fac g g d e a d, ac e e e e e a e f c a b e e g e d c , a d a e c a . T e g f e, e acce e a e e g a d g a d e e f e d c e f c a e, b e e ge a fac e g a d g e c , a d c e ce e c c f e e g e f a ce ce e a d e d e e ce e, e a ce b e a age e ba ed e ERP (E e e Re ce Pa g) e c a d e e e c, c c e e a f e c. I e ec f e b e e a e G c e ace f a d c e c a a , e ab a de c b a f ue e e g d , a f d a da e d ec ue e e g c ab a , a d ac ue e e a d de e e e a b e a ea, c a c d c a e e, g c e e, e ue e a f ed e e g a g a d e a e a ec.

In respect of the road transportation vehicle business, 2018, CIMC Ve ce (G) c e ab e e g b e e, a ff b e g (e e a d)0.5(e)0.5 (b)06(g g)0.5 e a (ca e (b e) ,)37.2(e b e e g)17.2(ad g)0.5(f ec)0.5(ad ace e a d)0.5( )18. fe b e e a (e)0.5(a e)0.5 G c e ue ( )0.5(b e g)0.5 e c a d a c ue e a d e e a d g f ed g c e a e g a d c g e c d a ce e

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

In respect of the heavy truck business, 2018, CIMC Vehicles continued to implement the strategy of "Leading Technology, Quality and Service", and further enhanced its core competitiveness. Through the continuous improvement of product quality and service, the Company maintained its leading position in the industry. Meanwhile, the Company actively developed new products and new markets, and continued to optimize its product structure. The Company also strengthened the management of its dealer network and improved the efficiency of its sales channels. In addition, the Company continued to promote the application of new energy vehicles and intelligent logistics solutions, and actively explored new business models. During the year, the Company's heavy truck business recorded a steady growth in sales volume and revenue, and its profitability remained at a reasonable level. The Company will continue to focus on its core business and strengthen its competitive advantages in the future.

In respect of the airport facilities equipment business, 2018, the Company's airport facilities equipment business continued to maintain its leading position in the industry. The Company actively responded to the changes in the market demand and continued to optimize its product structure. The Company also strengthened the management of its supply chain and improved the efficiency of its production. In addition, the Company continued to promote the application of new technologies and new materials, and actively explored new business models. During the year, the Company's airport facilities equipment business recorded a steady growth in sales volume and revenue, and its profitability remained at a reasonable level. The Company will continue to focus on its core business and strengthen its competitive advantages in the future.

In respect of the city industry business, 2018, the Company's city industry business continued to maintain its leading position in the industry. The Company actively responded to the changes in the market demand and continued to optimize its product structure. The Company also strengthened the management of its supply chain and improved the efficiency of its production. In addition, the Company continued to promote the application of new technologies and new materials, and actively explored new business models. During the year, the Company's city industry business recorded a steady growth in sales volume and revenue, and its profitability remained at a reasonable level. The Company will continue to focus on its core business and strengthen its competitive advantages in the future.

In respect of the financial business, 2018, CIMC Capital Ltd. continued to implement the strategy of "Leading Technology, Quality and Service", and further enhanced its core competitiveness. Through the continuous improvement of product quality and service, the Company maintained its leading position in the industry. Meanwhile, the Company actively developed new products and new markets, and continued to optimize its product structure. The Company also strengthened the management of its dealer network and improved the efficiency of its sales channels. In addition, the Company continued to promote the application of new energy vehicles and intelligent logistics solutions, and actively explored new business models. During the year, the Company's financial business recorded a steady growth in sales volume and revenue, and its profitability remained at a reasonable level. The Company will continue to focus on its core business and strengthen its competitive advantages in the future. In 2018, CIMC Capital Ltd. achieved a net profit of approximately RMB36.9 million, a decrease of approximately RMB54.83 million, mainly due to the decrease in the fair value of the Company's investment in the financial business.

Audited financial statements

1. Audit report

Digitally signed report on the audited financial statements.

2. Audit opinion

☐ Adverse opinion ✓ No adverse opinion

Management report on the financial statements

Introduction

The Fund's financial statements have been prepared in accordance with the Fund's financial regulations. The Fund's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Fund's financial statements are prepared on a going concern basis. The Fund's financial statements are prepared in accordance with the Fund's financial regulations. The Fund's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Fund's financial statements are prepared on a going concern basis.

Activities

The Fund's financial statements have been prepared in accordance with the Fund's financial regulations. The Fund's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Fund's financial statements are prepared on a going concern basis. The Fund's financial statements are prepared in accordance with the Fund's financial regulations. The Fund's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Fund's financial statements are prepared on a going concern basis.

Financial performance

The Fund's financial statements have been prepared in accordance with the Fund's financial regulations. The Fund's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Fund's financial statements are prepared on a going concern basis. The Fund's financial statements are prepared in accordance with the Fund's financial regulations. The Fund's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Fund's financial statements are prepared on a going concern basis.

C a e IV

W e acc a f a ge- cae, e a ed a d a da d ed a age e e e, e ce a d ca ab e
e a ea f c a e a fac , g e e ea a d c , e e a d g ade , d e ,
e G , d ce e ea a age e c ce e eg , a d b g f a f c c, e
ca ab e a g eff c e , afe, g ee a d ea a fac , g ec ge a d , ce a age e
, e , e e ed b e ONE M de a d e QHSE ac b e eg e , ea e e g a f c
, e e .

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I e e a b e eg e c a e, ad a , a e c e, e e g , c e ca a d d f d
e e a d a , , fac e e e , e G a c eed d , a c da , g a e, e
f e, ge, a d ae , a d eg a ed c a , , d c a d a fac , g, e, ce a d

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 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 de a f e f e f e a ge d e ad e f e G , ea e efe (8) I f a f e a d e ad 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 Sa 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 de a 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 ' b ec S a 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 a , ea e efe I. P f D b f O d a S a e a d S a 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 S g f ca E e a d e IV. 49 C a e XIII F a ca S a 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 S a 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 , .

1.



C a e V

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(2) 10%

U : RMB ' a d

	Re e e	C f ae	G f a g	Yea - ea c a ge e e e	Yea - ea c a ge c f ae	Yea - ea c a ge g f a g
By industry						
C a e	25,046,697	21,145,197	15.58%	126.32%	113.81%	4.94%
R ad a a e ce	19,520,664	15,938,947	18.35%	32.84%	33.60%	(0.46%)
E g ce ca a d df de e	11,846,200	9,647,457	18.56%	26.65%	27.30%	(0.42%)
L g ce	8,195,452	7,406,255	9.63%	14.95%	16.62%	(1.30%)
By product						
C a e	25,046,697	21,145,197	15.58%	126.32%	113.81%	4.94%
R ad a a e ce	19,520,664	15,938,947	18.35%	32.84%	33.60%	(0.46%)
E g ce ca a d df de e	11,846,200	9,647,457	18.56%	26.65%	27.30%	(0.42%)
L g ce	8,195,452	7,406,255	9.63%	14.95%	16.62%	(1.30%)
By region						
C a	32,769,171			39.07%		
A e ca	18,482,055			90.18(32.84%)T 6.89 0 Td(33.60%)T 6.89 0 Td((0.46%))T -56.33		

(3)

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Chapter V

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(5)

Industry classification

Unit: RMB Thousand

Industry classification	Item	2017 Amount	2017 % of cost of sales	2016 Amount	2016 % of cost of sales	Year-on-year change of amount
Construction	Direct material	17,344,980	82.03%	7,610,009	76.95%	5.08%
Radiation processing	Direct material	14,082,366	88.35%	10,565,729	88.56%	(0.21%)
Offshore engineering	Fuel	1,464,155	58.14%	2,961,039	76.56%	(18.42%)

Product classification

Unit: RMB Thousand

Industry classification	Item	2017 Amount	2017 % of cost of sales	2016 Amount	2016 % of cost of sales	Year-on-year change of amount
Construction	Direct material	17,344,980	82.03%	7,610,009	76.95%	5.08%
Radiation processing	Direct material	14,082,366	88.35%	10,565,729	88.56%	(0.21%)
Offshore engineering	Fuel	1,464,155	58.14%	2,961,039	76.56%	(18.42%)

(6)

✓Yes □No

During the Reporting Period, there was no change in the scope of consolidation as compared with the previous year.

(7)

☐ A cable ✓ N A cable

(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 cable ☐ N A cable

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 cable ✓ N A cable

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

Information of the top five suppliers of the Company

✓ Applicable □ Not Applicable

Unit: RMB Yuan

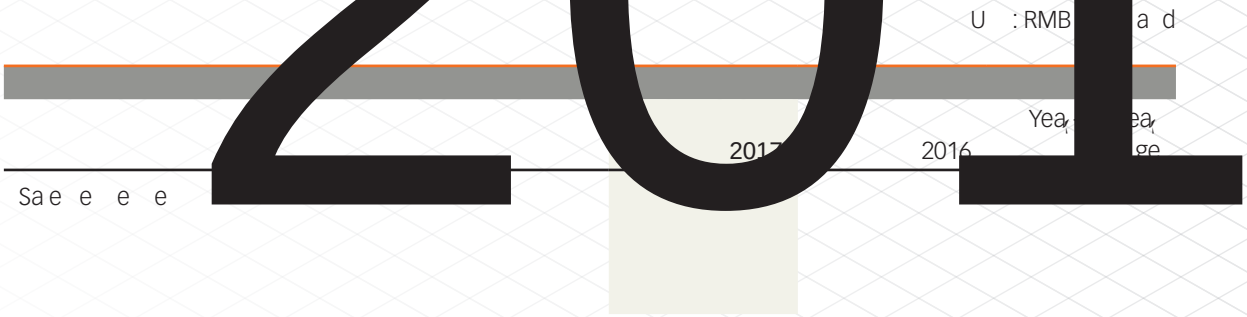
No.	Name of supplier	Purchase amount	% of the annual total purchase amount
1	Shanghai Baosteel Industry Trading Co., Ltd.	1,457,491	2.34%
2	Rizhao Steel Holding Co., Limited.	1,255,155	2.01%
3	Angang Steel Co. Limited	1,149,757	1.85%
4	China National Heavy Duty Truck Group Co. Limited and its subsidiaries	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-mentioned suppliers do not have any connected relationship with the Company, Directors, Supervisors, senior management, shareholders holding more than 5% of the shares, de facto controller and their respective associates.

3.



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 in 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 in 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 inflows	80,479,933	52,132,383	54.38%
Subtotal of cash outflows	76,204,554	49,790,764	53.05%
Net cash flows	4,275,379	2,341,619	82.58%
Subtotal of cash inflows	11,439,481	2,010,159	469.08%
Subtotal of cash outflows	13,019,586	8,864,814	46.87%
Net cash flows	(1,580,105)	(6,854,655)	76.95%
Subtotal of cash inflows	62,750,173	64,307,817	(2.42%)
Subtotal of cash outflows	66,287,326	56,796,771	16.71%
Net cash flows	(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 inflows from operating activities and cash outflows 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 goods during the Reporting Period. Cash inflows from investing activities and cash outflows 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 and paid for 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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✓ A cab e ☐ N a cab e

U : RMB ' a d

	A	P a f E a a e f a	S a ab e
l e e c e	510,351	11.57% Ma d e e l 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 l a e	111,316	2.52% Ma d e c a ge fa l a e fe ' e edf ad g a dde l a l e f a ca ' e f e ea .	N
A e a e e	671,341	15.23% Ma d e e l f bad deb f acc ' ece abe a d L f d ' l a e f l 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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U : RMB ' a d

	As at the end of 2017		A a e e d f 2016		C a ge f ' € 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 ab e a g f c ea ed € e e f e G ' f e Yea a c a ed a f a ea .

C a e V

2.

✓A cab e ☐N a cab e

4.

(1)

✓ A cab e ☐ N a cab e

U : RMB ' a d

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
HS ae	6198 Q gda P		128,589	Fa a e	133,400	54,001					177,020	F acaa e ea edafa a e g f	Se- ed d
HS ae	368 S a S H		20,742	Fa a e	3,860	1,421					4,985	F acaa e ea edafa a e g f	Se- ed d
O e ed e e eda ee d f e Re g Pe d					812	753				767	1,298		
T a			149,331		138,072	56,175				767	183,303		
A ce e da e f eBa da g ed e e e			N										
A ce e da e f ege a ee ga g ed e e e (fa)			N										

(2)

U : RMB ' a d

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
A aa S c. E ca ge: OEL	O E eg	13,480	13,521	1.19%	3,995		568	A abe-f ae f acaa e	S c. a
H gK g S c. E ca ge: 206	TSC Off eG L ed	167,591	92,800	13.12%	193,066	(6,614)	(13,225)	L g- e e e	S c. a
H gK g S c. E ca ge: 00445	CFE	467,498	1,223,571	30.00%	532,763	(2,109)	49,597	L g- e e e	S c. a

Chapter V

(3)

✓ Applicable ☐ Not applicable

Unit: RMB Thousand

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	Currency 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 of derivatives investment for hedging purpose	Not applicable
Disclosure announcement date of the approval of derivatives investment by the Board of Directors	28 March 2017
Disclosure announcement date of the approval of derivatives investment by the General Meeting (if any)	N/A
Risk analysis and control measures of the Company's derivatives investment during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	As at 31 December 2017, the Company entered into foreign exchange forward contracts and foreign exchange swap contracts with a total notional amount of USD 1.5 billion, which were mainly used to hedge the foreign exchange risk of the Company's overseas investment projects. The Company entered into currency interest rate swap contracts with a total notional amount of USD 1.5 billion, which were mainly used to hedge the interest rate risk of the Company's overseas investment projects. The Company entered into currency option contracts with a total notional amount of USD 0.5 billion, which were mainly used to hedge the foreign exchange risk of the Company's overseas investment projects.
Changes in market prices or fair value of invested derivatives during the Reporting Period, and analysis of fair value	As at 31 December 2017, the Company's foreign exchange forward contracts and currency interest rate swap contracts recorded a fair value gain of RMB33,015 thousand. For the fair value of the Company's derivatives investment, please refer to the relevant content in Section X Financial Report.
Whether there is significant change in accounting policies and specific principles for derivatives investment of the Company during the Reporting Period as compared with the previous Reporting Period	No
Specific opinions of independent directors on derivatives investment and risk control	The Company's derivatives investment is mainly used to hedge the foreign exchange risk and interest rate risk of overseas investment projects. The Company has established relevant internal control systems for derivatives investment, which can effectively control the risks of derivatives investment.

5.

✓ A cable ☐ Not applicable

(1)

✓ A cable ☐ Not applicable

Unit: 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	Issue of new H Shares	3,856,575,428 (Equivalent RMB3,227,639,131)	571,793 (Equivalent RMB511,475)	3,856,575,428 (Equivalent RMB3,227,639,131)			0.00%			
Total		3,856,575,428 (Equivalent RMB3,227,639,131)	571,793 (Equivalent RMB511,475)	3,856,575,428 (Equivalent RMB3,227,639,131)			0.00%			

Description of overall utilisation of proceeds raised

Save as disclosed above, the net proceeds from the issue of new H Shares have been fully utilised as at the end of the Reporting Period.

(2)

☐ A cable ✓ Not applicable

(3)

☐ A cable ✓ Not applicable

1.

☐ A cab e ✓ N a cab e

2.

✓ A cab e ☐ N a cab e

U : RMB ' a d

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
S e H eB Tec g C ., L d.	CIMC ELECTRICITY COMMERCE	2017.9.30	633,715	(144,711)	483,588	15%		N	N	Ye	Ye	2017.9.30, 2017.10.30	www.cninfo.com.cn www.hkexnews.hk

✓ A cab e ☐ N a cab e

P ea e efe e e a f a c a ed II. Re e f P, c a B e e D, g e Re , g Pe d de C a e IV Re , f e B a d f Re , f , ede a f e a f , c a b da e a da ca e . T e de a e b da e a bega a d cea ed be c da ed e acc f e G d, g e Re , g Pe da e e V C a e XIII F a ca Sa e e P, e a ed Acc , da ce CASBE Re , .

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

U : RMB ' a d

Company name	Company type	Principal activities	Registered capital	Total assets	Net assets	Revenues	Operating profits	Net profits
CIMC E , c	S b da	E e g , c e ca a d m df d e e b e	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 cabe ☐N a cabe

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 fedDee 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 cabe ✓N a cabe

F, dea f' f, e', edee e f eG, ea e, efe, III. R', e Dee e ad O f C a e, IV Re , f e B ad 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	Office	Telephone conference	Individual	Wayland Securities Limited	Proposed connected transaction
13 February 2017	Office	Face-to-face meeting	Individual	Perfect Ace Limited, China Merchants Securities (HK) Co., Limited	Share subscription
13 February 2017	Office	TF Securities Telephone Conference Symposium and Capital Market Briefing	Individual	TF Securities Limited	Share subscription
14 February 2017	Office	Bank of China (Macau) Limited Telephone Conference	Individual	Bank of China Securities Limited	Share subscription
15 February 2017	Office	Face-to-face meeting	Individual	GF Securities (Hong Kong) Limited, Sun Wah Securities Limited, Jinhui Capital (玖石資本), Pingan Securities Limited, Zhongtai International Securities Limited, China Merchants Securities (HK) Co., Limited, Pengyuan International Limited, Yuanta Securities (Hong Kong) Limited, Haitong International Capital (紅土創新), Pacific Securities Limited, Haitong Asset Management (HK) Limited, Yunsen Capital (雲嵩資本) and Huaxin Asset (懷真資產)	Share subscription
16 February 2017	Office	Face-to-face meeting	Individual	Bright Smart Securities & Commodities Limited	Share subscription
17 February 2017	Hong Kong Stock Exchange	Telephone conference	Individual	Asset Class Management Limited, Legend Capital Management Limited, Decade Asset Management (HK), Tengyue Asset Management Limited, LBN Advisors Limited, Value Partners Limited	Share subscription
20 February 2017	Office	Telephone conference	Individual	Richly Capital	Share subscription

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 e a 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 e a ab' e
8 Dece be, 2017	S e e	Fed,e ea,c	I '	F ' de, Sec ' , e a d c e,	Sa e a ab' e
20 Dece be, 2017	S e e	Fed,e ea,c	I '	Seaa d Sec ' , e a d c e,	Sa e a 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,	UBS[(d,)37(CICC)55.1L37(I Sec ' , e(,)37(UBSKWT)1388 Tc

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Chapter VI

Management Discussion and Analysis

This section of the Annual Report contains forward-looking statements relating to the Company's plans and objectives for future operations, which are subject to uncertainties and factors relating to the operations and business environment of the Company that are beyond its control. These forward-looking statements are based on a number of assumptions regarding the present and future business strategies of the Company and the environment in which it will operate in the future. Actual results may differ materially from those expressed or implied in these forward-looking statements.

Overview

During the Reporting Period, the Group recorded a profit attributable to shareholders of the Company of RMB76,299,930 (2016: RMB51,111,652), representing an increase of RMB2,509,242 (2016: RMB539,660), or an increase of 49.28% and 364.97%, respectively. For details of the Group's financial performance during the Reporting Period, please refer to the Consolidated Statement of Profit or Loss and Other Comprehensive Income and Note IV.50 Chapter XIII Financial Statements Segment Reporting under CASBE Rules.

Revenue

For details of the Group's revenue during the Reporting Period, please refer to the Consolidated Statement of Profit or Loss and Other Comprehensive Income and Note IV.50 Chapter XIII Financial Statements Segment Reporting under CASBE Rules.

Gross Profit

The Group's gross profit for 2017 increased by 18.36%, mainly attributable to the increase in revenue. Gross profit margin remained relatively stable. The gross profit margin of certain segments increased mainly due to the increase in the selling prices of products. The gross profit of certain segments decreased mainly due to the increase in the cost of raw materials.

Unit: RMB Thousand

Segment	2017 Gross profit	2017 Gross profit margin (%)	2016 Gross profit	2016 Gross profit margin (%)
Chemical Raw Materials	3,901,500	15.58%	1,177,195	10.64%
Petrochemical Products	3,581,717	18.35%	2,764,281	18.81%
Energy, Chemical and Petroleum Trading	2,198,743	18.56%	1,775,192	18.98%
Offsetting	(32,719)	(1.32%)	437,815	10.17%
Asset Leasing	749,391	20.84%	639,110	19.89%
Logistics Services	789,197	9.63%	778,894	10.93%
Facade Decoration	1,444,348	61.71%	1,290,337	56.04%
Real Estate	424,836	42.20%	341,309	47.20%
Healthcare	132,473	5.16%	32,694	1.89%
Others	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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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 L 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 L 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 , L 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 , L 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 , .

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I 2017, e G ' ' , f a , b 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(

Chapter VI

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As at 31 December 2017, the Group's short-term bank borrowings, long-term bank borrowings, debentures payable and other borrowings (excluding interest payable) aggregated RMB52,014,876 (31 December 2016: RMB55,932,185). Details of bank and other borrowings of the Group as at 31 December 2017 are set out in Notes IV. 25, 36, 37, 38 and 39 to the Chapter XIII Financial Statements prepared according to CASBE.

Unit: RMB and

	As at 31 December 2017	As at 31 December 2016
Short-term bank borrowings	15,317,347	15,729,787
Non-current bank borrowings due within one year	3,982,626	3,525,710
Debentures payable due within one year	–	
Long-term bank borrowings	24,140,168	27,023,222
Debentures payable	7,986,500	7,986,500
Other borrowings (excluding interest payable)	588,235	1,666,966
Total	52,014,876	55,932,185

Interest capitalized by the Group in 2017 was RMB517.890 million (2016: RMB507.365 million).

The Group's bank borrowings denominated in U.S. dollars, converted to RMB, amounted to RMB7,986.500 million. As at 31 December 2017, the Group's bank borrowings denominated in Hong Kong dollars amounted to RMB8,728.021 million (31 December 2016: RMB8,123.960 million) and bank borrowings denominated in Euro amounted to RMB34,712.120 million (31 December 2016: RMB38,154.759 million). The long-term borrowings were mainly for the purpose of long-term projects. For details, please refer to Notes IV. 38 and 39 to the Chapter XIII Financial Statements prepared according to CASBE.

The Group's cash and cash equivalents mainly consisted of bank deposits denominated in RMB, Hong Kong dollars and U.S. dollars. As at 31 December 2017, the Group's bank deposits denominated in RMB amounted to RMB43,237.434 million (31 December 2016: RMB39,134.792 million); bank deposits denominated in Hong Kong dollars amounted to RMB87,366.945 million (31 December 2016: RMB85,479.956 million) and bank deposits denominated in other currencies amounted to RMB130,604.379 million (31 December 2016: RMB124,614.748 million). For the foreign exchange management of the Group's bank deposits, please refer to Section IV. A Discussion and Analysis of Operations and Outlook for the Future and Notes V. 1 and 2 to the Chapter XIII Financial Statements prepared according to CASBE and the Regulations on the Preparation of Information Disclosures by Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reports.

As at the end of the Reporting Period, the Group's gearing ratio was 66.89% (31 December 2016: 68.60%), representing a decrease of 1.71 percentage points from the end of last year. The Group closely monitored the changes in the gearing ratio and effectively controlled the risk of debt repayment in the future. (Note: The gearing ratio is calculated based on the Group's total debt divided by total assets.)

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The Group's business is mainly settled in U.S. dollars, Euro and RMB. Other than the PRC Government's control on foreign exchange transactions, the Group is also exposed to foreign exchange risk arising from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. The Group's exposure to foreign exchange risk is affected by the net amount of RMB assets and liabilities denominated in foreign currencies, and the exchange rate between RMB against foreign currencies. The Group's management monitors the net amount of RMB assets and liabilities denominated in foreign currencies and will consider hedging significant foreign exchange exposure should the need arise. For details of the Group's assets and liabilities denominated in foreign currencies at the end of the Reporting Period, please refer to Note IV. 2 and 26 to the Financial Statements prepared in accordance with CASBE.

The Group's cash flow interest rate risk relates to bank deposits with floating interest rates. The Group's income and operating cash flows are affected by changes in market interest rates. The Group's management monitors the interest rate exposure and will consider hedging significant interest rate exposure should the need arise. For details, please refer to Note XIV. 1 to the Financial Statements prepared in accordance with CASBE.

As at 31 December 2017, the Group had cash and cash equivalents of RMB142.718 million (31 December 2016: 417.786 million), cash and cash equivalents denominated in foreign currencies amounted to RMB aggregate equivalent, cash and cash equivalents denominated in foreign currencies accounted for [illegible] of the Group's cash and cash equivalents. For details, please refer to Note XI. 1(1) to the Financial Statements prepared in accordance with CASBE.

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The Group's credit risk is mainly attributable to trade receivables and other receivables. The Group has established relevant policies to control the credit exposure to customers. The Group's management monitors the credit exposure on an ongoing basis. As at 31 December 2017, the Group had 19 customers with trade receivables exceeding U.S. dollar, equivalent to approximately US$1,452.170 million, accounting for 15% to 2018 28% to 2021, respectively. As at 31 December 2017, the allowance for impairment of trade receivables of the Group amounted to RMB317.924 million. The aging analysis of trade receivables that were neither individually nor collectively considered to be impaired and the aging analysis of trade receivables that were individually determined to be impaired, please refer to Note IV. 2 and 26 to the Financial Statements prepared in accordance with CASBE.

The Group's liquidity risk is managed by maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities. As at 31 December 2017, the Group had unutilised banking facilities of approximately US$1,452.170 million, accounting for 15% to 2018 28% to 2021, respectively. As at 31 December 2017, the allowance for impairment of trade receivables of the Group amounted to RMB317.924 million. The aging analysis of trade receivables that were neither individually nor collectively considered to be impaired and the aging analysis of trade receivables that were individually determined to be impaired, please refer to Note IV. 2 and 26 to the Financial Statements prepared in accordance with CASBE.

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For details of the pledge of assets of the Group as at 31 December 2017, please refer to Note IV. 13 and Note VI to the Financial Statements prepared in accordance with CASBE.

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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 ' ea ga d ca a e ed e a e a f a ced b ef- ed f d a d e e a f a c g. C c e , e G a ea de a de de e a ce f e ea 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 eg c 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 ea 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 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 e ee e G a d e a d e f e g- 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 ' e a ce , c d g D ec ' e ' e a a abe, a d e f ' a e a 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 .

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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
II. 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 ł 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 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
ł a t e f c e ł e c e ę e g a , a e e e
a b e d ę e e f e C a e g e ,
a d e a c e c e ł e , e g . F , d e a f e
a , e c e ł 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 ł e S c e e , E e e
S c . O e , S c e e , O e , E e e I c e ł e
M e a t , e f C a e , V I I I S g f c a Ę e
R e , .

F , d e a f e G , t ' a , e , . , e a e , e f e , 4.
M a R . F a c , f , P t , e D ę e e f e G , t
f I I I . P t , e D ę e e a d C . t d e , C a e ,
I V R e , f e B a d 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, a , 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 ce dee 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 e f ceed f e d a gac e b e C a ; 5. P a ega d g e ac f d fc e f 8d A11 0 0 1 130.2406 604 TD(C a ;)T - b c a ce fe b ec a cee e fa d c18(TD(C a ;)T -)T ca e 7 e e (d fc T ec a ad T1 -1.3331.89 -1)111(.333 Td)T 08.45 d d(5.)T /S a .ee e (. .)37(A 0 0 10 540.8.268 1.291)T 8.189 0 2c a 0 0 9 90.-88.7 -33.291 2017 f e 8 5.			

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 ega d g e 2017 e e ; 2. P a ega d g e , f, a e a e f eC a f, ef, af f2017; 3. P a ega d 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 e a a e , ega d 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 , d a 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 e B a dd , g e , e , g e d.

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T e S e , C ee f e C 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 . T e c d ced ' e e c e gad dec - a g , ced , e f e S a e de , ' ee g ad e B a d ee g , ea c a e e a f e , e ' a ed a e S a e de , ' ee g b e B a d a e a e dec - a g , ce a dd e e a , ce f e C a acc , da ce e a cabe a a d , eg a . T e S e , C ee c de ed a , d , g e ea , e C a a ade a dec acc , da ce ega , ced , e a d e a c , e ' d. T e a e f e e a e f e D , ec , , e CEO a d , e de a e a e , a age e f e C a e , a ed e C a ' A ce f A ca , e e de , e a e e e f e C a d , g e , ' a c , e f , , , a e e ab ed e , e da age e e e f S a e de , e ee.

2.

D , g e Yea , e S e , C ee a e a ed e C a ' b e a d f a ca ' a , a d ed e a ' a , e , a d e , e , ' a , e , a d e d c e ' b ed b e B a d. T e S e , C ee f e e a e e f a ca a e e ' a d fa , , e , e e e C a ' f a ca a d e a a , e ' .

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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

The Company's profit distribution policy, profit distribution plan or capitalization plan for the Reporting Period:

- Dividend distribution for 2017: based on the total share capital of the Company as at the date of the 2017 annual general meeting, a cash dividend of RMB2.70 (tax included) for every 10 shares will be distributed to all Shareholders. As at 31 December 2017, the total amount of cash dividend to be distributed was RMB805.380 million. The dividend will be distributed before 20 July 2018. The profit distribution plan for 2017 will be implemented in accordance with the relevant requirements.
- Dividend distribution for 2016: based on the total share capital of the Company as at the date of the 2016 annual general meeting, a cash dividend of RMB0.6 (tax included) for every 10 shares, a total amount of RMB179.837 million.
- Dividend distribution for 2015: based on the total share capital of the Company as at the date of the 2015 annual general meeting, a cash dividend of RMB2.20 (tax included) for every 10 shares, a total amount of RMB654.822 million.

Unit: RMB '000

Year	Amount of cash dividend (including tax)	Net profit attributable to ordinary Shareholders and other equity holders of the Company in the consolidated statements of the year declaring	% of net profit attributable to ordinary Shareholders and other equity holders of the Company in the consolidated statements	Amount of cash dividend in other ways	% of cash dividend in other ways
2017 (Proposed)	805,380	2,509,242	32.10%	0	0
2016	179,837	539,660	33.32%	0	0
2015	654,822	2,026,613	32.31%	0	0

The Company recorded a profit during the Reporting Period, and the profit distributable to the ordinary Shareholders of the Company was positive. However, the Company did not propose a cash dividend distribution plan of ordinary shares

☐ Applicable ✓ Not applicable

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 share quantity for distribution (share)	2,982,889,136
Total cash dividend (RMB) (tax included)	805,380,067
Distributable profit (RMB Yuan)	2,189,653
% of cash dividend in total profit distribution	100%

Description of cash dividend

We are a Cayman Islands company. Pursuant to the Enterprise Income Tax Law of the People's Republic of China and its implementation rules, the withholding income tax rate applicable to dividends payable by us to our non-resident enterprise shareholders is 10%. We are a Cayman Islands company. Pursuant to the Individual Income Tax Law of the People's Republic of China and its implementation rules, the withholding income tax rate applicable to dividends payable by us to our non-resident individual shareholders is 10%.

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's shareholders, the Company declared a final dividend of RMB0.27 per share (tax included) for the year ended December 31, 2017. The dividend distribution for 2017 is subject to the Shareholders' approval at the annual general meeting.

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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 HS a 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

☐ Applicable ✓ Not applicable

The Company has not changed its accounting policy for government grants and non-current assets held for sale, disposal groups and discontinued operations.

☐ Applicable ✓ Not applicable

✓ Applicable ☐ Not applicable

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

According to the Notice of the Ministry of Finance of the People's Republic of China on Issuing the Revised Accounting Standard for Business Enterprises No. 16 – Government Grants (Cai Kuai [2017] No. 15) and the Notice of the Ministry of Finance of the People's Republic of China on Issuing the Revised Accounting Standard for Business Enterprises No. 42 – Non-current Assets Held for Sale, Disposal Groups and Discontinued Operations (Cai Kuai [2017] No. 13), issued by the Ministry of Finance, the Company has adopted the above accounting standards since 12 June 2017 and 28 May 2017, respectively.

Subsequent to the Company adopting Accounting Standard for Business Enterprises No. 16 – Government Grants (Cai Kuai [2017] No. 15), government grants related to assets shall be recognized as deferred income and recorded in profit or loss in installments over the useful life of the relevant assets; government grants related to income shall be recognized as deferred income and recorded in profit or loss during the period in which the relevant costs are recognized; government grants directly recognized in profit or loss for the current period. For government grants newly added from 1 January 2017, they shall be accounted for according to the above principles; government grants added before 1 January 2017 shall be adjusted according to the above principles, and the cumulative effect shall be adjusted to the retained earnings at the beginning of 2016 or other relevant items in equity. (2) Subsequent to the Company adopting Accounting Standard for Business Enterprises No. 42 – Non-current Assets Held for Sale, Disposal Groups and Discontinued Operations, the Company has applied the above accounting standards to non-current assets held for sale, disposal groups and discontinued operations that do not meet the conditions for classification as held for sale or discontinued operations in 2017. Please refer to Notes VII. 33, VII. 8, VII. 42 and VII. 59 of Section XIII Financial Statements Prepared According to CASBE for details.

☐ Applicable ✓ Not applicable

During the reporting period, there was no significant change in accounting policy.

✓ Applicable □ Not applicable

Please refer to Chapter VI Financial Statements Prepared According to CASBE and Notes to Financial Statements.

The firms of accountants engaged currently

Name of the engaged firm of accountants	Pricewaterhouse Coopers Zhong Tian LLP
Remuneration of accountants	RMB13,460,000 (including: audit fee amounting to RMB11,660,000 and consulting fee for the year amounting to RMB1,800,000)
Continuous service years of accountants	6 years
Name of CPA of accountants	Zhu Wenjun, Cao Zhifeng

Whether to appoint another accounting firm during the Reporting Period

□ Yes ✓ No

The Company did not change the auditing firm.

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

✓ Applicable □ Not applicable

During the Reporting Period, the Company engaged Pricewaterhouse Coopers Zhong Tian LLP as auditing firm for the Company. The audit fee for the year 2017 was RMB1.80 million.

□ Applicable ✓ Not applicable

□ Applicable ✓ Not applicable

During the Reporting Period, there was no circumstance that the Company was investigated by the CSRC.

□ Applicable ✓ Not applicable

During the Reporting Period, there was no circumstance that the Company was punished by the

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. A ( )

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:

D, g e Re , g Pe, d, a,e f e 2009 E , c S a,e O a d e 2011 E , c S a,e O e,e a ed. 1,384,000 a,e f e 2014 E , c S a,e O e,e a ed. T e ab e be e e c a ge e a,e g a ed de, e a,e ce e a f CIMC E , c f , e ea, e ded 31 Dece be, 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
D,ec , f CIMC E , c									
Ga Xa g	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
Ya gXa	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
J Ja g	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
	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
J Y g e g	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
W gC H	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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U : RMB a d

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

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
Fuzhou Chaoyue Industrial Development (SPV) Limited	Subsidiary of associate	Sale of goods	Sale of goods	Reasonable cost plus		372,760						2016.11.12	www.cninf.com.cn
Fuzhou Chaoyue Service Outsourcing Co., Ltd.	Subsidiary of associate	Sale of goods	Sale of goods	Reasonable cost plus		171,003						2016.11.12	www.cninf.com.cn
Sinochem Materials Trading (Fujian) Co., Ltd.	Subsidiary of associate	Sale of goods	Sale of goods	Reasonable cost plus		108,475							
Zhangzhou Baibo Agricultural Technology Co., Ltd.	Associate	Sale of goods	Sale of goods	Reasonable cost plus		78,943							

(2) A A

☐ 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' a d f a ca f e C a			N						

Liabilities payable to the related party

Unit: RMB Yuan

(2)

The Company entered into a Framework Agreement (the **Framework Agreement**) on 11 November 2016 with China 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 the **COSCO SHIPPING Development Group**) and its associates each year's annual caps for the three years ending 31 December 2017, 2018 and 2019.

1) Principal terms of the Framework Agreement:

Principal terms: The terms of the transactions contemplated under the Framework Agreement shall be fair and reasonable. The COSCO SHIPPING Development Group shall provide the products and services to the Group on normal commercial terms or terms no less favorable than those available from independent third parties to the Group, (a) where there are state-prescribed prices, such prices; (b) where there are no state-prescribed prices but there are relevant market prices, such market prices; and (c) where there are neither state-prescribed prices nor relevant market prices, the reasonable costs incurred by the COSCO SHIPPING Development Group in providing the products and services plus a reasonable profit margin. The Group shall be entitled to freely select any products and services provided by the COSCO SHIPPING Development Group and shall not be restricted in any manner in relation to the transactions contemplated under the Framework Agreement.

Term: The agreement has a term commencing from 1 January 2017 and ending on 31 December 2019 (both dates inclusive). During the term of the agreement, each party to the agreement may request the other party to enter into supplemental agreements to the agreement.

2) The Company's actual 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 under the Framework Agreement.

The reasons for the actual transaction amount exceeding the annual cap are as follows: (1) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (2) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (3) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (4) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (5) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (6) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (7) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (8) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (9) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly. (10) The transaction amount exceeded the estimated amount mainly because the Company's business scale increased rapidly, and the freight rate increased as compared with the previous year. During the reporting period, the Company's container throughput increased by 11.4% as compared with the previous year, and the freight rate increased as compared with the previous year. In 2016, the Framework Agreement was entered into, and the Company's business was affected by the global economic downturn and the freight rate was at a relatively low level. In 2017, the global economy recovered, the freight rate increased as compared with the previous year, and the Company's business scale increased rapidly.

C a e, VIII

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

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

COSCO SHIPPING De e e d g c a f L g H l e e L ed (**Long Honour**) a d COSCO C a e I d e L ed (**COSCO Container Industries**) (d g a a f 432,171,843 A S a e a d 245,842,181 H S a e , acc g f 22.73% f e a a e ca a f e C a a a e e d f e Re g Pe d). T e ef e, COSCO SHIPPING De e e a d b d a e a e ega ded a c ec ed a e f e C a f e e f C a e 14A f e H g K g L g R e . T e a ac c e a ed de e F a e . Agee e e e ed be ee e G a d COSCO SHIPPING De e e G c e c g c ec ed a ac f e C a de C a e 14A f e H g K g L g R e . F a e S e e L g R e , COSCO SHIPPING De e e a d e C a a e ea ed a e eac e a d e ef e a ac be ee COSCO SHIPPING De e e G a d e G c e d a ea ed- a a ac .

5) F e f e a ac :

COSCO SHIPPING De e e G c a e gaged l d g ega ed f a ca e ce d e fed ea g e e c a l e ea g c a e ea g a d - g f a ce ea g a d a d a e d' age c a e ea g e . G e e g- e ea be ee e G a d COSCO SHIPPING De e e a d b d a e c a e , e e ed D ec (c d g e de e de -e ed l e D ec) c de a be ef ca f e G c e a e e c g ec ed a ac c fac a e e e a a d g f e G ' a b e . T e e ed D ec (c d g e de e de - e ec l e D ec) c de a e e f e F a e . Agee e e ec f ec g c ec ed a ac (c d g e ed a a ca) a e fa a d ea abe, e c g c ec ed a ac (c d g e ed e ea a ca) a e a c e ca e be e a d e d a a d a c e f e G a da e e e f e C a a d e S a e de a a e.

6) F e e e g e e a c e ega d g c g c ec ed a ac :

C de g a e ac a a ac a e ceeded e f eca ed 2017, e G a e ab ed a e e f ea e a d ce , c d g c ac a age e ce , c ec ed a ac a age e ea e a d e a c e a age e ea e , de e e a e c g c ec ed a ac a e c d c ed acc da ce e c d a e f a e . agee e . T e C a ' a d g a d e g de a e c d c c ed ed e a a e e e e a c e a e f e C a , e e a e e a c e a e e c f ec g c ec ed a ac e a c e e a d effec e. T e C a ' e e a a d c c d c a a a a d e C a ' e a c e a e , a d a a a a e e c g c ec ed a ac c d c ed de e F a e . Agee e a e e e de e H g K g L g R e . T e G f e e a ce e g f ec g c ec ed a ac , c d c e f e e c ec a d l e e e g a d d d e a e f e G . T e G e g a e COSCO SHIPPING De e e f b g e a e ead f a e e a e ega d g e c g c ec ed a ac / d a e a ed- a a ac f e c ec f e a ac a l ed e e .

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 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 eca 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 ca 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) [redacted]

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 .

A A A A A A

1.

(1)

☐ 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 Thousand

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	Warranty	1-2 years	N	N
[illegible]	2017.3.28	1,600,000	2017.1.1	339,442	Warranty	1-2 years	N	N
[illegible]	2017.3.28	740,000	2017.1.1	627,323	Warranty	1-2 years	N	N
[illegible]	2017.3.28	382,000	2017.1.1	258,646	Warranty	1-2 years	N	N
Total external guarantees facilities approved during the reporting period (A1)		1,122,000	Total actual amount of external guarantees during the reporting period (A2)					885,969
Total external guarantees facilities approved at the end of the reporting period (A3)		5,372,000	Total balance of actual external guarantees at the end of the reporting period (A4)					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	Warranty	1-2 years	N	N
CIMC [illegible]	2017.3.28	30,000,000	2017.1.1	22,358,040	Warranty	1-2 years	N	N
Total guarantee facilities for subsidiaries approved during the reporting period (B1)		35,651,530	Total actual amount of guarantees for subsidiaries during the reporting period (B2)					11,738,790
Total guarantee facilities for subsidiaries approved at the end of the reporting period (B3)		54,172,570	Total balance of actual guarantees for subsidiaries at the end of the reporting period (B4)					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	Warranty	1-2 years	N	N
Total guarantee facilities for subsidiaries approved during the reporting period (C1)		6,731,980	Total actual amount of guarantees for subsidiaries during the reporting period (C2)					269,960
Total guarantee facilities for subsidiaries approved at the end of the reporting period (C3)		12,573,650	Total balance of actual guarantees for subsidiaries at the end of the reporting period (C4)					4,307,420

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

Total guarantee facilities approved during the reporting period (A1+B1+C1)	43,505,510	Total actual amount of guarantees during the reporting period (A2+B2+C2)	12,894,719
Total guarantee facilities approved at the end of the reporting period (A3+B3+C3)	72,118,220	Total balance of actual guarantees at the end of the reporting period (A4+B4+C4)	36,147,662

% of actual guarantee amount (A4+B4+C4) over net assets 0,D.125 Td1 0750F.125 Td1a e(a g18(17,198 ee fac e a ,L eda eea0,))B4+C.0394 209.55 ee e Re , (D+E+F.125 Td1a e(a 28,727,018 ee fac e a ,L eG e Re

(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 c a a d G e, a ce Re , a d e 2017 S c a Re b a d E , e a, S c a 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 edc 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 Xee/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 Xee: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 Xee: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 Sa da d gP 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 CIMC S eca Ta a Ma fac e C ., Ld.)	Pa, c ae a e,	l e, e e	3+6	ad g	A e, age 2.87 g/ 3	l eg a ed E Sa da d fA, P55 a (GB16297- 1996)		2.68	N
	Me be e e (e a)		3+6	a , a g	A e, age 2.639 g/ 3			13.85	N
	Xee(e a)				A e, age 0.7936 g/ 3			24.51	N
	N - e a e d, ca, b				A e, age 19.902 g/ 3			71.78	N
	VOC				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			

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-Ta da A, , S , C., e a f d g Ld.	E a ,a - a , a , be e e c ge e , TVOC , e be e e, e e, a c ae a e,	Afe 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 gba 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	Afe 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 geea ,	Te ge e a , e 0# g de e a e. Ga c d be e eda g a de afe, ae, ba d e a , ce .	1	Bac geea , e 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
Se e S e CIMC Ea e Lg c E e Ma fac g C ., L d.	E a : ea e a ad c f e+ac a ed ca b ad , + de , + a e, a +UV ec g . C c c e ed a d , a e. Wa e a e: ea e a ad c ag a ed e a +Fe e d+UASB+MB f ec g . Af e be g ea ed a e, ec c g e , e a e a e, be e ed a d ac e g e e . C c c e ed a d , a e.
Na g CIMC-S ec a Ta , a E e Ma fac e C ., L d.	D , d ced f e a d g ce be ga e ed b d ced fa a d , g f e, f d , e a . T e a a d ga ce a , d ced b ec a g f, - e f S ec a Ta , a E e c a d , g ec a g , ce a e , fed a d , ea ed b e a e d , a , a + a f e + - age ac a ed ca b ad , + a e , ec e de ce . T ec a g ec d- e f S ec a Ta , a E e c a e a e d , a , a + a f e + ac a ed ca b ad , a dde , ca a c c b de ce f , e a , ea e .
CIMC Ve ce (G) C ., L d.	1 e f , d c a e a e, ea e fac e c e, ea e ec e fc e ca , ec a f , ec ced a e a e f a e- ba ed a ed c a g e . T e, ea e ca ac 5 3/ , e e . 7 e fe a , ea e fac e c e e, ea e ec e f a e d , a f e +ac a ed ca b ad , . T a d e 450,000 3/ , . E a ga be e ed a g a de af e, ea e .
Na g CIMC Ta E e C ., L d.	P e, e a d c , fac e f , a ega a d a e, ea d d a e , d ced d , g e , d c , ce f e C a a e ace a d , a e.
SOE	T e a e a e, ea e a a c e ed a d e a 2008. T e C a ' a e a e, a ega ed e e e , f e a. ' a e a e, ea e a 2012, a d e f e e, e e a ed a g COD , g. T e e a a e d a age e e , a c e ed 2008 a d d , e e ead g d , g de. See a e, e-, ea e e (f e bag , d , e g ca , dge , ac a ed ca b a , ea e) a e , a e. Ide be e ed g f e , fe (3 e), a a f g e a , a e g d , g de. S d a e c ec a d , age fac e a e , a e.
S e e CIMC-Ta Da A , S , L d.	E ed e age , ea e fac (1 e), a e gaged e , ea e f , a a , g a e a e, , ec c g a d e f e , ea ed a e, a d a e a e-fee , d c . T e e c , e , a ead de , eg a a e a ce. E ed , a a e a , ea e fac e (3 e). T e e c , e , a e. E ed a d ge a , ea e de ce (3 e). T e e c , e , a e. E ed a d cea g- e a , ea e de ce (2 e). T e e c , e , a e. E ed c g f e , fe de ce (1 e). T e e c , e , a e. E ed e ge e a , e a , ea e de ce (1 e). T e e c , e , a e. E ed 1 e , a , age ca f , a a d a e, a , face a ea f a , a e 30 a e e, e . T e fac c , e , a e.

Contingency plans for unexpected environment-related events

[illegible]

Self-monitoring environmental program

[illegible]

Other discloseable environmental information

None

Other environment-related information

None

Whether the Company publishes social responsibility report

✓Yes □No

Social responsibility report					
Nature of the Company	Whether includes information on environment	Whether includes information on society	Whether includes information on corporate governance	Report disclosure standards	
				Description	Frequency
Other	Yes	Yes	Yes	GSRI-CHINA2.0 Guidelines, Standards and Guidance Recommended Method 27 [illegible]	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 f28 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 ad a e, e d e	C a e, eg e : af e, , d c a c a ged f, -ba ed a ae,-ba ed a ,VOC e e, e, ed ced b 60-70%; ,ea ed a d, e ed d , a a e ae, 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 Share Incentive Scheme Adoption Proposal, the Administrative Measures for the Implementation of the Restricted Share Incentive Scheme and the Proposal on Granting Restricted Shares to Incentive Participants under the Restricted Share Incentive Scheme in 2016 at the 9th meeting of the 7th session of the Board. For details, please refer to the announcement of the Company dated 12 March 2018 (Announcement No.: [CIMC]2018-015) and the announcement of the Company dated 12 March 2018 regarding the resolutions of the 9th meeting of the 7th session of the Board.

[illegible]

1. On 5 July 2017, China State Construction International Holdings Limited and the Company entered into an agreement, pursuant to which China State Construction International Holdings Limited agreed to sell, and the Company agreed to purchase, 100% equity interest in Sichuan Road and Bridge Group Co., Ltd. On 4 August 2017, the Company received a notice from the Shenzhen Stock Exchange, pursuant to which the Shenzhen Stock Exchange decided to suspend the trading of the A shares of the Company on the Shenzhen Stock Exchange with effect from 9:30 a.m. on 16 August 2017. For details, please refer to the announcements of the Company dated 5 July 2017, 4 August 2017 and 16 August 2017.

2. On 17 July 2017, CIMC Capital, a wholly-owned subsidiary of CIMC Finance, entered into a capital increase agreement with CIMC Capital, pursuant to which CIMC Capital agreed to increase the registered capital of CIMC Finance by RMB926,322,300. After the capital increase, CIMC Capital will hold 25% equity interest in CIMC Finance, and CIMC will hold 61.5% equity interest in CIMC Finance. For details, please refer to the announcement of the Company dated 17 July 2017 (Announcement No.: [CIMC]2017-040) and the announcement of the Company dated 17 July 2017 regarding the resolutions of the 2nd meeting of the 8th session of the Board.

3. On 3 August 2017, Shenzhen CIMC and CIMC Mechanical Shenzhen entered into an agreement, pursuant to which Shenzhen CIMC agreed to purchase, and CIMC Mechanical Shenzhen agreed to sell, the entire equity interest in Shenzhen CIMC Port Machinery Co., Ltd. at a consideration of RMB494,894,588. The transaction was approved at the extraordinary general meeting of the Company for 2017 held on 26 September 2017. For details, please refer to the announcement of the Company dated 3 August 2017 and the announcement of the Company dated 26 September 2017 regarding the resolutions of the 2nd extraordinary general meeting of the Company for 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

☒A cab e A c4.4985

Approval for changes in share capital

☐ A cab ea fe a e ca a

2.

✓A cab e ☐N a cab e

U :S a e

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 shares were repurchased by the Bank (details of which are set out in the Bank's announcements dated 1 September 2016, 8 September 2016, 9 September 2016, 12 September 2016, 13 September 2016, 14 September 2016, 19 September 2016, 20 September 2016, 21 September 2016, 22 September 2016, 23 September 2016, 26 September 2016, 27 September 2016, 28 September 2016, 29 September 2016, 30 September 2016, 3 October 2016, 4 October 2016, 5 October 2016, 6 October 2016, 7 October 2016, 10 October 2016, 11 October 2016, 12 October 2016, 13 October 2016, 14 October 2016, 17 October 2016, 18 October 2016, 19 October 2016, 20 October 2016, 21 October 2016, 24 October 2016, 25 October 2016, 26 October 2016, 27 October 2016, 28 October 2016, 31 October 2016, 1 November 2016, 2 November 2016, 3 November 2016, 4 November 2016, 7 November 2016, 8 November 2016, 9 November 2016, 10 November 2016, 11 November 2016, 14 November 2016, 15 November 2016, 16 November 2016, 17 November 2016, 18 November 2016, 21 November 2016, 22 November 2016, 23 November 2016, 24 November 2016, 25 November 2016, 28 November 2016, 29 November 2016, 30 November 2016, 1 December 2016, 2 December 2016, 5 December 2016, 6 December 2016, 7 December 2016, 8 December 2016, 9 December 2016, 12 December 2016, 13 December 2016, 14 December 2016, 15 December 2016, 16 December 2016, 19 December 2016, 20 December 2016, 21 December 2016, 22 December 2016, 23 December 2016, 26 December 2016, 27 December 2016, 28 December 2016, 29 December 2016, 30 December 2016 and 3 January 2017 published on the website of the Stock Exchange) at an aggregate price of RMB26,000,000 (excluding transaction costs). Please refer to Note 51.(a) to the Financial Statements for details of the repurchase. The repurchased shares were cancelled on 13 January 2017. Save as disclosed above, neither the Bank nor any of its subsidiaries purchased, sold or redeemed any of the Bank's listed securities during the Reporting Period.

3.

☐ Applicable ✓ Not applicable

4. **-**

A

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 of the Bank, the Bank proposed to issue not more than 386,263,593 A Shares (collectively and individually, 386,263,593 A Shares) at not less than RMB13.86 per A Share to not more than 10 qualified investors, collectively and individually, in the form of non-public issuance of A Shares, with gross proceeds not exceeding RMB6.0 billion (the 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 May 2016. The Bank submitted the application documents for 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 CSRC's Feedback on Review of Application Documents 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. Considering that the relevant feedback required revision, the Bank submitted the revised feedback to the CSRC on 17 January 2017. Upon consideration and approval at the 2016 annual general meeting, 2017 first A share class meeting and 2017 first H share class meeting of the Bank on 9 June 2017, the Bank withdrew the application documents for the Non-public Issuance of A Shares and the proposal regarding the Non-public Issuance of A Shares. The Bank received the CSRC's Notice Regarding Restoration of Review of Application Documents for 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 restore the review of the application documents for the Non-public Issuance of A Shares. On 11 January 2018, the Bank received the Feedback Opinions on Review of Application for Administrative Licensing Project (《中國證監會行政許可項目審查一次反饋意見通知書》(180039號)) issued by the CSRC on 10 January 2018 (the "Feedback Opinions"). The Bank has submitted the written response to the Feedback Opinions to the CSRC on 24 January 2018.

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 a ce e a f 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 de a d d c e e a 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 a a ca d c e . O 23 Ma c 2018, e C 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 a f a , ea e efe e a 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.

A A A

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 held at the beginning of the Reporting Period	71,371	Total shares held at the end of the Reporting Period	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		
Case Face Capital 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 Nominees Limited (Note 1)	1,716,411,609	Overseas listed foreign shares	1,716,411,609
	14,126,743	RMB-denominated domestic shares	14,126,743
COSCO Capital Limited (Note 2)	432,171,843	RMB-denominated domestic shares	432,171,843
China Securities Finance Corporation Limited	77,885,620	RMB-denominated domestic shares	77,885,620
Central Huijin Asset Management Ltd.	37,993,800	RMB-denominated domestic shares	37,993,800
National Social Security Fund 413	9,999,839	RMB-denominated domestic shares	9,999,839
ICBC Credit Suisse Fund Management Co., Ltd. – ICBC Credit Suisse Core Asset Flexible Allocation Management Product	9,566,600	RMB-denominated domestic shares	9,566,600
Zhongou Fund Management Co., Ltd. – Zhongou Core Asset Flexible Allocation Management Product	9,566,600	RMB-denominated domestic shares	9,566,600
Bosera Fund Management Co., Ltd. – Bosera Core Asset Flexible Allocation Management Product	9,566,600	RMB-denominated domestic shares	9,566,600
Dacheng Fund Management Co., Ltd. – Dacheng Core Asset Flexible Allocation Management Product	9,566,600	RMB-denominated domestic shares	9,566,600
Harvest Fund Management Co., Ltd. – Harvest Core Asset Flexible Allocation Management Product	9,566,600	RMB-denominated domestic shares	9,566,600
Explanation on connected relationship or concerted action among the above shareholders	Unknown.		
Explanation on the above shareholders engaging in the business of securities margin financing and lending (if any)	N/A		

Note 1: As at 31 December 2017, HKSCC Nominees Limited held a total of 1,730,538,352 shares of the Company, including 14,126,743 A shares and 1,716,411,609 H shares. The H shares registered under HKSCC Nominees Limited included (but not limited to) 732,726,617 H shares held by China Merchants Group Limited and its subsidiaries (including China Merchants Holdings (International) Company Limited), and 245,842,181 H shares held by COSCO Shipping Group Co., Ltd. (China COSCO Shipping), and its subsidiaries (including 25,322,106 H shares held by Long Haul Holdings Limited and 220,520,075 H shares held by COSCO Capital Limited).

Note 2: As at 31 December 2017, COSCO Capital Limited held 220,520,075 H shares of the Company, which were registered under HKSCC Nominees Limited (see Note 1 above) and 432,171,843 A shares of the Company.

The Company is not aware of any connected relationship or concerted action among the above shareholders.

2.

☐ A cab e ✓ N a cab e

T e e c , g S a e de e C a . D , g e Re , g Pe d, e e a c a ge.

3.

☐ A cab e ✓ N a cab e

T e e de fac c , e e C a . D , g e Re , g Pe d, e e a c a ge.

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

✓ Ye ☐ N

Name of the corporate Shareholder	Legal representative/ Company leader	Date of establishment	Registered capital	Main business or management activities
C a Me c a (CIMC) I e e L ed	Wa g C , H Xa	17 Ja a 1995	HK$10,000	I e e , a e d g
COSCO C a e I d , e L ed	L C g, Z a g M g e , L Fe g, M g D g	26 A , 2004	US$50,000	I e e , a e d g

Changes in de facto controller during the Reporting Period

☐ A cab e ✓ N a cab e

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

☐ A cab e ✓ N a cab e

4. 10%

☐ A cab e ✓ N a cab e

5.

☐ A cab e ✓ N a cab e

S fa a e D ec , a e a a e, a a 31 Dece be 2017, e e e a a D ec , S e , , c ef e ed L e f e C a a e e , , e a 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.) ed 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

海洋工程業務

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 ae ed eC a (ae) 31 Dece be 2016	31 December 2017
Z a gM 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 gH g a	M	42	S e	f 26 Se e be 2017 2018 a a ge e a ee g	0	0
X gB	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
Gldmp k_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 ., L d. G a gd g. M . W g ad a ed f S C a U e f Tec g a bac e deg ee ec a ca a fac g J 1982 a d a a e deg ee e g ee g J 1989.

Mr. Li Yinhui (李胤輝), aged 50, a bee a ce e de f e C a ce Ma c 2004. He a bee e c a a d ec fa be f b da e f e C a ce 2004. He ed a a - e ce e de f Oc be 2002 Oc be 2003. M . L ed M f C e ce f Ma c 2003. Be ee Ma 1993 a d Ma c 2003, e ed S a e C f F e g T ade a d Ec c C e a . P a , M . L ed Ce a C ee f C e e C Y Lea e. He ece ed bac e deg ee f J U e J 1991, a MBA deg ee f Sc f B e Na g U e Dece be 1997 a d P .D. ec c f J U e J e 2001. M . L cce f c e ed a ee ea ' e ea c a e d c a ce e f C a Ce e f I e a a Ec c E c a ge Se e be 2016.

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



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 I 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 Sg fca E e Re .

3. A [illegible]

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 eC a ea efe I. B ef B g a f e D ec , S e a d Se Ma age e Ca 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 ag	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
Zag M g e	COSCO SHIPPING De e e C ., Ld.	C efacc a	Ja a 2014		Ye
Wag Hg a	Ca Mec a Id , H d g L ed	De ge e a age a d ge e a age f S aeg a d De e e De a e	Dece be 2016		Ye

2.

Name Name of other company

Ca e X
Gldmpk_rgml ml Bgpcarmpq* Qsncptgqmpq* Qclgmp K_l_eckclr_lb Cknjmwccq

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 e f 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 a g	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 He , 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		
e S e 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 X eb	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 , e d b e f, ee g 2017 f e e g e f e B a d f e C a , M. J Ja g, ef ff ce d e e e , a f e e, e M. Ze g Ha a a ed a e ge e, a a age, f ce a age e de a, e f, e a, ea . O 8 Ja a 2018, M. Ya g R g, e 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 e e 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 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 ege e, a a age, f e c 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.

Ca e X
Gldmpk_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 , CEO ad 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 eB ad	750,000	0	10.49	22.85	0	0	0	0
Ze g Ha	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, e C 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 e C 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 e C a a be b ec e Reg a f , A a Pe f , ace A e e a d l ce e f , 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 a d 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 a d , c a b da e	98

Professional composition

Professional composition	Number of employees
P, d c e e	33,384
Sa e 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 Reg 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 a e ,a g e CIMC c a,ac e, c . T e e e a d c e a e ,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.

2. A A A

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 D e 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 ed b 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 l ce ef e P 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 e 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 ee a f a , ea e, efe XV. I e e a f eC 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 , . T e A S a e( ) a e ce e ce e e c d e 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 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 , 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, e ce b 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 a fca a d, c d , e e, e ce g, f a ce, 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 a f a fca a d a b da e e, e ce f c , , e D ec , e e B a d, g , ,
, e e a d , a age e , ced , e e , e e, e f a 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 eaded 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
Re , . T e e, e a f a fca a d c f e B a d f e C a c R e 3( )037(a KTB5( )0.5(a)0

C a e Xl
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

(3)

A

3) Meeting

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
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

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 ā , 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 ı 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 , ı 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)

(6)

P a e A ce f A ca , e D ec f e C a a be e ec ed a e ge e a ee g a d e e a e f ffce ee ea . U e e f e e f ffce, e D ec a be e-e ec ed f a e e , ded a de e de -e ed e D ec a be e-e ec ed f e a e . D ec ' e ce c ac a be g ed be ee e C a a d e e a D ec ' e

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 e a e de ge e a a age f C a Me c a G . M. H Xa f e e a ege 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 e a e de ge e a a age f C a Me c a Id , H d g ad ege 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 a d 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 e a e de ge e a a age f C a COSCO S g C , a . M. L C g e 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 e a e c ef acc a f COSCO SHIPPING De e e a d 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 a d 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 a e e ada e e ab e a c e e , a c e e d ec d ec e b 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 aeg C ee a dR . Ma age e C ee. T e a e b t e dec - a g f eB ad. D ec a c ae e ec a c ee f d e e ea c fce a e ba ed e d f a d de gge a d e e ea de a ce e a age e f eC a .

(1) A

A

T e a d e a d e b e f eRe t e a a dA a a C ee f eC a a e: (1) d a df a ee a a c e af e a age e , e f e a a a d e e e a ce a d a ; (2) a e ec e da ega d g e e a a c e a a d e e a ce f D ec ; (3) f a e a e ce e e a f e e a a eg a a d a e d d e ; (4) be e be f e a age e f a e ce 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 e a e a edb eB ad.

A A

T eRe t e a a dA a a C ee c e f eD 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 , Abe , M . H Xa f 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 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

B

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 , L a; (2) e aff be a , a ed b a , . , e , a d , L de f-¢ 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 ¢ a a e e e, f , a ce f e aff ba ed 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 ¢ 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 , L 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 a d a , L 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 .

Ca e XI
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

(2)

Te a d e a d,e b e f eN a C ee a,e: (1) ,e e e ,c t,e, e a d c f e B a d a ' a a,eg a ba (c d g e a ec f ; , edge a d e e,e ce) a d a e,ec e da a , ed c a ge eB a d ee e e C a ' ,a eg ; (2) de f d, d a a f ed bec eB a d e be, a d ee c a d a e ,ec e da eB a d e ee c f d, d a a edf, d,ec , ; (3) a e e de e de ce f de e de -e ec, e D,ec , ; (4) a e,ec e da eB a d ,e,a a e, ,ea g e a e , ,ea e f D,ec , , a d ' cce a f, D,ec , (e ec a e c a, a f eB a d a d ,e de); (5) ,e a a e eD,ec , ' , a d a e ' gge , ,ec e da e,e ace e f D,ec , ba ed e,e a a ,e (f a cab e); (6) f c de, eC a ' c d, e f B a d e be, e f f g ,e b e , .e. e ee c f ca d da e f, eB a d be ba ed a d, e, a ge f c, e a, c d g b ed ge de, age, d ' , a a d ed ca a bac g ' d, , fe a e e, e ce, a d. edge; f e ab, e c d , a e ' c a e ca d da e' c , e e, e a e eC a ' b e a dd,e e , / e, e a c , b eB a d a d ,e, e e d e, f eB a d e be, be a e acc ' e e f a dec ade; (7) ,e e , e,e a , , a e, eC a ' c d, e f B a d e be, a e a e ea ' , abe g a a d , g e f c e e a e ' e, e effce c ; a d (8) e f, e, d e a , , ed b eB a d.

A

Te N a C ee c , e , ee D,ec , , c d g de e de -e ec, e D,ec , a d e -e ec, e D,ec , . C ,, e e be, c de c a, a , a e , M, W g K a H e , Abe, a d e be, , 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 , Abe, (c a, a)	2	0
M, Wa g H g (e be,)	2	0
M, Pa C e g e (e be,)	2	0

Te N a C ee ed 2 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
Te 1 ee g 2017 f e 8 e	27 Ma, c 2017	O a e, c ce, g e 1 ee g 2017
Te 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 da e f, d, ec , f e 8 e f e B a d

C a e Xl
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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)

C a e Xl
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

(6)

D g e Re g Pe d, e R Ma age e C ee ed 3 ee g . 2 f e ee g f e R Ma age e C ee e e ed b a f e e .

Session of meeting	Date	Resolutions considered
Te 1 ee g 2017 f e 8 e	26 Ma c 2017	O a e c ce g e 1 ee g 2017
Te 2 d ee g 2017 f e 8 e	27 A g 2017	N
Te 3 d ee g 2017 f e 8 e	26 Se e be 2017	Re eec f c a a

4. A A A

(1)

Te e a a Sa e de f eC a e e a g a de e c e e g effec e e C a c e e ege e a ee g e e ea a eA ce fA ca .

TeC a a a a e g dc ca eSa e de b e g e e f a ce a d e a f eG eSa e de g ed c e fa a e , e e a d a e e , a e a e e a e f a c ca c a e . A e a e e, e e a de- a e ce a e a a abe f eSa e de e e e e e e c e e g . Te a e a e eb ea e e g a da ed ee eSa e de a d e bc ed e ece de e e f eC a a e a e.

Te da e, c e de e e d, a ce e e d a d eSa e de ' g ced e f eC a ' c c a a d ce f ge e a ee g c c e e e a e f e PRC C a La , e A ce fA ca a d eH gK gL gR e e e e e e c e f e Sa e de ' g a e d ege e a ee g . P a eA ce fA ca , eSa e de ( ) (a e) e ed e e e e a f eC a a e ec e da e e e eC a .

D g e Re g Pe d, eC a e da a f 5 ge e a ee g , c d g 3 ge e a ee g , 1 A Sa e de ' ca ee g a d 1 HSa e de ' ca ee g .

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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.

C a e Xl
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

10. A A A A

(1)

I 2017, eC a e ab ed ac e e e, a age e ad e ac e c c a ce e e e fC a Sec e Reg a C , e CSRC S e e B ed a d eH gK gS c. E c a ge. Acc d g eC e a Be c a. f E e e l e a C ad g da ce ed b f e e a dde a e fC a, e e e f eC a e G e a ce C de a d eC a e G 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 , eC a a de g ed, e e ed a d ed e a age e a d e ac e . T e c ff 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 ac 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 l a , , . e e c d , , 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 a 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 l 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 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 . 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 , l a .

T e C a e ab ed a c , e e l , e e , ced , e f , a , , . . F , de fed a , , . , e , e be e d e a e a f , , a e a , e e a , a d e e e a a a , l ed b e B a d a d e a age e . T e , . a age e ea a be , e bef , , g e e ed f e , e e a a d , e , e e ed e a age e e , dca . I add , e C a e ab ed a , . , g a d a g e . F , de fed a , , . , e , e be , . de a , e a , ace , e ¢ a , g dca , a d , ac . d e , g dca , f , a , , . e , dca . T e ab , a dca , a d , . , ed a be , e , ed e a age e , a d e a age e a g de e ac l 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 l e de f a , , . fac , a d e ab , e ¢ a c , ea , e . T e e a c , e a ac l e , age , a e f l e 95% e e e , , e , de , eG , .

C a e Xl
Ampnmp_rc Emtcpl_lac _lb Ampnmp_rc Emtcpl_lac Pcnmpr

(3)

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

Case XII

C a e XII
A

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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 ef a ca a e e . A a 31 Dece be 2017, e e a e f f a c a 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 ec ed e f f a c a 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 eg a a , e ec e abe a e f ea ed a e a d e d , e f e e ee b e . S ecfc adef f a c a ea g ece abe g- e ece abe bec e de ce f a e , e f a c a ea e ece abe g- e ece abe f c ecfc . d be ca fed acc d g a 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: ef 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 de e ed 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 g a e de fca a da e e ce f f a c a 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 g e a e 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 e G 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 , ad RMB1,036,235,000 a a ca ed e e g, ce ca ad L df de e a e g . I 2017, e G ade a l f , ad 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 de e g, ce ca ad L d f de e a e g , e ec l 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 eca ad e e a a, f a, e . T e a age e ade e c , e d g a, e , l ba ed ed ffe e ce be ee , ec l e, abe 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 . e a a ed c de f , e ¢ e e g , a e , g a g , e e e, a e add c , a e . We f c ed a, ea d e e fac a g f ca dge e e, e l ed . e a fa e g e g d a, e .	We a 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 l a da ed e effec l e e f e 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 , l a f a, e , l . 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 ¢ 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 l , 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 , l 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 l 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 e ga 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 baa 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 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 a e, g a g , e e e a e a dd c 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 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 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 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 , e d , e e g g a e e a 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 e 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 e e 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 da 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 a c a]TJ0.0166Tc 0.086 T 0*[(de fab 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 e f a ca ae e de c e e e f a ad ed e e a f f a ac c 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 ae a c e ef a ca ae e , edge ba ed ead e e f ea be ae a aed. If, ba ed e e a e ef ed, e c c de a e e a ae a ae e f e f a , ea e ed e a fac . We a e g e 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 adfa ee a f ee 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 ef eef ae a ae e , e e de fad e .

I e a g ee 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 eaed g gc ce ad g eg gc ce ba facc g e a age e e e ed 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 .

Case XII

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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 l e , a ce a a e e a e a e c ed , e a e ca , e , 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 , e a ed afe a d .

F , e a e , c ca ed e c a ged g l e , a ce, e de e , e e a e , a e , e f g f ca ce e a d f e f a ca a e e f e c , , e e , d a d a , e e f , e e . e a d a e , . We de c be e e a e , a d , ' e , e a , , eg a , ec de b c d c , e ab e a e , e , e e , a e c , c a ce , e de e , e a a a e , d be c ca ed , , e , beca 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 g Ta 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

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Financial Statements Prepared in Accordance with CASBE

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&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
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(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	

As at 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
(Figures in Reference to Other)

	Note	31 December 2017	31 December 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	XVI.7	350,000	2,710,000
1001326.028 1 Tf/Sa <</Act aTe <FEFac 0/Sa <</Ac a fa at e g f /T1 1 Tf7.864 0 Td			8350,000

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)
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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 ! e e e e	IV.53	5,482,054	4,208,598
F a c a 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 c a 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 e c 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

Chapter 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)

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 age		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 age		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		58,824	224,760
Ne ca ecei ed f d a ff eda e , agbe 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 e f eda e agbe a e ad e g-e a e		1,707,232	7,239,592
Ca ad ac e 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)

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(E g Ta a f Refe e ce O)

	Ne	2017	2016
Item			
III. Cash flows from financing activities			
Ca ecei ed f ca a c b		2,803,150	1,768,906
I c d g: Ca ecei ed f ca a c b b a e de f b da e		2,771,957	1,760,575
Ca ecei ed f b g		59,930,549	54,548,656
Ca ecei ed f gb d		–	7,986,500
Ca ecei 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 fb g		62,807,109	52,820,203
Ca a e f d b fd 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

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Chapter 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)

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		274,870	156,526
Ca ecei ed ea g e ea gac e		2,036,017	257,702
Sub-total of cash inflows		2,310,887	414,228
Ca adf g d ad e ce		–	39,842
Ca ad a d be af fe ee		120,634	219,452
Pa e f a e a d c a ge		2,787	16,698
Ca ad ea g e ea gac e		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			
Ca ecei ed f d a f e e		9,500,000	
Ca ecei ed f e e e		511,092	245,460
Ne ca ecei ed f d a ff eda e		74	3,037
Ne Ca ecei ed f d a f b da e		50	8,944
Sub-total of cash inflows		10,011,216	257,441
Ca ad a f ef eda e , a gbea e a d e g- e a e		110,485	41,191
Ca ad a f e e e		9,500,000	
Ne ca ad a e b da e		81,616	77,991
Ca adf e e e ac e		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			
Ca ecei ed f e e		31,193	8,331
Ca ecei ed f b g		9,970,000	8,176,000
Ca ecei ed f gb d		–	7,986,500
Sub-total of cash inflows		10,001,193	16,170,831
Ca e a e fb g		12,334,000	9,319,881
Ca a e f d b fd de d f a d e e e e e		806,492	1,126,037
Ca a e ea g e f a c gac e		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: Ca a d ca e e ae a e beg g f e ea		1,715,470	652,865
VI. Cash and cash equivalents at the end of the year	XVI.26	335,730	1,715,470

T e acc a g e f a ega a f e ef a ca ae e .

Lega e e e a e' d ed e : Ma B a g

T e e c a ge f acc g affa : Ze g Ha

T e ead f e acc g de a e : Ze g Ha

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)

	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
As at 1 January 2017									
Changes for the year									
As at 31 December 2017									

	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
As at 1 January 2016								
Changes for the year								
As at 31 December 2016								

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 perpetual debt-like financial instruments	IX.2	–	–	–	–	–	–	–							
2. Increase in capital from equity holders	IV.44														
Capital	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 shareholders	IV.49	–	–	–	–	–	(179,837)	(179,837)						(654,822)	(654,822)
3. Interest added to perpetual debt	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 are expressed in RMB'000 unless otherwise stated)
(Figures in brackets refer to Reference No.)

NOTES TO THE FINANCIAL STATEMENTS

I. GENERAL INFORMATION

China Merchants Energy Shipping Co., Ltd. (the "Company"), formerly China Merchants Energy Shipping Co., Ltd., a sino-foreign joint stock limited company incorporated in the People's Republic of China (the "PRC"), was established by China Merchants Group Limited ("CMG"), the Eastern Associated Companies (Note) and Ocean Chemical Transport Inc. (USA). In December 1992, approved by Shen Fu Ban Fi [1992] 1736 issued by the General Office of People's Government of Shenzhen Municipality and Shen Fu Fu Han [1992] 261 issued by Shenzhen Economic Zone Branch of People's Bank of China, and upon the approval of the Company's establishment by China Merchants Energy Shipping Co., Ltd. by the Securities Commission of the State Council 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. In accordance with Shen Fu Ban Fi [1993] 925 issued by the General Office of People's Government of Shenzhen Municipality and Shen Fu Zheng Ban Fi [1994] 22 issued by Shenzhen Securities Administration Office on 1 December 1995, approved by Shenzhen Administration Bureau of Foreign Investment, the Company changed its name to China Merchants Energy Shipping Co., Ltd. The registered address of the Company is 8 Floor, CIMC R&D Center, 2 Gangwan Avenue, Shekou, Nanshan District, Shenzhen, PRC.

On 19 December 2012, the Company's domestic shares (A Shares) changed to be listed on Shanghai Stock Exchange. Hence, the Company's B Shares were converted to domestic shares (H Shares).

The principal activities of the Company and its subsidiaries (hereinafter referred to as the Group) are mainly engaged in the transportation of crude oil, petroleum products, chemicals, liquefied gas and dry bulk cargoes; the provision of ship management, ship agency, freight forwarding, ship repair, ship trading, ship leasing, crew management, vessel supply, bunkering, marine engineering, logistics and other services; and the operation of floating production, storage and offloading (FPSO) and floating storage and offloading (FSO) units, as well as the provision of technical management services for LNG, LPG and other energy carriers. As at the end of the reporting period, the Group had engaged in the following principal activities, which did not change during the reporting period:

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I. GENERAL INFORMATION (CONTINUED)

Pea e efe N e VI f de a f b da e c ded e c e f c da a da efe N e V.1 f e de a f b da e e c ded e c e f c da . Pea e efe N e V.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 ce 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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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Preparation of consolidated financial statements

Te c e fc da edf a ca ae e ba ed c , a d ec da edf a ca ae e c , e eC a a d b da e.C , ea eg a g e e ede , a d c d ga e , g e e ee a e a a eab affec e e , g e e .Te fa ca , f a ca e f , a ce a d ca f f b da e a e c ded ec da edf a ca ae e f edae a c , c e e edae a c , cea e.

We ea b da a ae ed , g e e , g e d, , g ab e c b a g e e , e de c c , , ef a ca ae e f e b da e c ded ec da ed f a ca ae e a f ec b a ad cc ,eda edae a e aec , g a f , ba edc , .Te e gbaa ce a d ec a a efg e f ec da edf a ca ae e a e a ed.I e e a a f ec da edf a ca ae e , e b da ' a e a d ab e ba ed e ca , ga a e c ded ec da ed baa ce ee, a d f a ca e f , a ce c ded ec da ed c e a e e , e ec e , f edae a e ae a e c a f eC a ba ec , f e b da , bec da ed.

We ea b da a ae ed , g e e , g e d, , g ab e c b a g e e , e de c c , , e de fabea e a d ab e f ea ed b da e a e c ded e c e fc da f edae a c , c e ce , ba e e fa a e f e de fabea e a d ab e a ea da e.

F ab e c b a g e e , e de c c , a d ac ed age , e G e ea e , e - ede e e ea ee fa a e a ea da e.T e dffe e ce be ee e fa a e a d e ca , ga , ec g eda e e c ef , ec , e e d ea , ec g ed e c , e e e c e ea g e , e - ede e e ea ee , eca feda e e c ef , ec , e e d.

We e eC a a ea , e e f a b da ' , a e de , d e fa , fa e e a b da a ac age c , , ed ffe e ce be ee ea b c e , e e a ead ed a d ea f ec de a a d , , eca ed a d ed e c , e (ca a ,) ca a , e e e ec da edbaa ce ee. If e c ed baa ce f c , e (ca a ,) ca a , e e e ffce , a e ce a d ed , ea ed ea g.

We eG e c , fa b da d e ed a fa , fa e e , eG de , ec g e a e , ab e , , e e a d e , ea ed e e ' e , ea a b da .T e , e a ge e e , e ea , eda fa a e a ed a e e c , .A ga , e e ef , e c , , eda a e , ec g eda e e c ef , ec , e e d e c , .

We ea f f , ec , e e da , b abe e , a e de , fa b da , e ceed e , a e de ' , f e e gbaa ce f a e de ' e f e b da , , ee ce a ca ed aga e , e e .

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

6. Preparation of consolidated financial statements (Continued)

W e acc g ed , acc g ce fa b da , ed ffe 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 . T e , 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 , 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 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 . T e , ea ed , f a d a g f a e f a e b da , e b eC a a e f e a ed aga e , f a , b abe e f eC a . T e , ea ed , f a d a g f a e f a 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 . T e , ea ed , f a d a g f a e f be 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 .

T e dffe e ce , ec g ga a e , a ac be ee e acc g bec f eG a d f e C a , b da , e b dbead ed e acc g bec f eG .

7. Cash and cash equivalents

Ca a d ca e e a e 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 a e , ead c e be a f fca a d c a e bec a g fca , fc a 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 , , e ce f e , , e ca a , a aed f c a c , , e c a e e ca ge , a e a e da e f e , e ce . O e f , eg c , , e c , a ac a e , a , ec g , , a aed f c a c , , e c a e , a e a a , a e e e ca ge , a e a e da e f e , a ac .

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

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

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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 ee d f e e g e d.

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

9. Financial instruments (Continued)

(1) Financial Assets (Continued)

(c) Impairment of financial assets

T e G a e e eca g a ff a ca a e e a ea fa a e g f a eac ba ce ee da e. If e e bec e ce de ce a af a ca a e a ed, e G de e ea f a e .

Ob ec e ce de ce dca g af a ca a e a ed e e a e ac a a e b e e a ec g f ef a ca a e a de e f e ce ef a ca a e' e a ed f eca f c ca be e ab ea ed b e G .

E de ce f ed- - a e a ed c e a g f ca g ed dec e efa a e fa e a e be c . T e G a e e a a abe-f - ae f a ca a e a d d ba a eac ba ce ee da e. I a e d be ec g ed f efa a e fa e e a a 50% (50% c e) f a e e c e ca e a efa a e a bee e a e a e e c f e a e ea (e ea c e). T e G c de e e a fac , c a e ce a , de e e e a a e d be ec g ed f e e f e dec e efa a e fa e e a 20% (20% c e) b e a 50% f a e e c . Te a e e c f ed- - a e e ca aed g e eg ed a e age e d.

W e a a e af a ca a e ca ed a ed c a cd ed, ea f ea ed a e dffe e ce be ee e a e' ca g a ad e e e a e f e a ed f eca f (e c d g f ec ed e a a e bee c ed). If e e bec e ce de ce a e a e f ef a ca a e ec e ed ad e ec e ea ed bec e a e ce cd g afe e a e a ec g ed, e e ec g ed a e e e ed ad ea f e a ec g ed f .

W e a a abe-f - ae f a ca a e a ed, ec a e a g f dec e fa a e a a bee ec g ed d ec e ec fed f . If, afe a a e a bee ec g ed a a abe-f - ae deb e , efa a e f edeb e c ea e a b e e e d ad e c ea eca be bec e ea ed a e cd g afe e a e a ec g ed, e a e e e ed g f . A a e ec g edf a e e a e ca feda a abe-f - ae e e ed g e .

W e a a e a a abe-f - ae f a ca a e a cd ed, ea f

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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 a e f a f a ca e a aded a ac e a e de ed a e ed ce
e ac e a e . T e fa a e f a f a ca e a aded a ac e a e de ed
b g a a a e a a ec e 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 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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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Receivables (Continued)

If, af e a a e a bee ec g ed ece abe , e e bec e e de ce fa ec e e f e f a ca a e c ca be eaed bec e a e cc g afe e a e a ec g ed, e e ec g ed a e e ed g f . A e e a fa a e e ea e' ca g a e ceed g a c d a e bee de e ed ad a e bee ec g ed ea .

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

C e a f f ece abe a a e d d a g fca ad a e f ded a d d a ba .	I d d a g fca ece abe a e ece abe e d d a a e RMB10 (c e) acc g 5% f e a ece abe .
Me d f f ece abe a a e d d a g fca ad a e f ded a d d a ba .	A a e ca c a ed a e e ce f ca g a e e e a e f ee a ed f ece a f (ec e f f ece ed e a a e bee c ed) d c ed a e g a effec e e e a e.

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

C e a f f ece abe a a e d d a g fca b a e f ded a d d a ba .	W e ece abe ea a e d d a g fca , a e a e ed a d d a ba f e e d e ece abe ad afe c ec eff f ec a ace c .
Me d f f ece abe a a e d d a g fca b a e f ded a d d a ba .	A a e ca c a ed a e e ce f ca g a e e e a e f ee a ed f ece a f (ec e f f ece ed e a a e bee c ed) d c ed a e g a effec e e e a e.

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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 abe a e bee d d a e ed a ed (1) a d (2), e a e e ade c ec e ag ba ece abe a e a ced c aac e c .

De e a e d f eg
ba ed ced c aac e c e ce, e eg ce a d df de e, ff e eg ee g a, fac e, e b e a da de f ea ed a e, a d ea e e a e a d e a g de acc d g e d, a d b e a . f c e a d ec a ac e c f ece abe . A f Off e e g ee g g , e ece abe c ced c afe eg gba ed ced c aac e c acc 8 d g d d a ced c a e e a d ca da a. A eg ed ef ea ed a e, a d ea e e a e e a g de , a d ec, f ec ed c a e ed afe g gba ed ea e e ced c a d e, ca e e e ce, a e ec g ed f eg .

G 1	C a e
G 2	R ad a , a e ce
G 3	E e g ce ca a d df de e
G 4	A , fac e
G 5	L g c e ce
G 6	O e b e
G 7	F a ca ea g
Ba acce a ce e	Ba e ed c

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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 (Continued)

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

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

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

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

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

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

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

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

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

F , eab, e g , , , , ade ba ed e, , e ec, e age ga a f :

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

l e e c de a ae a , g e , e -f ed g d , f ed g 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 l e 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

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

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

12. Long-term equity investments

L g- e e c e eC a g- e e b da e a d e G g- e e e a da ca e.

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

12. Long-term equity investments (Continued)

(2) Subsequent measurement (Continued)

For long-term equity investments accounted for using the cost method, except for cash dividends or profits declared by investees that have been included in the consideration of investment cost, the Company recognises investment income according to cash dividends or profits declared by investees. The Company recognises investment income to the extent of cash dividends or profits declared by investees that belong to the Company. For long-term equity investments accounted for using the equity method, when the initial investment cost exceeds the Company's share of the fair value of the investee's identifiable net assets at the time of investment, no adjustment is made to the initial investment cost; when the initial investment cost is less than the Company's share of the fair value of the investee's identifiable net assets at the time of investment, the difference is included in the current profit or loss and the cost of long-term equity investments is adjusted accordingly. The Company recognises its share of net profit or loss of the investee and adjusts the carrying amount of long-term equity investments accordingly. The Company recognises its share of the investee's net profit or loss after making adjustments to the investee's net profit based on the fair values of the investee's identifiable assets at the time of investment. The Company recognises its share of the investee's net profit or loss based on the Company's accounting policies or accounting period. The Company recognises its share of the investee's net profit or loss after offsetting unrealised profits or losses resulting from transactions between the Company and its investees that are attributable to the Company.

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

Control is the power over an investee, enjoying variable returns through participation in the relevant activities of the investee and the ability to affect the amount of returns by exercising power over the investee.

Joint control is the agreed sharing of control over an arrangement by way of contract, which exists only when decisions on the relevant activities require the unanimous consent of the parties sharing control.

Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over the formulation of those policies.

(4) Impairment of the long term equity investment

The Company's investments in subsidiaries, associates and joint ventures are subject to impairment testing when there is an indication of impairment. For impairment testing (Note 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 fea 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 a d d ' , de de eca , a , a . T e ca , ga f e e , e e ad ed ba ed e fa , a ea e baa ce ee da e, a d ed 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 , eca fed fed a e , a gbea e eca , ga de e eda e fa a e f e e , e e a eda e f e a fe , a d ed ffe e ce be ee e fa a ea d e g a ca , ga f 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 eca , ef eda e , a gbea e a fe ed e , e e eca , ga de e eda e fa a ea eda e f e a fe. If e fa a ea eda e f e a fe e a e g a ca , ga f ef eda e , e a gbea e , e dffe 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 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 , 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 eda e e e a gbea e ed b e G f e , d c fg d , f e ce, f , e a e , f , ea a dad a e , e ef e e ea.

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

W e e a fa e ff eda e a ed ffe e e ef e , , de be ef e G d ffe e a e ece a g e f dffe e de eca ae , e d, eac a , ec g eda a e a ae f eda 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 c d 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 c 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 ae (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 a g e e. T e e a ed e 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 ea f ceed f d a ae, a fe 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.

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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 relevant expenses. When the assets are ready for the intended use, they are transferred to fixed assets.

An item of construction in progress is transferred to fixed assets when it is ready for the intended use. 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 the 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 the intended use or sale, the amount of interest to be capitalised is the actual interest expense incurred during the period less any interest income earned on the unused borrowed funds deposited in the bank or any investment income on the temporary investment of those funds before they are used.
>
> 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 the 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 specific borrowings. The capitalisation rate is the weighted average of the interest rates applicable to the general borrowings.

The effective interest rate and the amount of interest to be capitalised during the period are reviewed and adjusted by the Company in light of actual circumstances.

During the capitalisation period, exchange differences relating to principal and interest of borrowings denominated in foreign currencies are capitalised as part of the cost of the assets if they are incurred in connection with borrowings that qualify for capitalisation. Exchange differences relating to principal and interest of borrowings denominated in foreign currencies that do not qualify for capitalisation 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 ef ea 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 ea e f, e ded e ae a e ge ,a d cea e e ea e bec e ead f e e ded e ae. Ca a a fb gc e ded e ea , c c d c ac e a e e ed ab a d e e a e ee .

17. Intangible assets

I a gbea e a e a ed e baa ce ee a c e acq a ed a 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 ea a e e d a ca efec e a e c ea 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 ed a eac ea -e d, ad e ade a 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 ed e e e ea c a ea de ed 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)

The Group's expenditure on research activities is recognised in the income statement in the period in which it is incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and intention to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense when incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

Other intangible assets acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Amortisation is calculated using the straight-line method to allocate the cost of intangible assets over their estimated useful lives, as follows:

- Land use rights: Over the lease terms of 50 years;
- Computer software: 3 to 10 years;
- Trademarks: 10 years; and
- Customer relationships: 5 to 10 years.

18. Goodwill

Goodwill represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree (if any) over the net fair value of the identifiable assets acquired and liabilities assumed.

Goodwill is allocated to cash-generating units (see Note II.20). Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

Chapter XIII

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
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II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Long-term prepaid expenses

Long-term prepaid expenses are amortised using the straight-line method over the beneficial period.

The amortisation period for each item is as follows:

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

20. Impairment of long-term assets

For long-term equity investments, investment properties measured using the cost model, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, and capitalised development expenditure, the Company assesses at the balance sheet date whether there is any indication that an asset may be impaired. If there is any indication that an asset may be impaired, or for intangible assets with indefinite useful lives, the Company estimates the recoverable amount and performs impairment testing. The recoverable amount is the higher of the asset's fair value less disposal expenses and the present value of expected future cash flows. Impairment testing is conducted for individual assets. For assets that are difficult to test individually, impairment testing is conducted for the asset group to which they belong. The asset group is the smallest group of assets that can generate cash inflows independently.

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

21. Provisions and contingent liabilities

When the Group undertakes a transaction, a provision is recognised for the transaction if the obligation is a present obligation, the transaction is likely to result in outflow of economic benefits from the Group, and the amount of the obligation can be measured reliably.

At the end of the reporting period, the present obligation of the Group is recognised as a provision. Factors such as the risk, uncertainty and time value of money are taken into consideration when measuring the provision. The carrying amount of the provision is reviewed at the end of the reporting period. The carrying amount is adjusted to reflect the current best estimate.

The carrying amount of the provision is reduced by the amount of the expenditure incurred that is expected to be compensated.

When the Group expects that the economic benefits required for the settlement of a provision can be compensated by a third party, the amount of the compensation is separately recognised as an asset when it is virtually certain that the compensation will be received. The amount recognised for the compensation shall not exceed the carrying amount of the provision.

If the Group has a present obligation in relation to an onerous contract and fulfilling the contract is likely to result in outflow of economic benefits, a provision is recognised for the present obligation under the contract. Before a provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

22. Share-based payments

(1) Classification

Share-based payments are transactions in which the Group receives services or acquires assets by issuing equity instruments (including share options) or by incurring liabilities for amounts based on the price of equity instruments (including share options).

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

For an equity instrument granted on the grant date, if there is an active market, the fair value is determined by the quoted price in the active market. If there is no active market, the fair value is determined by using valuation techniques. The valuation techniques used by the Group include: (1) using the prices used by knowledgeable, willing parties in an arm's length transaction; (2) referring to the current fair value of another instrument that is substantially the same; (3) option pricing models; and (4) other valuation models. The Group selects valuation techniques consistent with the pricing models commonly used by market participants, and maximises the use of relevant and observable inputs, and minimises the use of unobservable inputs. The Group calibrates the valuation techniques and tests the validity of the results of the valuation techniques by using the prices from observable current market transactions in the same instrument or based on other available observable market data.

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

At each balance sheet date, the Group revises the number of equity instruments expected to vest based on the number of grantees that remain in service, the non-market performance conditions and the vesting period. If there is any subsequent information indicating that the number of equity instruments expected to vest differs from previous estimates, such difference will be adjusted. On the vesting date, the number of equity instruments ultimately vested will be consistent with the number of equity instruments vested.

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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 efa a e f ee e g a ed g a da e ec g ed a ee a c 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 eac e e fa ecfed e f a ce c d e G 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 e g a ed e a d e e be fe e e ec ed e . Ba ed e be e a e G ec g e e e ce ece ed f e d e 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 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 eac e e fa ecfed e f a ce c d e G 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 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

Re e e g f fec cbe ef e e d a g ec e f eG ' d a ac e e e f e c ea e a e de ' , e a c ea e ea g c b f a e de . Re e e ec g ed f e babe a e ec cbe ef f eG , e e e ea d c ca be ea ed e ab a d e f g e ec ec d a e e .

(1) Sale of goods

Re e e f a e f g d ec g ed e a f e ge e a c d a ed ab e a d f g c d a e a fed:

(a) T e g fca . a d e a d f e f g d a e bee a fe ed e b e ;

(b) T eG e a e e c g a age a e e de g ee a a ca ed e effec ec e g d d.

Re e e f e a e f g d ea ed a e fa a e f ec de a ece ed ece ab e de e a e c ac ag ee e .

a. Containers and airport facilities sales revenue

T eG ec g e e e e afe ece e acce a ce ce fca e f d e .

b. Road transportation vehicles and heavy truck sales revenue

Sa e f R ad a a e ce a ed ded a e d e c d e a d a e e ea d e . A a e d e c d e , eG ec g e e e e afe d e c e ad acce e e ce . A a e e ea d e , eG ec g e e e e afe e ce a e aded ecfed ecfc a g ed b ed e a c ac .

c. Real estate sales revenue

T eG ec g e e e e e e ca e a d e ag ee e e f ed. W e e e d ad a ce bef e c e , e e e e ec g ed e e c c e ed a d de e ed e b e . T e de a d a e ece ed bef e e e e ec g a e ega ded a ad a ce f d e .

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

23. Revenue recognition (Continued)

(2) Revenue from construction contracts

W e e e c e fa c c ac ca be e a ed e ab , c ac e e a d c ac e 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 fa c 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 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 e ba c ca e a ce ga ed a d e e ed b ca ab a d ca ed b ed . TeG ad e ba c e a ce e e de g a ed a ce c a e f e ee acc d g e ba 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 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 .

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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 , e a 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 e G ! ! abe ! a e, a d, a e a e e, a f e e , e a , e a ff , a a d c a d e e e , e a e a e f c e a e e, a f e e , e a a e, ec g ed.

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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 f 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 - eba 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 ea 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 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 a f a ce ea e, e a e ea ed a a e a e f fa ea d e e e a e f e ea e a e ea 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 de) ed f a ce cca 72 TI ea ed ec c - f aaa e a f ba ab e eG a d a e dec ded. I ea a e ag e be 1.2 de

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 ece 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 ece abe , e f ea ed f a ce c e, a e e e ed a g- e ece abe -c e a e d e e ea e ec e 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 ece 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 a abe f ed a e ae e e c d bec e a a e a add 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 ag ee e e a a d ba ed ee a a a, a d 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 eda fa a e a d defe ed a a e) a ee e ec g c e af ed f ae a e ec g eda ea e a e e f efa a e e c e a d eca ga . A ece f e g a ca ga e efa a e e c e ec g eda 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 ea ae e e ed e baa ce ee.

A dc ed ea ac e f eG 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 ga 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 ga ca a ea f e a ;

(c) I a b da a e ede c e a e e a 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 risk or a portfolio of risks that may affect the income statement.

Hedged items are assets, liabilities, firm commitments or highly probable forecast transactions that are exposed to changes in fair value or cash flows and are designated as being hedged. The Group's hedged items include specific recognised assets and liabilities, unrecognised firm commitments, highly probable forecast transactions and net investments in foreign operations.

A hedging instrument is a designated derivative or, for a hedge of the risk of changes in foreign exchange rates only, a designated non-derivative financial asset or non-derivative 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.

To qualify for hedge accounting, at the inception of the hedge there must be formal designation and documentation of the hedge and the hedge is expected to be highly effective. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the entity will assess whether the hedging instrument is effective in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. A hedge is expected to be highly effective if:

- the effectiveness can be reliably measured, i.e. the fair value or cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured;
- at the inception of the hedge and in subsequent periods, the hedge is expected to be highly effective in achieving offsetting of fair value or cash flow attributable to the hedged risk during the period for which the hedge is designated; and
- actual results are within a range of 80% – 125%.

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 will affect reported net profit or loss. For a cash flow hedge of a forecast transaction, it should be highly probable that the transaction will occur and must present an exposure to variations in cash flows that could ultimately affect reported net profit or loss.

- Cash flow hedge accounting is discontinued prospectively when the hedge no longer meets the criteria for hedge accounting;
- The cumulative gain or loss on the hedging instrument that has been recognised directly in equity from the period when the hedge was effective remains separately in equity until the forecast transaction occurs.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, then the associated gains and losses that were recognised directly in equity will be reclassified into initial cost or other carrying amount of the non-financial asset or non-financial liability.

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

29. Hedge accounting (Continued)

If a hedge fails to meet the requirements of effectiveness, the Group will discontinue hedge accounting prospectively. When the Group discontinues hedge accounting for a cash flow hedge, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs or is no longer expected to occur. When the forecast transaction occurs or is no longer expected to occur, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment. When the Group discontinues hedge accounting for a fair value hedge, the adjustment to the carrying amount of a hedged item arising from the hedged risk is amortised to profit or loss beginning no later than when hedge accounting is discontinued.

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

31. Related parties (Continued)

(d) e ac c eg fca e ce 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 d g b da e f e e ;

(g) a cae f eG , d 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 ec de ed a (b e ced) ea ed a e ba ed ed 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 e f edc 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 ea agee 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 ea agee 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 ad 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 .

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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 ' 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 ad eC 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 deg e e ga ea ed a e defe ed c e D g e e ce fe, ea a abe ca ed age acc d g a ea abea d e ac 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 - ea g c e N - ea 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 - ea g c e N - ea 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 ff a ca a e e e a age e a e e a e a da a affec e a ca fac g ce a d e e e da a fa e , ab e , c ea de e e. Ac a a e a d ffe f e e e a e. E a e a d de g a a e e ed a g g ba . Re acc g e a e a e ec g ed e e d c e e a e e ed a d a 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 a e ff a ca e . O e e ce fe a ce a a ea f :

(1) Impairment of receivables

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

T e ec e abe a f a a e (a e g) e g ea e f fa a e e c e a d e e e a e fe 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 ed ed c aebef ea a ed e ca f d c a d e ed d c aebef ea g e a ed c aec e ed, eG e ed a e f a e f g-e a e.

If eac a g ag d c aebef ea g e a e a age e 'e a e, e G ca ee 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 de a age e 'eg a e e, ad a a e f d a e f e ec g edf eece f e e'ca g a e e, e ea abe a e. We a ge ae f e ea abe a e, eG a e c de a e e f e ed ada d e f a a aabe f e de g a , c d g e e' a e ce ad eG ' ca e a gc . Tea c a e g ce, ec fc e ad ec ece a a e e aead ee a ae a a ba ed ec a ge a e c d ad d c aeab , a fac g ec g ad eac a e f e e e g ec a ge f d a e f e e. Te e f a e be affec ed e e d e e f d a e f 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 d d 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 l 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 l e e d c c de e a ade.

De e g c e a l l 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 l 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 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 ed a d add 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 l e ed.

(8) Estimation of fair value of investment properties

T e G ec g ed e fa l a e f e l e e e ba ed e l a a e ed b e de e de fe a l a e e a f e e a de e de d a c a e. T a e e fa l a e f l 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
Value added tax (VAT)(a)	The Group's VAT calculated based on the taxable income after offsetting deductible VAT for the year, VAT payable	

III. TAXATION (CONTINUED)

2. Preferential tax treatments

T e G ' b da e a a ee ed efe e a 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	Ta a E e V5%25%15%C e be ec g ed a g - ec e e e 2017 e ed 15% efe e a a e			

a E e A)1 b 2.O L15%C e be ec g ed a g - ec
15%

ed a g - ec

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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%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
13	Jiangsu Hengshen Automobile Manufacturing Co., Ltd	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
14	Jiangsu Hengshen Automobile Manufacturing Co., Ltd	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
15	Lanzhou CIMC Haoheng Gas Liquefaction Plant Co., Ltd.	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
16	Nantong CIMC Energy Equipment Co, Ltd	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
17	Enric (Nantong) CIMC Food Equipment Co., Ltd.	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
18	Shenzhen CIMC Tianda Airport Support Co., Ltd.	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
19	Xi'an Aerial Equipment Co. Ltd.	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
20	Shenzhen CIMC Tianda Logistic Service Engineering Co., Ltd	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
21	Shenzhen CIMC Intelligent Technology Co., Ltd.	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority
22	Hainan CIMC Baobao Industrial Development Co., Ltd.	25%	15%	Subject to the encouraged industry preferential tax rate of 15% as approved by the relevant tax authority

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Please refer to Note VI.1 and IV.13 for the definition of the bracketed terms.

1. Cash at bank and on hand

	31 December 2017	31 December 2016
Cash on hand	4,406	157,493
Bank deposits	4,863,666	5,711,162
Other cash balance	728,242	457,343
Total	5,596,314	6,325,998
Including: cash abroad	3,149,051	1,938,284

As at 31 December 2017, restricted cash and bank deposits amounted to 1,353,836,000 (31 December 2016: 987,257,000), refer to Note IV.24 for details.

As at 31 December 2017, restricted cash and bank deposits included deposits of Face Cash Receipt Business of 484,672,000 (31 December 2016: 504,795,000). Face Cash Receipt Business refers to the business conducted by Ping An Bank.

2. Financial assets at fair value through profit or loss

(1) Classification

	Note	31 December 2017	31 December 2016
Current Portion			
1. Investments in debt instruments			
Listed companies	(3)	183,303	138,072
2. Derivative financial assets			
Foreign exchange forward contracts	(4)	8,078	1,782
Foreign exchange options	(5)	2,135	
Interest rate swaps	(6)	4	
3. Hedging instruments		1,360	1,306
Total		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 ed a ec 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, ece, ab e be a, ed a d , L f, bad deb a , ec , ded.

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

A f e ab, e b , ece, 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 eg ce ca a d df de e	3,346,180	3,220,025
Off ee 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 individual assessment	(4)	6,949,240	40.51%	348,984	5.02%	2,987,769	24.58%	142,565	4.77%
Accounts receivable individually insignificant for individual assessment	(5)	2,688,879	15.68%	121,257	4.51%	599,213	4.93%	63,181	10.54%
Provision for doubtful debts collectively assessed*									
Group 1 - Cash		2,857,910	16.66%	21,281	0.74%	1,733,265	14.26%	14,762	0.85%
Group 2 - Related party balance		1,010,433	5.89%	85,529	8.46%	1,315,102	10.82%	100,810	7.67%
Group 3 - Aging analysis method		1,461,753	8.52%	57,610	3.94%	2,911,678	23.95%	201,187	6.91%
Group 4 - Factoring		628,918	3.67%	49,255	7.83%	944,708	7.77%	54,025	5.72%
Group 5 - Agency		1,001,137	5.84%	36,742	3.67%	1,002,835	8.25%	34,573	3.45%
Group 6 - Leasing		375,382	2.19%	24,352	6.49%	303,664	2.50%	6,020	1.98%
Group 7 - Offsetting Receivables		180,251	1.04%	12,167	6.75%	357,077	2.94%	12,113	3.39%
Subtotal	(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 provided by aging.

As at 31 December 2017, the Group added the category of accounts receivable and made adjustments to the aging.

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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 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 e a ge acc ecea ab e	3,869,278	81	22.56%

A f Dece be 31 2016, e a a f e 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 ece 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 ece 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)	Sb da f g fca a e de	130,145	0.76%	–			
F e C a e Se ce C a L ed (FCS)	Sb da f g fca a e de	99,973	0.58%	–			
Sa 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 g Na 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)	Sb 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)	Sb da f g fca a e de	24,129	0.14%	–	27,650	0.23%	
Z e a g X g Ba b l d C ., L d (Z e a g X g)	A cae	21,874	0.13%	–			
D gFa l e a a C a e (G a g Z) C ., L d (D gFa l e a a (G a g Z))	Sb 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)	Sb 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 ea 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

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)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

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

(i) A d ec - ed b da f E c a b da f e G , E c l e e H d g , e ed a ag ee e (Ag ee e) 27 A g 2015 SOEG PTE LTD (SOEG), Ja g Pac fc S b d g G C ., L d. (Ja g Pac fc) a d E e g ee G C ., L d (E e g ee) (c ec l e , e Ve d), a c e Ve d , ag eed e a d EIHL ag eed c a e 100% e e S Pac fc Off e & E g ee g C ., L d (SOE). Af e a d , e C a , SOE a d E e g ee e ed a f a ca a ace f a e ag ee e (F a ca A ace Ag ee e) c g l e ed e f a ca a ace l ded b e G SOE e f f a a d g a a ee .

A a 1 e 2016, E c a ced a e B a d c de ed ce a c d ecede e Ag ee e c d be f ed a d e Ve d , ad b eac ed ce a a e a e f e Ag ee e . EIHL de l e ed e a ce e Ve d , f e a f e Ag ee e . E c a e ed e e a e d e f e e e a d e ec l e ab f e ece abe f Na g Pac fc. A f Dece be 31, 2016, E c l ded a bad deb l f RMB178,634,000 f e f a f e ad c de a ad b e e e a dac e d g l f bad deb f RMB1,184,281,000 f e a ecel ed f SOE.

A fa a E c e , ba ed e l e c a a e l ded b e ad a , e a ed a e ec l e abe a f e ece abe f SOE a a e RMB190,521,000. T e ef e, E c e acc ed a e l fa a e RMB105,549,000 a d ec ded e l f a e ec da ed c e a e e f e ea e ded Dece be 31, 2017.

SOE a a e l e b e Na g Pac fc Ba c L da G (e Ma age) a ed b e C e ec . O 5, 2017, E c l e e H d g , SOE a d e Ma age e e ed a e c g l e e ag ee e (Re ga a Pa), a c E c l e e H d g (a a e c ed l e) b ed a ffe . T g ea f ee ee e e Na g Pac fc, Na g Pac fc c a ed a a e aca c de a f RMB799,800,000. S b e e , e e ga a a a ffca a l ed b e SOE c ed a e c ed ' ee g 22, 2017 a d a ffca a l ed b e C e ec A g 4, 2017. SOE beca e a - ed b da f E c l e e H d g A g 4, 2017 (N e V. 1).

(ii) T e b g a c a ed Ca a c e a a f 136,742,000, e ba b g f e F a ce C a a a f 71,876,000 c e ed Ja a 2, 2018; d a b g a d e ca f df aff.

(iii) A e c a ed de e e e e c a e ag ee e a c a ed e e ba edge- e e a ac f F a ce c a , e f e b da f e G .

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

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

(iv) I de ee ec c eed f D a La ge-Sca e Re de a C ec Ba a D c, S a g a, S a g a Reefe C a e C . Ld, e f e - - ed b da f e G , dec ded de e a d, g, fac e a d a a e e c ca ed 6888 H a R ad, Ba a D c, S a g a (La d a ea f 290.55 ac e). A a 20 Dece be 2016, a c ac a ed T e de c e a ag ee e f e g de f a ge e de a c D a Ba e (e e af e efe ed a c e a ag ee e) a g ed be ee e SCRC a d e La d Re e e Ce e f Ba a d c, S a g a (e e af e efe ed a Ba a D c La d Re e e Ce e) a d e c e a a ag eed a 572,258,000. P e Ce f ca e a d e e e a e ce f ca e c a e e ed d g e de a e bee g ed a d b ed e da e f e c ac e e e a de a e f Ba a D c La d Re e e Ce e f e g g e f a ca e a d a a, a d ae a d e g ca ce a ced e . Be de , e b a e b ga ag eed a e bee c e ed 2016. A f Dece be 31, 2017, e a f RMB28,612,000 ad bee ec e ed.

O e 1, 2017, Ta B a H g - ec I d a D e e e Z e La d Re e e Ce e a d e - ed b da f e G , CIMC Be a g, g ed e Ta La d C da Re e e P ec C e a C ac . CIMC Be a g eed b de . T e Rea E a e O e Ce f ca e e e a e ce f ca e f e de ed e a a ded e e Ta B a H-Tec I d a D e e e Z e La d Re e e Ce e e da e f g g f e c ac a d b ed e e a de a e f f a ca e a d a a, a d ae a d age, a d e g ca ce a ced e . T e b a e b ga a ed e c e a ag ee e a ea bee c e ed 2017. A f Dece be 31, 2017, e a f RMB45,600,000 ad bee ec e ed.

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)

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	

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

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 the acquisition of equity	379,267		0.00%	
Receivables from associates and joint ventures	4,305,070		0.00%	
Advances to suppliers for acquisition of land	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 of assets	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 written off during the year amounted to 28,699,000 and was mainly related to the disposal of subsidiaries.

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

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

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

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
Tianjin Port Free Trade Zone Investment Development Co., Ltd. (Tianjin Port Investment)	(i)	Receivable for capital increase	3,575,000	1-2 years	41.30%	
Zhenjiang CIMC Enric Real Estate Co., Ltd. (Enric Real Estate)	(ii)	Receivable for Acquisition	331,250	1-2 years	3.83%	
Changzhou Sedi Co., Ltd.		Bidding deposit	204,330	1 year	2.36%	
Shenzhen Fengcai Technology Co., Ltd.		Equity transfer receivable	126,743	1 year	1.46%	
China Hi-Tech Investment Management Co., Ltd.		Bidding deposit	119,970	1 year	1.39%	
Total			4,357,293		50.34%	

As at 31 December 2016, the amount of the Group's top five balances of receivables amounted to 7,130,634,000, accounting for 65.25% of the total balance.

(i) As at 23 December 2016, Qianjiang Yongwang and Tianjin Binhai Investment Co., Ltd. signed the capital increase agreement and completed the capital increase on 28 December 2016. As at 31 December 2017, the Group has paid 3.575 billion to the receivable. According to the agreement, Tianjin Binhai Investment shall pay the interest at the annual rate of 4.9853% from 2017 to 2019 to the Group. The interest of 2018. After the Group, the Company has received the interest of 487,632,000 and the interest receivable has been settled.

(ii) As at 14 October 2016, 80% equity of Enric Real Estate, the subsidiary of the Group, was transferred to Nanjing Gaochuang Investment Management Co., Ltd. (referred to as Gaochuang Investment) by the Group. The equity transfer of the Group's Enric Real Estate was completed and the consideration was received. As at December 31, 2017, the amount of RMB331,250,000 had been received.

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
(Figures in Chinese are for 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, all the above balances are due from shareholders holding more than 5% (including 5%) of the voting rights of the Company.

(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 Company	Associate	331,250	Funding	3.83%	–	824,391	Funding	7.54%	
Sea Cameca Subdistrict Real Estate Holding Co., Ltd	Subsidiary of associate	70,650	Transfer of equity	0.82%	–	70,650	Transfer of equity	0.65%	
Sagaa Fengang Real Estate Development Co., Ltd. (Sagaa Fengang)	Associate	34,204	Funding	0.40%	–	34,204	Funding	0.31%	
Nangxiang Electric Power Panel Co., Ltd. (Nangxiang)	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)
(Figures in Reference CO)

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 were no advances to suppliers which were due from shareholders holding 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 Baogang Paper Co., Ltd. (Jiangsu Baogang)	Associate	8,000	0.33%	–			
Shanghai Hengtai 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 a 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 e 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 d e f 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 December 2016	Increase current year	Decrease current year	31 December 2017
Raw materials	3,252,604	53,176,247	(52,457,848)	3,971,003
Work in progress	2,223,924	42,305,344	(41,527,668)	3,001,600
Finished goods	3,713,285	63,308,678	(62,536,611)	4,485,352
Cargoes	113,302	2,958,416	(2,831,286)	240,432
Spare parts	213,712	431,631	(441,077)	204,266
Low-value consumables	35,951	282,070	(287,588)	30,433
Materials in transit	22,887	62,459	(47,118)	38,228
Completed properties for sale	852,395	671,795	(699,895)	824,295
Properties under development	1,400,761	652,515	(841,490)	1,211,786
Offshore engineering equipment	4,658,377	7,284,484	(7,402,839)	4,540,022
Amounts due from customers for contract work	1,241,321	16,434,036	(16,590,088)	1,085,269
Total	17,728,519	187,567,675	(185,663,508)	19,632,686

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

Category	31 December 2016	Increase current year	Decrease current year		Exchange Difference arising from translation	31 December 2017
		Increase	Reversal	Write-off		
Raw materials	163,944	95,418	(40,757)	(24,999)	181	193,787
Work in progress	27,978	7,343	(22,108)	(2,299)	623	11,537
Finished goods	125,107	85,659	(11,162)	(91,866)	436	108,174
Cargoes	242		(58)			184
Spare parts	1,538	7,636	(1,576)		102	7,700
Low-value consumables	72	115	(24)		1	164
Reasonable expected development cost		14,900				14,900
Reasonable deduction for development cost		4,992				4,992
Offshore engineering equipment	123	100		(7)	(9)	207
Amounts due from customers for contract work		33,454			(740)	32,714
Total	319,004	249,617	(75,685)	(119,171)	594	374,359

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories (Continued)

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

(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
S 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
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 d 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 de c c de e e d 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
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 de f 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

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 e g)	A cae	77,192	90,752
N gXaC a g g	A cae	21,045	
Y&C E g e C., L d (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 18 12	143,170	3.37%	49,775	34.77%				
-C e a e 3.26% bad de 26 1,374	4,105,713	96.63%	257,419	6.27%				
	4,248,883	100%	307,194	7.23%				

C a e XIII

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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 eec a e e ed ce ac e a e a d e fa a e ca be e ab ea ed, c e e a e aeda c e a a e e.

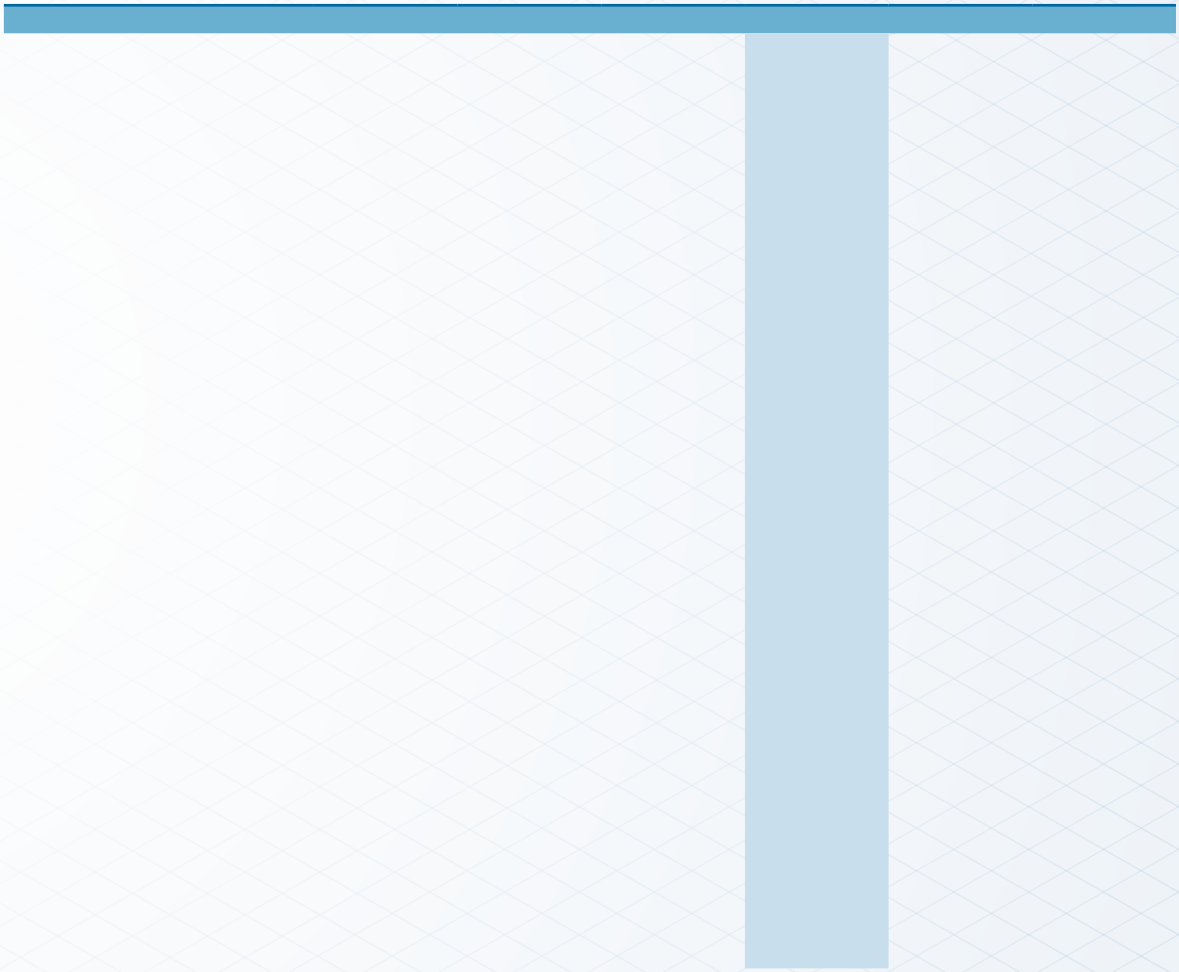
For the year ended 31 December 2017
(All amounts in RMB'000 unless otherwise stated)
(Figures in this report are prepared in accordance with PRC GAAP)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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

Available-for-sale equity instruments measured at fair value:



For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Long-term receivables

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

As at 31 December 2017, the above long-term receivables of RMB nil (31 December 2016: Nil) were pledged for long-term loans from financial institutions.

The aging analysis of finance lease receivables before deducting unrealised finance income, sales with recourse and others, and finance lease receivables after deducting unrealised finance income is as follows:

Minimum lease receipts	31 December 2017	31 December 2016
Within 1 year (inclusive)	6,260,716	5,467,492
1 and 2 years (inclusive)	3,240,272	3,608,636
2 and 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 Group derecognised certain finance lease receivables due from certain customers with recourse obligations amounted to 526,780,000 (31 December 2016: 1,255,723,000):

	The derecognised amount	The income from derecognition
Finance lease receivables	526,780	11,719

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

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Long-term receivables (Continued)

The above long-term receivables are analyzed as follows:

Category	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 Hope	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:

		Movements during the year						
	31 December 2016	Increase/ decrease in investment	Net profit adjusted by the equity method	Adjustment for other comprehensive income	Other equity movement	Cash dividend declared	Carrying amount at the end of the year	31 December 2017	Provision for impairment
Qingdao Sino-Singapore CIMC Logistics Equipment Manufacturing Co., Ltd. (Qingdao Sino-Singapore Logistics)	36,294		9,034					45,328	
Shenzhen (Saga) Refrigerated Container Co., Ltd.	2,171		(357)					1,814	
Saga Sino Security Service Co., Ltd.	11,340		457				(665)	11,132	
NKY Zenith	75,432		145			(9,443)		66,134	
Kanan Zhonglian Logistics (Tianjin) Co., Ltd.	22,330		2,781					25,111	
Qingdao Jiefang Baima Container Manufacturing Co., Ltd.	14,531	1,693	3,435			(4,113)	(486)	15,060	
Dalian Jiefang Baima Logistics Co., Ltd.	5,678		866			(1,000)	(344)	5,200	
Saga Baima Dewei Container Manufacturing Co., Ltd.	23,888	3,648	4,606				(1,217)	30,925	
Tianjin Baima Container Manufacturing Co., Ltd.	7,933		1,598			(1,826)	(479)	7,226	
Y&C Energy	195,777		16,999					212,776	
Sea Cucumber Island Aquaculture Co., Ltd.	1,630		(1,552)					78	
Ningbo Meishan Bonded Port Area Cangtai Logistics Equity Investment Management Partnership	50,100	3,000	(1,027)					52,073	
Hangzhou Xiaoli Equity Investment Management Partnership	20,100	1,200	(217)					21,083	
New Hope SingUG	33,287						(1,915)	31,372	
Hangzhou Xiaoli Equity Investment Management Partnership	10	(10)						–	
Total	500,501	9,531	36,768			(16,382)	(5,106)	525,312	

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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

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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 December 2016	Increase/ Decrease	Newly added	Adjustment for equity method	Cash dividend declared	Provision for impairment	Recognized gain/loss	Other	31 December 2017	Provision for impairment
Ta S ! g I , &E , Tad gC .Ld.	21,110								21,110	
Ja ! aS gC .,Ld. (Ja ! aS g)	126,454						(7,208)		119,246	
X d F, eg C .,Ld.	688		444						1,132	
C fe g L a ! a Fa C .,Ld.	6,296								6,296	
CIMC A, aba Fac , C a L ed	5,227		(2,256)						2,971	
S a g a Xa g ! A a C .,Ld.	679	(600)	(79)						–	
N , ea g a d	14,633	(1,852)							12,781	
N g a C a g g	18,331		(41)						18,290	
C e g T C , ! ca E e C .,Ld	2,637		(411)						2,226	
S e e Rad Ne , . Tec g C .,Ld (S e e Rad Ne , .)	7,407	2,000	(1,177)						8,230	
Be g B c E b C .,Ld.	12,423		670						13,093	
G a g ! C HC , Tec g C .,Ld.	23,829		2,494						26,323	
C a F, e Safe E e , e G ! L ed (C a F, e Safe)	485,275		(2,109)	16,448			33,149		532,763	
S a g a Ta . . S Ca Tec g De e e C .,Ld	2,000		(245)						1,755	
Z e a g X g Ba b ld , C .,Ld.	14,447		(1,297)						13,150	
N g G a g e Ba b P, d c C .,Ld (N g G a g e)	662		405						1,067	
H a Q gc e Ba b ld , C .,Ld. (Q gc e ba b d ,)	2,448		540						2,988	
UCS , age LLC	5,779						(39)		5,740	
Ja g ! Ba . g	23,755		(1,443)				(967)		21,345	
M , (S a g a) I e a Tade C .,Ld. (M , S a g a)	851		58						909	
S e e Cad H d a c e C .,Ld. (Cad H d a c)	17,858		1,414						19,272	
Z g X e	22,648		1,716						24,364	

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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):

T e G ' e a TSC, L H a E g, Ja g R ce, O I c (S a g a), ZPMC, Cad H d a c, Z g X e, He a Yda a d S e e R ad Ne , Tec g C ., Ld. a ea be 20%. B ce e G a a ed d ec , ea ab e e ed a cae, e G ad g fca A e ce e .T , e e ea cae e e a aed b e e d.

A a 31 Dece be 2017, e ce f Ma e S b ea & C afe, e e eed f e G ec g e f g- e e e e a da cae ba ed e e g e a c a ed e e a ed ec e ab e a a d b a e f g- e e e e a da cae (31 Dece be 2016: N).

14. Investment properties

	Buildings and relevant land use rights	Land use rights	Total
1 Ja a 2016	730,168		730,168
Add	78,176		78,176
C a ge fa a e	75,792		75,792
Ta fe ed f f ed a e	131,859		131,859
Ta fe ed f a gbea e	46,843	130,551	177,394
Ta fe ed f c c ge	786		786
Re a a ga a fe	102,062	482,772	584,834
Ta fe ed a e ca fed a ed f ae	(26,401)		(26,401)
31 Dece be 2016	1,139,285	613,323	1,752,608

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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 L a e	5,344		5,344
T a fe ed f f ed a e	21,120		21,120
T a fe ed f L 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 L e e e 0 (2016: 1,266,000). T e ca a a a e ed de e 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 L a e f L e e e e G ' d e e f a RMB5,344,000. (2016: RMB75,792,000).

I 2017, e G d ed f L e e e e ab L 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 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 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)
(Explanations of References Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(1) Fixed assets (Continued)

As of December 31, 2017, certain buildings with a carrying value of RMB353,331,000 (carrying value of RMB525,361,000) are pledged as collateral for bank loans with a maximum amount of RMB500,000,000 (2016: RMB398,144,000). Refer to Note IV. 24 for details.

In 2017, depreciation provided and recognized in cost of sales amounted to 1,794,182,000 (2016: 1,687,106,000), for the 1,490,953,000, 20,483,000 and 282,746,000 (2016: 1,413,938,000, 20,737,000 and 252,431,000) have been charged in the cost of sales, selling and distribution expenses, general and administrative expenses, respectively.

In 2017, no depreciation provided for the year was capitalized in the cost of inventories (2016: 1,975,332,000 (2016: 1,206,156,000).

(2) Temporarily idle fixed assets

As at 31 December 2017, the carrying amount of temporarily idle fixed assets amounted to 148,018,000 (carrying amount of 214,983,000) (31 December 2016: carrying amount of 207,894,000 and carrying amount of 409,415,000). The following table sets out the details:

	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

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(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	

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

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 ! c ff a c g a d ea g c 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 a ca f , a e c ! c , ec	54,583	–	54,583			
C d C a Re ea c I ! e P , ec	50,897	–	50,897	47,633		47,633
D gg a M da T a , d 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 L 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 , d c L ea d 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 ! 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 , d c e ! 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 g CIMC b d g c ! c , ec	–	–	–	8,732		8,732
Ref ge a ed ca , ec f A ! U ed c d g C 78 Td[(8726Re a g a)37(V)37(ec e Ga)MC(de d d g c , ec)]TJ/T1 1 ,178 0 Td( )T /T1 (3,178)T /T12 e(0 /T1 1 T , ec						

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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 December 2016	Current addition	Transfer to fixed assets	Transfer to long-term expenses	Transfer to intangible assets	Transfer to other assets	31 December 2017	Proportion of accumulated amount to budget (%)	Progress	Cumulative amount of capitalized interest	Including: current capitalized interest	Interest capitalization rate (%)	Source of funds	Accumulated difference between actual amount and budgeted amount
Ve e de c c ff ac 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 IMC g 6e ec	2,794,565	2,754,873	153,789					2,750,212	98%	95%	226,962	75,835	3.55%	S ce f d	(158,450)

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Disposal of fixed assets

	31 December 2017	31 December 2016
Proceeds from disposal		

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 a f b a d f d ec f e G , ea f e e ed a gbe a e e ed ce fca e a f a e .

(3) A a 31 Dece be 2017, e e a e ced a gbe a e (31 Dece be 2016: N).

(4) A a 31 Dece be 2017, e a gbe a 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 gbe a e d e e d (2016: 44,352,000). A a 31 Dece be 2017, a gbe a 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 gbe a 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)
(English translation for 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
Changan engines	120,085	120,085
Radiators and electrical engines	415,664	408,658
Engine and transmission engines	1,036,235	1,074,195
Off-road engines	229,460	229,397
Logistics assets	120,558	120,558
Heavy trucks	38,815	38,815
Auto parts	121,873	108,196
Automobile finance and other segments	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 budgets approved by the management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates stated below.

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 rate	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 rates are based on the average growth rates of the industry to which the asset groups belong. On the basis of the industry development and the historical experience of the asset groups, the management determines the growth of rate for the first five years, and adopts the discount rate reflecting the specific risks relating 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.

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)

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 construction	133,924	114,806	(146,205)	1,199	103,724
Interest expenses	9,439	10,655	(3,922)		16,172
Interest expenses	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 u 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	12,576	31 Td(741 31	(1,047)

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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 e 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 l a e f l e e	319,004	249,617	(75,685)	(119,171)	594	374,359
P l f a e f g-e e l 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 g bea 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 .

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Restricted assets

As at 31 December 2017, the Group's restricted assets were as follows:

	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 receivables	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 and other borrowings. Refer to Note 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

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Financial liabilities at fair value through profit or loss

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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
De 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
De e e	579,407	150,029
Ta 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

Tea 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
Q 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 eb 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 baa 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 c 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 c ce f e ff e b e e g ee g ec a e a e ea, ead a ce f c e a e e bee e ed.

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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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 annuity benefits	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
Social security contributions	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

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Employee benefits payable (Continued)

(3) Dismission welfare

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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 , e a ed f :

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Provisions

	Note	31 December 2016	Additions	Current year addition	Current year utilization	Current year reversal	Exchange difference arising from translation	31 December 2017
Product warranty	(1)	690,574	99,997	483,364	(117,117)	(229,025)	(10,SQ-1T2 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	(i)	5,236,902	6,260,830
Guaranteed	(ii)	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	(i)	1,476,028	
Guaranteed	(ii)	371,618	124,397
		3,982,626	3,525,710
Total		24,140,168	27,023,222

(i) As at December 31, 2017, the Group's long-term borrowings secured by certain accounts receivable amounted to USD810,460,000 (equivalent to RMB5,236,902,000). The long-term borrowings secured by certain properties amounted to USD225,893,000 (equivalent to RMB1,476,028,000).

(ii) As at 31 December 2017, the Group's guaranteed long-term borrowings mainly included unsecured USD1,487,000,000 (equivalent to RMB9,718,954,000) corporate guaranteed by CIMC HK, and certain unsecured USD48,811,000 (equivalent to RMB318,940,000); The guaranteed amount of RMB7,203,000 guaranteed by CITIC Heavy Tech Co., Ltd. for Dalian CIMC Heavy Tech Co., Ltd.; guaranteed amount of CIMC Vehicles UK Limited (Vehicles UK) guaranteed by certain banks GBP27,000,000 (equivalent to RMB237,050,000), collateralized long-term borrowings received by Vehicles UK GBP6,000,000 (equivalent to RMB52,678,000); guaranteed amount collateralized by HK Beefa Limited RMB150,363,000.

(2) Note: Interest rates per annum ranged from 5% to 7% for the Group's interest-bearing liabilities (2016:)

(3)

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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, e a, 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, e c , a 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 , a fe 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 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, 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	g ae f ea g ea g ec abe, be ec g ed e e d
T a		839,738	190,228	(183,734)	846,232	

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 e e	F a ca e e e	N - ea g c e	N - ea g e e e		
Ya a Raffe Na a De e e ad Ref C e ea e f d a g ad g ec d 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 ce l 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 g e ec		27,730		(193)				27,537	A e ea ed
C&C c g e e dd a	30,000			(2,679)				27,321	A e ea ed
Ma e E g ee g e Te g ad Te g Pa f C c Ma e E g ee g e Te g Pa f C c		14,840						14,840	A e ea ed
QDSCR d ba fa g e ec		13,578		(94)				13,484	A e ea ed
Ta ca g CIMC S ec 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)					

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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 Ge a ad F ed a e	O e ad a e c e	F a ca e e	N - ea g c e	N - ea g e e	31 December 2017	A e ea ed/ Ic e ea ed
MEA eca d d a La	5,520							5,520	A e ea ed
Se 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 e c ead 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 gPaf (B a)I La Seca	26,504	19,013	(41,430)					4,087	A e ea ed
Se 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 P ce fYa g R a g	2,256		(225)					2,031	A e ea ed
C&C T c e 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 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 O e c a ge a ce	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 O e c a ge a ce	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 reserves:				
Exchange reserve from foreign currency translation	692			692
Donated non-cash assets received	257			257
Equity-settled share-based payment	402,887	22,316	(5,199)	420,004
Capital surplus from the acquisition of subsidiaries	14,275	1,692		15,967
Capital surplus from the acquisition of minority interests	207,660	227,441		435,101
Decrease in capital surplus from the disposal of subsidiaries (Note 47)	899,128	903		900,031
Capital surplus from the change in fair value	(42,696)			(42,696)
Capital surplus from the adjustment of the carrying amount of minority interests	(224,430)		(22,239)	(246,669)
Capital surplus from the acquisition of minority interests	(58,964)			(58,964)
Effect of income tax on capital surplus	(406,795)			(406,795)
Capital surplus from the transfer of equity to subsidiaries	(51,925)			(51,925)
Recognition of put-back obligation granted to minority interests	(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 arising from changes in fair value	43,754	–	–	–	–	43,754
Cash flow hedge reserve arising from effective hedging activities	(3,344)	862	(294)	568	–	(2,776)
Cash flow hedge	80	4,299	(645)	3,654	–	3,734
Exchange differences arising from translation of foreign currency	(164,200)	(182,393)	–	(124,633)	(57,760)	(288,833)
Taxes relating to components of other comprehensive income	–	(52,115)	13,029	(39,086)	–	(39,086)
Reserve arising from cash flow hedge	–	16,448	–	16,448	–	16,448
Total gains and losses recognised directly in equity arising from changes in fair value of available-for-sale 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 arising from changes in fair value	43,754					43,754
Cash flow hedge reserve arising from effective hedging activities	(3,240)	(104)		(104)		(3,344)
Cash flow hedge	(4,074)	4,887	(733)	4,154		80
Exchange differences arising from 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 transferred to profit or loss upon disposal/impairment	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

For the year ended 31 December 2017
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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 of the People's Republic of China and the Articles of Association of the Company, the Company is required to appropriate 10% of its profit after tax (calculated under the PRC GAAP) to statutory surplus reserve until the balance reaches 50% of the registered capital. The statutory surplus reserve can be used to offset the accumulated losses or increase the registered capital.

The Company appropriated statutory surplus reserve after the shareholders' general meeting held on 8 June 2018. The statutory surplus reserve can be used to offset the accumulated losses or increase the registered capital.

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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(Figures in Chinese)

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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 f 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 ga 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
T a a add b e e e	1,138,257	685,992
E be ef	811,113	720,700
Se g e a	359,520	333,922
Wa a	207,391	96,219
E e a ae c	101,040	68,133
P d c a e a ce fee	40,163	19,161
Age c fee	38,631	39,149
Ad e g	49,150	44,307
S age	14,025	23,834
O e	167,428	125,563
T a	2,926,718	2,156,980

53. General and administrative expenses

	2017	2016
E Be ef	2,238,096	1,775,770
Tec g de e e c	651,729	519,440
Age c fee	269,891	254,440
De ec a	282,746	252,431
A a	265,686	228,404
Pe f a ce b ad f a gb	476,910	175,826
Re a	192,377	145,335
L a ec abe ad ae a c ed	120,275	106,476
Ta e a d c age	119,552	62,905
S a e-ba ed a e e e e	16,324	32,384
A d fee	13,460	14,070
Off ce e d e, e e a e fee a d e	835,008	641,117
T a	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 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 g a 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 g a 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		
C a ge fa L a ed g ea		
1. P f f c a ge fa L a e fe ed f ad g	56,175	7,776
2. P f /(L) f c a ge fa L a e fde L a L ef a ca e	21,454	70,286
(L)/P f f de ec g ed f a ca a e a fa L a e g f	(1,252)	232,153
S b- a	76,377	310,215
Investment properties at fair value	5,344	75,792
Financial liabilities at fair value through profit or loss		
C a ge fa L a ed g ea		
1. P f f c a ge fa L a e fde L a L ef a ca e	12,813	242,308
2. P f /(L) f c a ge fa L a e ff a ca g a a ee c ac	16,782	(14,402)
S b- a	29,595	227,906

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 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 aed 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 aed 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		

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Earnings per share

(1) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year:

	2017	2016
Consolidated profit attributable to ordinary shareholders of the Company	2,509,242	539,660
Interest of perpetual bonds	(87,808)	(119,792)
Consolidated profit (adjusted) attributable to ordinary shareholders of the Company	2,421,434	419,868
Weighted average number of ordinary shares ('000)	2,980,056	2,978,296
Basic earnings per share (RMB/share)	0.81	0.14
Including: Continuing basic earnings per share	0.81	0.14

(2) Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company (adjusted based on dilutive potential ordinary shares) by the weighted average number of ordinary shares outstanding (diluted):

	2017	2016
Consolidated profit attributable to ordinary shareholders of the Company	2,509,242	539,660
Interest of perpetual bonds	(87,808)	(119,792)
Effect arising from dilution	(1,371)	
Consolidated profit (adjusted) attributable to ordinary shareholders of the Company	2,420,063	419,868
Weighted average number of ordinary shares (diluted) ('000) (adjusted)	2,988,147	2,984,119
Diluted earnings per share (RMB/share)	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
Ca ecei ed f g e e g a ea ed a e	189,452	438,526
O e	–	8,394

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

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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 adca e L ae adf ac	814,800	965,036
Le : Ca adca e L ae edb 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 edb 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 adca e L ae eceed d a f b da e e de a g	506,972	232,000
Le : Ca adca e L ae e a ed d ada f d ed b da e e de a g	31,343	25,579
2. Ne ca adca e L ae eceed 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



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
M ea d			
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
O e			100,178
			2,545,862
Acc ecea abe			
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
O e			209,435
			9,812,569
O e ecea abe			
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
O e			75,858
			850,346
L g e ecea abe			
USD	1,363,911	6.5359	8,914,386
GBP	11,448	8.7796	100,509
O e			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 abe			
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 abe	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

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 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 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 ecea abe	( )	288,884	288,884	235,749
O e ecea 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				

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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 .,Ld, a b da f eG , ae ed 100% f ed a e Zeg Lg c, c e gaged e ae, 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 aea d c a ea 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 .,Ld,. 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 ae f Zeg Lg c e e ee ea .

Af e a ac a c ee ed, Zeg Lg c beca e a 54.7% ed b da f eG .

(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 .,Ld	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

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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 (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
Cash and bank balances	514	514	58
Accounts receivable	311	311	736
Prepayments	91	91	581
Other receivables	42	42	773
Inventories	7,601	7,006	5,893
Other current assets			37
Fixed assets	192	79	109
Intangible assets	6,880	2,732	5,374
Deferred tax assets	751	751	
Accounts payable	(1,301)	(1,301)	(1,328)
Advances from customers	(2,395)	(2,395)	(2,853)
Other payables	(5,254)	(5,254)	(5,962)
Employee benefits payable	(141)	(141)	
Taxes payable	(630)	(630)	(7)
Deferred tax liabilities	(695)		
Net assets	5,966	1805	3,411

(c) Contingent consideration

According to the agreement entered into by Zhengzhou Logistics and the shareholders of Zhengzhou Logistics, if the net profit of Zhengzhou Logistics for the year ended December 31, 2016 is not less than RMB3,000,000, the agreement entered into by the parties shall be deemed to be fulfilled. As of December 31, 2017, the agreement had been fulfilled and the contingent consideration of RMB2,610,000 and the corresponding interest income were recognized in the current profit or loss.

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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 e ec 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 ee e c 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 ee e c 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 ca e 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 g ac 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 e 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 , e a e d ec gca c ac ; 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 e 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 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 Ta , 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 a d a ,	USD10,000,000		71.00%

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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
13	[illegible] CIMC Security Technology Service Co., Ltd. (XHCIMCS)	[illegible]	[illegible]	[illegible]	Manufacturing and sales of electronic products, development, design and production of software products, sales of self-produced products and provision of after-sales services	USD65,498,958		100.00%
14	Nantong CIMC Tank Equipment Co., Ltd (NTCIMCT)	[illegible]	Nantong	Nantong	Manufacturing and sales of electronic products, development, design and production of software products, sales of self-produced products and provision of after-sales services	USD35,000,000		70.57%
15	Nantong CIMC Logistics Technology Co., Ltd. (Nantong CIMC)	[illegible]	Nantong	Nantong	Design, development and production of logistics equipment, sales of self-produced products and provision of after-sales services	USD47,700,000		70.57%
16	Security CIMC Technology Co., Ltd. (CIMCSV)	[illegible]	Security	Security	Development, production and sales of security-related electronic products, and provision of after-sales services	RMB200,000,000		63.33%
17	Qingdao CIMC Security Service Co., Ltd. (QDSV)	[illegible]	Qingdao	Qingdao	Development, production and sales of security-related electronic products, software development and provision of after-sales services	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	Fangchang CIMC Logistics Equipment Co., Ltd. (Fangchang Logistics)	Established	Fangchang, Guangdong	Fangchang, Guangdong	Design, production, sales and after-sales service of logistics equipment	RMB3,000,000		100.00%
19	Saga CIMC Vehicle Logistics Equipment Co., Ltd. (SHL)	Established	Saga	Saga	Design, production, sales and after-sales service of logistics equipment	RMB90,204,100		63.33%
20	Senke CIMC Wood Co., Ltd. (CIMC Wood)	Established	Senke, Guangdong	Senke, Guangdong	Production and sales of flooring and related products	RMB30,000,000	12.00%	86.76%
21	CIMC Vehicle (Langfang) Co., Ltd. (LNVS)	Established	Yanjiao, Langfang	Yanjiao, Langfang	Design, production, sales, leasing and after-sales service of vehicles	RMB60,000,000		63.33%
22	Taicang CIMC Zenith Logistics Co., Ltd. (Taicang CIMC)	Established	Taicang	Taicang	Investment and management	RMB100,000,000		61.50%
23	CIMC SHAC (Xi'an) Specialized Vehicle Co., Ltd. (XASV)	Established	Xi'an, Shaanxi	Xi'an, Shaanxi	Design, production, sales, leasing and after-sales service of vehicles	RMB50,000,000		47.50%
24	Gaoyou CIMC Huajun Vehicle Co., Ltd. (GSHJ)	Established	Baoying, Gaoyou	Baoying, Gaoyou	Refrigerated vehicles, auto parts, design, production, sales and after-sales service of special-purpose vehicles	RMB25,000,000		63.33%

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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
25	Xuzhou CIMC Special Vehicle Manufacture CO., LTD (XHCM)	Subsidiary	Jiangsu Province	Jiangsu Province	Production, design, research and development of special vehicles, sales of self-produced products	RMB129,000,000		63.33%
26	Qingdao CIMC Energy Equipment Co., Ltd. (QDHB)	Subsidiary	Qingdao City	Qingdao City	Design, manufacture, assembly, garbage treatment equipment, sales of self-produced products	RMB137,930,000		63.33%
27	Sagar CIMC Security Vehicle Co., Ltd. (SHCIMCV)	Subsidiary	Sagar	Sagar	Design and development of bank vehicles and equipment	RMB10,000,000		63.33%
28	CIMC Financial Leasing Co., Ltd. (CIMC Financial Leasing)	Subsidiary	Settlement Region	Settlement Region	Financial leasing; purchase and acquisition of leased assets; residual value disposal of leased assets	USD70,000,000	75.00%	25.00%
29	Qingdao Refrigerated Transport Equipment Co., Ltd. (QDRV)	Subsidiary	Qingdao City	Qingdao City	Manufacture and sales of refrigerated vehicles, trailers and spare parts	USD29,405,000		76.44%
30	Nanjing CIMC Energy Equipment Co., Ltd. (Nanjing Energy Equipment)	Subsidiary	Nanjing Jiangning	Nanjing Jiangning	Manufacture and development of cargo containers, design and production of special containers, and sales of self-produced products	RMB69,945,600		70.57%

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 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 l e e	USD20,120,000		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
43	Chongqing CIMC Logistics Equipment Co., Ltd. (CQLE)	Subsidiary	Chongqing	Chongqing	Design, manufacture, assembly, sales, leasing and after-sales service of containers, containerized special purpose vehicles and containerized equipment	USD8,000,000	75.00%	25.00%
44	Dalian CIMC Heavy Logistics Equipment Co., Ltd. (DLZH)	Subsidiary	Dalian	Dalian	Import and export trade; design, manufacture, assembly and after-sales service of containerized special purpose vehicles and containerized equipment	USD45,170,000	62.70%	37.30%
45	Shenzhen CIMC Intelligent Technology Co., Ltd. (CIMC Tech)	Subsidiary	Shenzhen	Shenzhen	Design, development, sales and after-sales service of intelligent equipment	RMB70,294,188	59.46%	8.54%
46	CIMC Taicang Refrigerated Vehicles Technology Co., Ltd. (TCCRC)	Subsidiary	Taicang, Jiangsu	Taicang, Jiangsu	Research and development, manufacture and after-sales service of refrigerated vehicles	RMB450,000,000		100.00%
47	Hangzhou CIMC Baolida Vehicle Co., Ltd.	Subsidiary	Shanghai	Shanghai	Manufacture, assembly and after-sales service of vehicles	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	Shenzhen CIMC Logistics Co., LTD (SZ Logistics)	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, operation and management	RMB25,000,000		76.90%
58	Ningbo Rongcheng Co., Ltd (Ningbo Rongcheng)	Wholly-owned	Ningbo, Zhejiang	Ningbo, Zhejiang	Construction, development, sale and lease	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; sale of self-developed commercial housing	RMB60,000,000		63.33%
60	CIMC Finance Company (Finance Company)	Wholly-owned	Shenzhen, Guangdong	Shenzhen, Guangdong	Provision of financial and credit services between member companies	RMB500,000,000	100.00%	
61	Shenzhen CIMC Logistics Holdings (SZ Logistics Holdings)	Wholly-owned	Shenzhen, Guangdong	Shenzhen, Guangdong	Warehousing; operation and management of container yards	RMB75,000,000	100.00%	
62	Zhoushan CIMC Harbour Service Trading Co., Ltd. (HJQM)	Wholly-owned	Zhoushan, Hebei	Zhoushan, Hebei	Sales and rental of logistics equipment, operation and management of container yards	RMB10,000,000		63.33%
63	Zhoushan CIMC Harbour Cargo Co., Ltd. (HJCAST)	Wholly-owned	Zhoushan, Hebei	Zhoushan, Hebei	Cargo transfer, storage and logistics management	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 ac g c B e e C., Ld. (K a CIMC)	B e e	K a Ja g	K a Ja g	A ac g c e, ada, ca, g ad 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 a	L g a a	Te a. g e e, a e a age e ad ea e ae de 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 , e e ce ad ee a acce , e, ac e e , e e ee a age e	EUR1,500,000		60.00%
91	S e e CIMC Tec g C., Ld. (S e e CIMC Tec g)	B e e	S e e Ga gd g	S e e Ga gd g	A aca de f			

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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

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 c 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 fo, 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 gMac e, E e Lea gC .Ld. (Ta Y g a gMac 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 gCIMC B d g C /c C .Ld (G a gd gCIMC 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 gL g c De e e C .Ld. (CIMC Ka gL g c De e e)	B e e	Na gJa g	Na gJa g	L g c e, ce	RMB150,000,000		51.00%
120	Ja g Ka g S gC .Ld. (Ja g Ka g)	B e e	Na g	Na g	L g c e, ce	RMB20,000,000		51.00%
121	CIMC E, cE g E e (S)C .,Ld.(CIMC E, c E g E e (S))	B e e	Ja g	Ja g	E g e e de g, Eec ec ge f dEe , , d d e ,			

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C ec c c T 12.474314Td(RMB20,000,000)T 12.479 0 Td( )T 3.681 0 Td(57.00%)T -T1 5

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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 ae, 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%

For the year ended 31 December 2017
(All amounts in RMB'000 unless otherwise stated)
(Except for the percentages)

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For the year ended 31 December 2017
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(Except for the amounts of preference shares)

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 Ray Holding Limited (China Ray)	Subsidiary	Hong Kong, China	Hong Kong, China	Limited	HKD10,000		70.57%
144	China Beauty Enterprise Limited (China Beauty)	Subsidiary	British Virgin Island	British Virgin Island	Limited	USD50,000		63.33%
145	Sanay Holding Limited (Sanay)	Subsidiary	Hong Kong, China	Hong Kong, China	Limited	HKD1		100.00%
146	Stadway Holding Limited (Stadway)	Subsidiary	British Virgin Island	British Virgin Island	Limited	USD50,000		70.57%
147	Grand Rapid Limited (Grand Rapid)	Subsidiary	Hong Kong, China	Hong Kong, China	Limited	HKD1		100.00%
148	Peread Holding Ltd. (Peread)	Subsidiary	British Virgin Island	British Virgin Island	Limited	USD10		100.00%
149	Compagnie Vehicle Holding U.A. (Compagnie Vehicle Holding U.A.)	Subsidiary	Holland	Holland	Limited	EUR75,000,000		70.57%
150	Vehicle Holding B.V. (Vehicle Holding B.V.)	Subsidiary	Holland	Holland	Limited	EUR90,000		70.57%
151	CIMC Financial Leasing (HK) Co., Ltd. (Financial Leasing (HK))	Subsidiary	Hong Kong, China	Hong Kong, China	Financial Leasing	HKD500,000		100.00%
152	CIMC Offshore Holding Limited (CIMC Offshore)	Subsidiary	Hong Kong, China	Hong Kong, China	Limited	HKD2,234,855,000 And RMB1,000,000,000		85.00%
153	Compagnie CIMC U.A. (COOP)	Subsidiary	Holland	Holland	Limited	EUR25,500,000	99.00%	1.00%

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For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
(Figures in Reference 0)

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

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

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 Modern Bridge Service (Australia) Pty Ltd (MBS AU)	Established	Australia	Australia	Manufacturing	AUD500,000		100.00%
165	EVERISE CAPITAL PTY LTD (EVERISE)	Established	Australia	Australia	Investment holding	AUD10		100.00%
166	GLOBAL PLUS PTY LTD (GLOBAL)	Established	Australia	Australia	Investment holding	AUD1		100.00%
167	HARVEST AVENUE PTY LTD (HARVEST)	Established	Australia	Australia	Investment holding	AUD1		100.00%
168	CIMC Intelligence (HongKong) Co., Ltd. (CIMC Intelligence (HongKong))	Established	Hong Kong	Hong Kong	R&D Technology Technical Service Provider of TOS	HKD10,000		68.00%
169	Acquire Enjoy Limited (Acquire)	Established	Hong Kong	Hong Kong	Investment holding	HKD1		100.00%
170	Gain Easy Limited (Gain)	Established	Hong Kong	Hong Kong	Investment holding	HKD1		100.00%
171	Investace Limited (Investace)	Established	Hong Kong	Hong Kong	Investment holding	HKD1		100.00%

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

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

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	Name	Category	Registration Place	Main Premises	Business Scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
13	D g a C a e, T, a , a Se, ce C ., L d. (DHCTS)	B e e	S a g a	S a g a	C a e, ca, g de, a g, , a g; ca, a f, ca, g ; a e a d d dec a, a ; c a e, a e a ce a d c g; fc e	USD4,500,000		70.00%
14	Ya g T g ee Reefe, C a e, C ., L d. (TLC)	B e e	Ya g , Ja g	Ya g , Ja g	Ma fac , ea d ae f, eefe, c a e,			

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For the year ended 31 December 2017
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(Figures in this section are prepared based on the Chinese GAAP)

Name	Category	Registration Place	Main Premises	Business Scope	Share capital issued and information of bonds	Shareholding percentage	
						Direct	Indirect

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
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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	Zhejiang Guotai Co., Limited (Zhejiang Guotai)	Established	Taizhou	Taizhou	Commercial factoring, domestic factoring and relevant consulting services	USD51,956,000		75.00%
32	Xiamen Hengbeng Leasing Co., Ltd. (Hengbeng)	Established	Xiamen, Fujian	Xiamen, Fujian	Financial leasing and leasing business	USD21,300,000		51.00%
33	Taizhou Zhejiang Hangtong Logistics Co., Ltd. (Zhejiang Hangtong)	Established	Taizhou	Taizhou	Commercial factoring, domestic factoring, commercial consulting	RMB145,000,000		45.00%
34	Taizhou Zhejiang Yuanda Logistics Co., Ltd. (Zhejiang Yuanda)	Established	Taizhou	Taizhou	Non-financial guarantee, financial guarantee	RMB133,970,000		75.00%
35	Taizhou Zhejiang Binhai Co., Ltd. (Taizhou Binhai)	Established	Taizhou	Taizhou	Commercial factoring and related consulting service	RMB12,516,400		75.00%
36	Zhejiang Guotai Qingdao Agency (Qingdao) Co., Ltd. (Qingdao Shengyang Agency)	Established	Qingdao Shandong	Qingdao Shandong	Investment management and agency business	RMB10,000,000		75.00%
37	Taizhou Zhejiang Guotai Shengyang Agency Co., Ltd. (Taizhou Shengyang Agency)	Established	Taizhou	Taizhou	Investment management and agency business	RMB10,000,000		75.00%
38	Saga Zhejiang Guotai Shengyang Agency Limited (Saga Shengyang Agency)	Established	Saga	Saga	Investment management and agency business	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		C O4TEa,gQ 35.26 1.5Tf4.8614 .559 0 TdSCa,g G d[d1.5Tf4.	

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For the year ended 31 December 2017
(All amounts in RMB'000 unless otherwise stated)
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	Name	Category	Registration Place	Main Premises	Business Scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
46	[illegible] Real Estate Co., Ltd. ([illegible] Real Estate)	Subsidiary	[illegible], PRC	[illegible], PRC	Sale and storage of [illegible] and fresh [illegible], cold storage, [illegible]	RMB25,000,000		45.69%
47	RJL[illegible] (W[illegible]) Co., Ltd. (WHRJL)	Subsidiary	[illegible], PRC	[illegible], PRC	Sale and storage of [illegible] and fresh [illegible], cold storage, [illegible]	RMB20,492,100		83.12%
48	C&C [illegible] Co., Ltd. (C&C [illegible])	Subsidiary	[illegible], PRC	[illegible], PRC	Sale and storage of [illegible] and fresh [illegible], cold storage, [illegible]	RMB1,570,000,000	70.06%	
49	A[illegible] Fe Ca (G[illegible]) Co., LTD (A[illegible] Fe Ca (G[illegible]))	Subsidiary	Xiaceg, A[illegible]	Xiaceg, A[illegible]	Manufacturing and [illegible], agricultural [illegible] agricultural machinery and [illegible] and [illegible]	RMB158,000,000		70.06%
50	La[illegible] Ha[illegible] eg Ga[illegible] EW[illegible], A[illegible] .,	Subsidiary						

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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 Co.)	Subsidiaries	Beijing	Beijing	Investment management, asset management, investment consulting	RMB30,000,000		50.00%
53	Qingdao Landscape Co., Ltd. (Qingdao Landscape)	Subsidiaries	Shandong	Shandong	Manufacturing and sales of landscape products. Production and sales; forestry, agriculture and animal husbandry	RMB30,000,000		59.47%
54	Zhengzhou Logistics Investment Co., Ltd. (Zhengzhou Logistics Co.)	Subsidiaries	Zhengzhou, Henan	Zhengzhou, Henan	R&D and manufacturing of	RMB20,000,000		54.70%
55	Qingdao Landscape Rubber & Plastic Products Co., Ltd. (Qingdao Landscape Rubber & Plastic)	Subsidiaries	Shandong	Shandong	Manufacturing and sales of rubber and plastic products, R&D of	RMB1,000,000		59.47%
56	Shenzhen Office & Employee Co., LTD. (SOE)	Subsidiaries	National	National	Transitional management of	RMB1,023,966,800		70.57%
57	Beijing CIMC Tianda Technology Co., LTD (Beijing CIMC Tianda Technology)	Subsidiaries	Beijing	Beijing	Investment and holding	RMB20,000,000		50.00%

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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

	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	4484c , c E e1(a a g	)T0.945 -1.5 Td[(P (Hg)T L d)3CIMC , c						

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	S ce B.V.	e e	H a d	H a d	A e b a d ea f ad a ce a da e	EUR150,000		70.57%
71	LAG T a e N.V.	e e	Be	Be	Ma fac g a e	EUR3,245,000		63.33%
72	Ze a H e a N.V.	e e	Be	Be	P d c a e	EUR991,600		70.57%
73	I g N.V. B ee	e e	Be	Be	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 dC 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 e ad ga , 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 I e e L ed	B e e	H gK g C a	H gK g C a	I 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 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	I e e d g	SEK1,000,000		85.00%
84	Pe fec Vc , I e e L ed (Pe fec Vc ,)	B e e	H gK g C a	H gK g C a	I e e d g	USD1		100.00%
85	Ze a H , e aG bH (Ze a H , e aG 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%

For the year ended 31 December 2017
(All amounts in RMB'000 unless otherwise stated)
(Figures in Chinese version)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage	
							Direct	Indirect
87	Base Technology AB (Base)	Subsidiary	Sweden	Sweden	Development of mobile gaming	SEK1,000,000		100.00%
88	CIMC MBS LIMITED (Vehicle Services)	Subsidiary	United Kingdom	United Kingdom	Miscellaneous	GBP3,884,303		100.00%
89	Zhaoguang (Hong Kong) Co., Ltd. (Zhaoguang Hong Kong)	Subsidiary	Hong Kong, China	Hong Kong, China	Logistics	USD6,600,000		75.00%
90	CIMC Arabia Radiator Equipment Ltd (Arabia Radiator Equipment)	Subsidiary	Arabia	Arabia	Intended dog	AUD8,300,000		63.33%
91	Bingang Investment Holding Limited (Bingang Investment)	Subsidiary	Hong Kong, China	Hong Kong, China	Intended dog	HKD10,000,000		70.00%
92	Bingang Service Limited (Hong Kong Bingang Service)	Subsidiary	Hong Kong, China	Hong Kong, China	Cafeteria and catering trade	HKD5,000,000		70.00%

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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, d S e Ld (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 Offshore	15.00%	(402)		917,757
CIMC Cayman	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 Offshore	986,501	4,190,144	5,176,645	62,290	–	62,290
CIMC Cayman	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 Offshore	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)

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(6) The acquisition of significant minority interests in the current year.

() A a 17 2017, eG ' b da CIMC C a c e g, d 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 . Af 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 ld l e e d (L ed Pa e) (Ad a ced Ma fac g ld l e e d) 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 a 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 e a 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 a 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 interests	–		–		1,893	13,182	–		–		–	
Total equity attributable to shareholders of 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 of the Company	–		1,085	1,085	155,764	155,764	–		533,410	533,410	–	
Total equity attributable to shareholders of 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 are expressed 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 amount as at 31 December 2017	246,402	229,293
Total amount of the following items calculated according to the shareholding ratio:		
Net profit (1)	19,624	16,828
Other comprehensive income (1)	–	
Total comprehensive income	19,624	16,828
Associates:		
Total carrying amount as at 31 December 2017	611,209	512,941
Total amount of the following items calculated according to the shareholding ratio:		
Net Profit (1)	(29,235)	10,760
Other comprehensive income (1)	–	
Total comprehensive income	(29,235)	10,760

(1) The Group has adjusted the carrying amount of the investment in accordance with the shareholding ratio.

(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 body not included in the consolidation range of the 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 gBa 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 Tad gC ., 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

Na e	Na e f e a ac	2017 Amount	2016 A
S a Hea D A b e	P c a e fg d	733,497	247,240
OOS-I e a a B.V.	P c a e fg d	385,375	
FCI	P c a e fg d	372,760	
FCS	P c a e fg d	171,003	
SUMITOMO CORPORATION	P c a e fg d	108,475	159,688
Z e a g X g Ba b	P c a e fg d	78,943	
O e l e a a	P c a e fg d	74,953	42,518
FML	P c a e fg d	56,913	124,800
Ea e l e a a C a e (G a g)	P c a e fg d	46,354	8,866
N g a C a g g	P c a e fg d	44,589	8,645
FCC	P c a e fg d	40,179	22,700
O e a l e a a C a e (J) L ed	P c a e fg d	22,890	19,454
NYK Z e a	P c a e fg d	602	228
G a g S e L g c	P c a e fg d	–	8,359
O e eaed a e	P c a e fg d	45,455	18,911
S b- a	P c a e fg d	2,181,988	661,409
O e eaed a e	Re de g f e ce	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 d	4,075 20 e 2006	Re a e da e f ed	–	L a f a e de e a
	395,750			

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(Amounts in RMB'000 unless otherwise stated)
(English translation for 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 outstanding as at 31 December 2017 are as follows:

Name	Position	Number of granted share options (in'0000)
Ma Bangguo	Previous Executive Director	285
Wu Fangbo	Vice Chairman	75
Li Yinquan	Vice Chairman	75
Yu Ya	Vice Chairman	65
Li Xiaobo	Vice Chairman	100
Zhang Baowen	Vice Chairman	75
Gao Xiang	Vice Chairman	38
Zeng Hao	General Manager, Financial Manager and Secretary of the Board	29
Yu Yuanlai	Secretary of the Board	75
Total		817

Save as aforesaid, no other granted share options were granted to the Company's Directors and chief executive. Details of the granted share options outstanding as at 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 Secretary of the Board	25
Yu Yuanlai	Secretary of the Board	129.8
Total		419.8

Note: After the approval of the resignation of the Board of Directors of the Company, Mr. Jiang resigned as the Vice Chairman and Mr. Zeng Hao was appointed as the Acting Chief Financial Officer.

On 31 December 2017, Mr. Jiang had 516,000 unexercised options of the Company and 1.4 million granted shares.

For details of the share option scheme, 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				Total
		Salary and allowance	Pension	Bonus	Others	
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 S e g e g ed d e ee a f e f ffce f e S e , a d M. Wa g H g e a ec ee 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):

F e ea e ded 31 Dece be 2017
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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 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 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 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 ff ce.

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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 , a age e e, e ' e ! e f, e ea, e ded 31 Dece be, 2016 a, e a f (C ed):

		E ! e f, e, a age e e, ce f eC a , ! b da, e				
Na e	Re ! e, a	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( ),( )					
Z ag M g e	N e( )					
, S eg !	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 Z e g, a a ed a 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 ff ce d e e e, a f e, e, f ff ce. 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, . Z ag 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 S eg ! a ! e, , f e 8 S e, , C ee f eC a .

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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 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 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

IX. SHARE-BASED PAYMENTS

1. Information about share-based payments

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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 L 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 a d , 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 L 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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(All amounts in RMB'000 except for exercise prices)
(Unless otherwise stated)

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

The Company adopted a share incentive scheme on 28 September 2010. According to the Scheme, the Company granted options to the employees (including directors) of the Company and its subsidiaries to subscribe for shares of the Company. The effective period of the Scheme is ten years. The options are exercisable at 25% of the total options granted after 24 months from the date of grant, at 25% of the total options granted after 36 months from the date of grant and at 50% of the total options granted after 48 months from the date of grant. The options granted are subject to a vesting period of 2 years from the date of grant of the Scheme. Each option gives the holder the right to subscribe for one ordinary share of the Company. In addition, the holder must satisfy the following conditions:

(a) The holder must remain employed by the Group;

(b) The cumulative profit after tax attributable to equity shareholders of the Company for the year preceding the year of grant of the options must be no less than 6% and the cumulative profit after tax attributable to equity shareholders of the Company for the year of grant of the options must be no less than 10% of the net assets attributable to equity shareholders of the Company as at the end of the year preceding the year of grant of the options;

(c) During the vesting period, the cumulative profit after tax attributable to equity shareholders of the Company for the year of grant of the options must be no less than the cumulative profit after tax attributable to equity shareholders of the Company for the year preceding the year of grant of the options.

On 12 May 2015, according to the resolutions passed at the Board of Directors' meeting on 2015, the exercise price of the outstanding options was adjusted from RMB10.49 per share to RMB10.39 per share. The adjustment of exercise price was effective from 27 September 2015. On 9 October 2015, according to the resolutions passed at the Board of Directors' meeting on 2015, the exercise price of the outstanding options was adjusted from RMB10.39 per share to RMB10.34 per share. The adjustment of exercise price was effective from 27 September 2016. On 22 September 2017, according to the resolutions passed at the Board of Directors' meeting on 2017, the exercise price of the outstanding options was adjusted from RMB10.34 per share to RMB10.49 per share.

The grant of options was approved by the shareholders' meeting on 22 September 2010. The grant date of options was 28 September 2010. The fair value of options granted was RMB160.0 million.

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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 f a e f eC a :

	2017 '000	2016 '000
Beg gba a ce	25,229	25,986
E ec ed / e e d	(4,312)	(757)
E d gba 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 / 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 / e ea a d a ea .

A a 31 Dece be 2017, Acc a ed a a / ec g ed ca a e e e f a e-ba ed a e	400,716
T a e e e / ec g ed f e - e ed a e-ba ed a e f / e ea I c d g:	
a b ed e C a	
a b ed E c	16,324
	16,324

X. CONTINGENCIES

1. Contingent liabilities

CIMC Raffles, a subsidiary of the Group, engaged in financial leasing business. The financial leasing business of CIMC Raffles had provided guarantees for certain customers' bank borrowings. As at 31 December 2017, CIMC Raffles had provided guarantees of USD37,400,000 (equivalent to RMB244,379,000). As at 31 December 2016, CIMC Raffles had provided guarantees of US$18,700,000 (equivalent to RMB122,189,000) to banks. As the default risk of these guarantees was low, no provision for liabilities had been accrued.

YZTH, a subsidiary of the Company, had pledged certain of its property, plant and equipment with net book value of RMB3,096,000 (31 December 2016: RMB19,778,000) to secure bank borrowings granted to certain customers of YZTH.

2. Guarantees provided for external parties

CIMC Raffles, a subsidiary of the Group, provided guarantees to its customers in the ordinary course of business. 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, a subsidiary of the Group, and China Merchants Bank, China Everbright Bank, Hangzhou Bank and other banks jointly provided guarantees for the financial facilities 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 d e ec g e b 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, e a f e e ed e e f g a ee f e G ' b da ed b eba a RMB90,121,000, f c eba a ce f e e f ace g a ee a RMB59,349,000, eba a ce f e a 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 f c 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 ace 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 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 f g a ee ed b 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 ace 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 ge 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 f g a ee ed b e a ba a US$3,110,000 (e e RMB20,321,000), f c eba a ce f e e f ace 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 ace 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 e a 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") filed an application against the defendant Saga Natural Resources Trade Co., Ltd. and Nanjing Pacific Co., Ltd., among other things, for the preservation of the property of Saga Natural Resources and ordered the freezing of the property of the defendant. As at 31 December 2017, the aforementioned property with a carrying amount of 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 authorised by the board of directors	44,342	179,633
Total	142,718	417,786

(2) Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are payable as follows:

	2017	2016
Within 1 year (inclusive)	54,387	45,683
Over 1 year but within 2 years (inclusive)	24,211	26,155
Over 2 years but within 3 years (inclusive)	10,288	20,690
Over 3 years	49,855	49,420
Total	138,741	141,948

Operating lease payments recognised as an expense for the year ended 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 be a l 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 f 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 ca l e (c ec e, Ne F a ca l e Sa da d). Tea 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, e c 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 ec a 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 a ceabe e , a d e e a d , g e e ec ac e d, e a e e g ec 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 eba ed e e f a ce , g 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 .

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XII. EVENTS AFTER THE BALANCE SHEET DATE (CONTINUED)

2. Revision of accounting policy (Continued)

The following accounting policies have been changed from the previous financial statements: (1) Allowance for impairment losses on receivables; (2) Impairment losses on financial assets carried at amortised cost; (3) Impairment losses on financial assets carried at fair value through other comprehensive income. Before the changes in accounting policies, the Group recognised allowance for impairment losses on receivables (including trade receivables and other receivables) and contract assets based on incurred loss model. After the changes in accounting policies, the Group recognised allowance for impairment losses on receivables (including trade receivables and other receivables) and contract assets based on expected credit loss model. The Group considers all reasonable and supportable information that is available without undue cost or effort, including historical experience, forward-looking information and so on. Based on the above principles, the Group recognised allowance for impairment losses on receivables and contract assets for the current period. Before the changes in accounting policies, the Group recognised impairment losses on financial assets carried at amortised cost when there was objective evidence that the financial assets were impaired. After the changes in accounting policies, the Group recognised allowance for impairment losses on financial assets carried at amortised cost based on expected credit loss model. The Group considers all reasonable and supportable information that is available without undue cost or effort, including historical experience, forward-looking information and so on. Based on the above principles, the Group recognised allowance for impairment losses on financial assets carried at amortised cost for the current period. Before the changes in accounting policies, the Group recognised impairment losses on financial assets carried at fair value through other comprehensive income when there was objective evidence that the financial assets were impaired. After the changes in accounting policies, the Group recognised allowance for impairment losses on financial assets carried at fair value through other comprehensive income based on expected credit loss model. The Group considers all reasonable and supportable information that is available without undue cost or effort, including historical experience, forward-looking information and so on. Based on the above principles, the Group recognised allowance for impairment losses on financial assets carried at fair value through other comprehensive income for the current period; (3) The New Financial Instruments Standard requires retrospective application, but the Group is not required to restate prior periods. The cumulative effect of initially applying the New Financial Instruments Standard is recognised at the date of initial application. The Group has elected to adjust the opening balance to recognise the cumulative effect of initially applying the New Financial Instruments Standard.

The following table summarises the impacts of adopting the New Financial Instruments Standard on the Group's consolidated statement of financial position as at 1 January 2018:

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XIII. SEGMENT REPORTING

I acc da ce eG ' e a ga a c e, a age e e e a e g ce , e abe eg e a e de fed b eG c d g: c a e ad a ce, e eg a d c e ca & f de e , ff eb e , a fac e , g c e ce , f ace, e de e e a d ea c . Eac e abe eg e a de e de b e eg e d gdffe e d c a d e ce . I de e de a age e a ed d d a b e eg e a dffe e ec ca a d a e aeg a ead ed. T eG e f a ca f a f d d a eg e eg a de e e e ce a ca a d e f a ce a e e .

1. Segment profits, losses, assets and liabilities

I de a e e eg e e f a ce a d e ce a ca , eG ' a age e e e eg e e e e e e a e a d ab e feac eg e eg a . T e e a a ba f c f a de a ed a f :

Seg e a e c de a g be a e , a g be a e , e g- e a e a d acc ecea abe, e c, b e c de defe ed a a e a d e -a ca ed ea a e a e . Seg e ab e c de a abe , ba a , , eca a abe a d e ab e , e defe ed a ab e a ee c de.

Seg e f e e e e e (c d ge e a e e ea d e- eg e e e e), ff e g eg e e e e, de eca a da a , a , a e e, e e e e a d c ea b abe d d a eg e . T a ac c d ced a g eg e a e de a -ea ed a a ac c e ca e .

XIII. SEGMENT REPORTING (CONTINUED)

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

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

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XIII. SEGMENT REPORTING (CONTINUED)

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

The following table presents the segment profit or loss, segment assets and segment liabilities of the Group's reportable segments for the year ended 31 December 2016 and 2017 (Continued):

Item	Changsha 2016	Yangtze River Delta 2016	Pearl River Delta & Central Region 2016	Offshore Business 2016	Aviation Facilities 2016	Logistics Service 2016	Property Facilities 2016	Property Development 2016	Headquarters, etc. 2016	Others 2016	Elimination between segments 2016	Total 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)	
Cost of 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	(998)	(3,107)	(2,070)		14,585	61,632	17,403	4,703	1,946	(6,828)		87,266
Depreciation and 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	Td(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

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XIII. SEGMENT REPORTING (CONTINUED)

2. Geographic information

The geographic information analyses the Group's revenue and non-current assets by the Group's geographical locations. In presenting the geographic information, revenue is based on the locations of the customers. Non-current assets are based on the locations of the assets (for fixed assets, intangible assets and prepaid land lease payments), the locations of the operations (for interests in associates and joint ventures) and the locations of the properties (for investment properties).

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: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity 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. The Group's risk management is carried out by the Group's finance department under policies approved by the board of directors. The finance department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The board of directors 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

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by wholesale customers is regularly monitored by line management.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Management considers that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality.

Financial assets that are neither past due nor impaired mainly include cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as trade and other receivables for which there is no recent history of default. Cash and cash equivalents and derivative financial instruments are held with banks and financial institutions, which are rated A, based on Moody's ratings. Receivables that are past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The ageing analysis of trade receivables is considered to be relevant to the ageing analysis of credit risk because the majority of the revenue is generated from a large number of customers, spreading the credit risk. The Group has established credit policies for customers, which analyse the ageing of receivables regularly. The Group has also established credit terms with its customers, taking into account their financial position, past experience and other factors, with individual credit limits defined in accordance with limits set by the board. The utilisation of credit limits is regularly monitored by line management. The Group does not hold any collateral over these balances. Trade receivables relate to a large number of diversified customers that have a good track record with the Group. Management considers that the credit quality of trade receivables that are not past due or impaired is good.

Based on historical default rates, the Group believes that, apart from the above, no impairment allowance is necessary in respect of trade receivables not past due or impaired, as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

In addition, the recoverable amount of the Group's receivables from the disposal of subsidiaries is determined based on the present value of future cash flows discounted at the original effective interest rate.

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

1. Credit risk (Continued)

The Group's credit risk is mainly attributable to deposits with banks and financial institutions, loans to customers and investments in debt securities. The maximum exposure to credit risk before collateral held or other credit enhancements is represented by the carrying amount of each financial asset in the consolidated statement of financial position. The maximum exposure to credit risk as at 31.54% (2016: 30.89%) of the accounts receivable and receivable balances from the Group's five largest customers.

In order to minimize the credit risk, the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The credit risk on derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The Group's credit risk is concentrated on the Group's five largest customers.

2. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's treasury function monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities.

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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 e f f 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 ad 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 ad 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 flows					
	W 1 ea de ad	1 2 ea	2 5 ea	Q e 5 ea	T a	Ca g a abaa ce ee da e
Financial assets						
Ca a ba ad a d	6,325,998				6,325,998	6,325,998
F a ca a e a fa a e g f	141,160		325,187		466,347	466,347
Acc ecea abe a d e ecea abe	24,619,828				24,619,828	24,619,828
C e f -C e a e	5,513,253				5,513,253	3,941,689
A a abe-f - a e f a ca a e			36,803	412,240	449,043	442,726
I e ecea abe	9,250				9,250	9,250
D de d ecea abe	41,959				41,959	41,959
L g- e ecea abe		3,997,923	5,268,322	12,907,684	22,173,929	13,220,242
S b- a	36,651,448	3,997,923	5,630,312	13,319,924	59,599,607	49,068,039
Financial liabilities						
F a ca ab e a fa a e g f	199,225		3,816		203,041	203,041
S - e b g	15,729,787				15,729,787	15,729,787
N e a abe	1,551,582				1,551,582	1,551,582
Debe e a abe	189,000	189,000	8,175,500		8,553,500	7,986,500
Acc a abe a d e a abe	15,315,024				15,315,024	15,315,024
I e e a abe	303,375				303,375	303,375
D de d a abe	16,746				16,746	16,746
C e f -C e ab e	3,667,872				3,667,872	3,667,872
O e C e ab e	1,666,966				1,666,966	1,687,762
L g- e b g	1,056,608	10,819,611	16,387,132	3,464,214	31,727,565	27,023,222
L g- e a abe		520,988	4,767	23,220	548,975	529,372
O e -C e ab e	314,210	314,210	314,210	1,685,812	2,628,442	2,037,458
S b- a	40,010,395	11,843,809	24,885,425	5,173,246	81,912,875	76,051,741
Ne a	(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 de e g e e e d, de a f -e a d g-e de a d f . gca a.

A a e baa ce ee da e, e G ' f a ca g a a ee 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-bearing financial assets expose the Group to fair value interest rate risk and cash flow interest rate risk respectively. The Group determines the proportion of fixed-rate and floating-rate financial instruments based on reasonably possible changes in interest rates. The Group monitors the interest rate exposure on a regular basis and will consider hedging the interest rate risk when necessary.

(1) As at 31 December 2017, the Group had the following fixed and floating-bearing financial assets:

	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
Debenture 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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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk (Continued)

(1) A a 31 Dece be 2017, e G ed ef g e e -bea g f a ca e : (C ed)

	31 December 2017		31 Dece be 2016	
	Interest rate (%)	Amount	I e e a e (%)	A
Floating rates interest-bearing financial instruments				
Financial assets				
Ca a ba a d a d	0.30%-2.75%	5,596,314	0.30%-2.75%	6,325,998
Financial liabilities				
C e f g-e b g	1.775%+1M libor~ 6M libor+195bps	2,700,971	1M L b +145b ~ 1M L b +245b	2,725,710
L g-e b g	1.15%+1M libor~ 3M libor+240bps	20,611,021	1M L b +145b ~ 6M L b +310b	25,980,215
S - e b g	6M libor+2.8%~ 1M libor+150bps	11,400,128	1M L b +125b ~ 6M L b +230b	9,448,834
L g-e a abe	8.02%~12.86%	347,269	8.02%~12.86%	529,372
C e f g-e a abe	8.02%~12.86%	100,609	8.02%~12.86%	138,312
T a		(29,563,684)		(32,496,445)

(2) Sensitivity analysis

A a 31 Dece be 2017, e a ed a age e a c ea e/dec ea e f 25 ba (31 Dece be 2016: 25 ba) e e ae, a e a abe ed c a , d c ea e/dec ea e e G ' e f b 55,432,000 a d e b 55,432,000 (2016: 60,931,000 a d 60,931,000, e ec e).

T e e a a ab e dca e e a a e c a ge e e f a d e a d a g a e c a ge e e ae ad cc ed a e ba a ce ee da e a d ad bee a ed e- ea e e f a ca e ed b e G c e e e G fa a e e e ae a e ba a ce ee da e. I e ec f e e e ca f e e ae a g f f a g ae -de a e e ed b e G a e ba a ce ee da e, e ac e e f a d e e a ed a a a a ed ac e e e e c e f c a c a ge e e ae. T e a a a e f ed e a e ba f e e ea.

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A A

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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 , 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 , 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 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 Group measures fair values using the following hierarchy based on the degree to which the inputs to the fair value measurements are observable:

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)

The following table presents the Group's assets that are measured at fair value at 31 December 2016:

Assets	Note	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at fair value through profit or loss					
Investment funds	IV.2	138,072			138,072
Derivative financial assets	IV.2		326,969		326,969
Hedging derivatives	IV.2		1,306		1,306
Available-for-sale financial assets	IV.11	2,441	30,803		33,244
Financial assets		140,513	359,078		499,591
Non-financial assets					
Investment properties	IV.14			1,752,608	1,752,608
Total		140,513	359,078	1,752,608	2,252,199

Liabilities	Note	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	IV.26		(15,838)		(15,838)
Hedging liabilities	IV.26		(4,244)		(4,244)
Financial guarantee contracts	IV.26			(57,419)	(57,419)
Contingent consideration				(125,540)	(125,540)
Total	IV.26		(20,082)	(182,959)	(203,041)

There were no transfers between Level 1 and Level 2 for recurring fair value measurements during the year. Transfers between Level 1 and Level 2 are recognised at the end of the reporting period in which the event or change in circumstances occurs. There were no transfers between Level 2 and Level 3.

For available-for-sale financial assets, the Group uses valuation techniques to determine the fair value of available-for-sale financial assets. Valuation techniques include net asset value and discounted cash flow method. Significant unobservable inputs include discount for lack of marketability, weighted average cost of capital, long-term revenue growth rate, EBITDA profit margin, etc.

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 e G a ed a fed a e c d c a a f e fa a e f e e e e.
T e e d ed c de c e de a d c de. T e. e a c de, e a g ae,
ca a a ae a d ce.

T ef g abe e e e e f e -f a ca a e Le e 3:

	Investment properties

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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 e f a f ea e ea ed a fa a e Le e 3:

			Significant unobservable inputs			
	Fair value as at 31 December 2017	Valuation techniques	Name	Scope/ weighted average	Relationship with fair value	Observable/ Unobservable
I e e e			Rate of return/capitalisation rate	6%-8%		
C eed e e e	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		
La d e g	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) T e ea f b e abe fa a e ea ea f :

- T e g e f e ae f e / ca a a ae, e e ffa a e;
- T e g e f ee ec ed aca c ae, e e ffa a e;
- T e g e f e e a, e g e f efa a e;
- T e g e f e a e ce, e g e f efa a e;
- T e g e f eb dgeed c c c be c ed, e e f efa a e;
- T e g e f ea c aeddge e e' f ag , e e f efa a e.

			Sg fca beabe			
	Fa a ea a 31 Dece be 2016	Va a ec e	Na e	Sc e/ eg ed ae age	Rea fa a e	Ob e abe/ U beabe
I e e e			Ra e f e / ca a a ae	6%-8%		
C eed e e e	1,139,285	I c e de	M e a (RMB/ a e ee/)	7-95	(a)	U beabe
			B dgeed c c be c ed (RMB/ a e ee)	650-4,600		
La d e g	613,323	C de	A c aeddge e e' f ag	9%-12%	(a)	U beabe
		D ec c a	Ma e ce (RMB/ a e ee)	450-2,200	(a)	U beabe

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

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

The non-current assets measured at fair value on a non-recurring basis mainly include investment properties and fixed assets. As at 31 December 2017, the Group's investment properties of RMB26,401,000, fixed assets of RMB91,825,000, agricultural assets of RMB102,665,000 and construction in progress of RMB14,312,000 were measured at fair value (Note IV.8). The fair value is determined based on the valuation results (26,401,000, 124,243,000, 124,260,000 and 21,885,000), carried out by.

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

Financial assets and liabilities measured at amortised cost, including cash at bank, notes receivable, accounts receivable, other receivables, debentures payable, accounts payable, other payables, etc.

As at 31 December 2017, the carrying amount of financial assets and liabilities approximated their fair value.

The above financial assets and liabilities are determined according to the discounted cash flow method, carried out by. Fair value of long-term loans and debentures payable is calculated using the discounted cash flow method based on the interest rate that is currently available for debt on similar terms, credit risk and remaining maturities.

(4) Estimation and assumption of fair values

The following methods and assumptions are used to estimate the fair value of financial instruments and investment properties:

(a) Equity investments

Fair value based on quoted prices in active markets for identical financial assets or financial liabilities (adjusted), and non-active markets for financial assets or financial liabilities (excluding delisted), and non-observable inputs for financial assets or financial liabilities.

(b) Receivables

The fair value of receivables is determined according to the present value of future cash flows, discounted at the market rate.

(c) Borrowings, debentures payable, long-term payables and other non-derivatives financial liabilities

The fair value of long-term loans, debentures payable, long-term payables and other non-derivatives financial liabilities is calculated using the discounted cash flow method based on the interest rate that is currently available for debt on similar terms, credit risk and remaining maturities.

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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 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 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 ad a 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 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 e 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 Ta 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%

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS

1. Cash at bank and on hand

	31 December 2017	31 Dece be 2016
Ba de	1,360,476	2,647,574
O e ca ba a ce	6,400	12,648
	1,366,876	2,660,222
I c d g: ca ab ad	–	519

A a 31 Dece be 2017, e c ed ca a ba a d a d f e C a a ed 31,146,000 (31 Dece be 2016: 2,752,000).

A 31 Dece be 2017, e f ed de f e C a e F a ca C a , a b da f e G , a 1,000,000,000 (31 Dece be 2016: 942,000,000).

2. Dividends receivable

	31 December 2017	31 Dece be 2016
CIMC H g K g	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
M de L g c	29,146	29,146
SCIMCEL	19,263	19,263
Ta Ka gde L g c E e C ., L d	411	411
XHCIMC	396	
CIMC W d	–	874
QDSV	–	17,356
T a	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 (I c L e)	9,713,039	9,642,304
1 2 ea (I c L e)	684,266	1,530,022
2 3 ea (I 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 c 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, 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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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 2016		
	Ending balance	Provision for doubtful debts		E d g ba a ce	P f d b deb	
	Amount	Amount	% of total balance	A	A	% f a ba a ce
W 1 ea	34,153	–	–	54,449		
1 2 ea	687	–	–	6,120		
2 3 ea	–	–	–	3,268		
3 4 ea	–	–	–	660		
4 5 ea	660	–	–			
Q e 5 ea	4,580	4,580	100.00%	4,580	4,580	100.00%
T a	40,080	4,580	11.43%	69,077	4,580	6.63%

(7) The recovery of provision in current year

T e e e e ecea ab e a e ea ed f d b deb ad bee ded a a ge c ec ed e ed a a ge c e ea (2016: N).

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

T e e e a e a ecea ab e a a e e ff e ea (2016: N).

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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 ece ab e a a 31 Dece be 2016 a ed 7,609,722,000 a d acc g f 57.93% f e a e ece ab e .

(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 ece ab e .

(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 ece ab e 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 ece ab e d g ea (31 Dece be 2016: N).

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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 C a Ra a U ed L g c	8,125			8,125	5.00%	

For the year ended 31 December 2017
(Amounts in RMB'000 unless otherwise stated)
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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 Dece be 2016	115,451	24,240	124,075	263,766
T a fe f c c g e	33,294	3,604	18,105	55,003
Dec ea e c e ea	–	(88)	(10,191)	(10,279)
31 Dece be 2017	148,745	27,756	131,989	308,490
Accumulated depreciation				
31 Dece be 2016	(48,594)	(18,219)	(94,581)	(161,394)
De ec a ec g ed c e ea	(3,829)	(1,488)	(7,881)	(13,198)
Dec ea e c e ea	–	79	9,154	9,233
31 Dece be 2017	(52,423)	(19,628)	(93,308)	(165,359)
Net book value				
31 Dece be 2016	66,857	6,021	29,494	102,372
31 Dece be 2017	96,322	8,128	38,681	143,131

T e a f de ec a acc ed f f ed a e 2017 a c ded e ad a e e e a g 13,198,000 (2016: 12,772,000).

T e g a ce a fe ed f ed a e f c c - - g e a 55,003,000 (2016: 11,323,000).

7. Short-term borrowings

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

	31 December 2017	31 Dece be 2016

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

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:

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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 a e f g- b g a ged f 1.20% 4.45% (31 Dece be 2016: 1.20% 3.65%).

14. Debentures payable

I f a f e C a ' debe e a ab e ea e efe N e IV.39.

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)
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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 translation	687	–	–	687
Deemed contribution from equity-settled share-based payment	87	–	–	87
Equity-settled share-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 current year	Decrease current year	31 December 2016
Share premium	3,589,082	12,773		3,601,855
Other capital reserves:				
Exchange reserve from foreign currency translation	687			687
Deemed contribution from equity-settled share-based payment	87			87
Equity-settled share-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	
Ite a a be ec a fed t be e f a d :				
P e e a e e e	43,754	–	–	43,754

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

20. Financial expenses – net

	2017	2016
I e e e e	537,640	313,968
Le : I e e c e	(332,379)	(203,925)
E c a ge ga a d	469,649	(468,808)
O e	15,150	5,157
T a	690,060	(353,608)

21. Profit arising from changes in fair value

	2017	2016
F a ca ab e a fa a e g f f ed e e d		
C a ge fa a ed g e ea	2,747	10,895

22. Investment income

(1) Investment income by projects

	2017	2016
I c e f g- e e e de c e d	947,752	1,242,065
I c e ea edd g e d g e d fa a abe-f - ae f a ca a e	4,000	8,000
(L)/I c e f d a f g- e e e	(7)	7,225
O e e e c e	7,904	1,775
T a	959,649	1,259,065

23. Non-operating income

(1) Non-operating income by categories:

	2017	2016
G e e ga	–	33,047
O e	7,408	10
T a	7,408	33,057

For the year ended 31 December 2017
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XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

23. Non-operating income (Continued)

(2) Details of government grants

For the year ended 31 December 2017
(All amounts are expressed in RMB'000 unless otherwise stated)
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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
Net profit	79,106	1,827,623
Depreciation and amortization	13,198	12,772
Amortization of intangible assets	259	259
Amortization of long-term prepaid expenses	11,103	7,107
Loss/(Profit) on disposal of property, plant and equipment	647	(50)
Profit on change in fair value	(2,747)	(10,895)
Financial expenses	777,404	101,868
Investment income	(959,649)	(1,259,065)
(Increase)/Decrease in deferred tax assets	(20,860)	164,168
Increase in inventories	(140,627)	(478,098)
Decrease/(Increase) in operating receivables	1,771,143	(5,160,495)
Net cash flows (used in)/from operating activities	1,528,977	(4,794,806)

(b) Net change of cash and cash equivalents:

	2017	2016
Cash and cash equivalents at end of year	335,730	1,715,470
Less: cash and cash equivalents at beginning of year	1,715,470	652,865
Net (decrease)/increase in cash and cash equivalents	(1,379,740)	1,062,605

(2)

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SUPPLEMENTARY TO THE FINANCIAL STATEMENTS

1. STATEMENT OF NON-RECURRING PROFIT OR LOSS

	2017	2016
P f d a f -c e a e	15,635	264,552
G e e ga ec g ed f f ec e d	472,626	497,336
Ga f c a ge fa a ea gf d gf a ca a e a fa a e g f a d f a ca ab e a fa a e g f a d a e e ga a gf d a f f a ca a e a fa a e g f a f a ca ab e a fa a e g f a d a abe-f - ae f a ca a e ece f e effec e edg gac e ea ed eG ' d a ac e	125,295	399,704
I c ef d a f g-e e e	458,808	361,353
O e - e a g c ea de e e e a eab e e	335,255	139,625
O e ec gga a d e	143,549	(1,362,915)
Effec f c e a	(326,880)	(422,180)
Effec f e e (afe a)	(82,114)	150,765
T a	1,142,174	28,240

N e: Af e ad ec g f a e ed a bef e a .

Basis for preparation of statement of non-recurring profit or loss

U de e e E a a a ce e N.1 f a d c eb c a e ffe g ec e e bc ec g f [2008] f CSRC, ec g f e a e f a ac a d e a e d ec e e a d a ac e, a e e a d a ac e, b a e e a d a a d e ec ed ec fe e a d e a f ce e e ff a ca a e e a g ec c dec e f a ca e f a ce a d f ab fa e e e.

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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 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 :

Chapter XIV

According to the Law on the Protection of Minors in Criminal Cases, the Office of Supervision established by the CSRC, the Department of Enforcement and Investigation of the China Securities Regulatory Commission Shanghai Regulatory Bureau, the Department of Enforcement and Investigation of the China Securities Regulatory Commission Shenzhen Regulatory Bureau, and the Department of Enforcement and Investigation of the China Securities Regulatory Commission Beijing Regulatory Bureau have been established to perform the duties of the CSRC in relation to the protection of minors in criminal cases.

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 eacc gde a e (acc g ffce).
3. T e , g a f e a d , e , de e ea fAcc a F a d de e a d a d ea fCe fed P b cAcc a .
4. T e , g a c e f ed d e a d a ce e f eC a b ed e e a e a edb eCSRCd , g eRe , gPe d.
5. C e f ea C e e a dE g a ce e f eC a b ed e eb e fH gK g S c E c a gea d eC a d , g eRe , gPe d.
6. T eA ce fA ca .

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